

The Friends of Southwell Cathedral
Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31st December 2020

Brooks Mayfield Limited
Chartered Accountants
12 Bridgford Road
West Bridgford
Nottinghamshire
NG2 6AB

**Contents of the Financial Statements
for the Year Ended 31st December 2020**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes to the Financial Statements	7 to 12
Detailed Statement of Financial Activities	13 to 14

The Friends of Southwell Cathedral

Reference and Administrative Details for the Year Ended 31st December 2020

TRUSTEES

The Right Reverend Bishop Paul Williams - President
The Dean of Southwell The Very Reverend Nicola
Sullivan - Chairman
Mrs A J Salter - Honorary Secretary
Mr R S W Wilson - Honorary Treasurer
Mrs M Waddington - Membership Secretary
Mr C Leggatt
Mrs J Hodson - Appointed by Diocesan Mothers' Union
Canon L Rose - Appointed by College of Canons
Mrs P D C Allen
Mr T S Richmond
Mrs J P Loughton
Mr R Pearson
Mr M J Stacey
Mrs J Richardson
Mrs P Rouse - Events Secretary (appointed 1/10/20)

PRINCIPAL ADDRESS

The Minster Office
Church Street
Southwell
Nottinghamshire
NG25 0HD

REGISTERED CHARITY NUMBER

1039131

INDEPENDENT EXAMINER

Brooks Mayfield Limited
Chartered Accountants
12 Bridgford Road
West Bridgford
Nottinghamshire
NG2 6AB

BANKERS

National Westminster plc
Newark (A) Branch
1 Market Place
Newark
NG24 1DY

The Friends of Southwell Cathedral

Report of the Trustees for the Year Ended 31st December 2020

The Council of the Friends of Southwell Cathedral is pleased to present its report for the year ended 31st December 2020. The trustees who served during the year and up to the date of this report are set on page 1.

OBJECTIVES AND ACTIVITIES

The Friends of Southwell Cathedral exist to bind together all those who love the Cathedral Church and who desire to help in preserving for posterity the fabric of this ancient and historic building, in maintaining public worship therein and in enhancing its adornment.

The Council has kept in mind the Charity Commissioners' guidance on public benefit. The focus of The Friends' activities remains the fulfilment of the objectives of the charity for the benefit of the Cathedral, which welcomes everyone without restriction. Membership of The Friends is open to all, subject to a subscription, the amount of which is at the discretion of the member.

ACHIEVEMENT AND PERFORMANCE

Unfortunately, along with many other member-based organisations, all activities in 2020 had to be cancelled due to the coronavirus pandemic, including our 73rd Annual General Meeting in June and visits to Lichfield Cathedral in May and to Deene Park in September. Our autumn reception and talk by Charlie Leggatt, on the artist Tom Tomson, had to be postponed and is rescheduled now for November 2021.

We maintained our commitment to the 'Leaves of Southwell' project and several members of Council, accompanied by Dr Philip Dixon, cathedral archaeologist, were pleased to join a group inspecting the progress of work in the Chapter House. Additionally, we continued our support for the Needlework Guild and Flower Guild, along with other annual commitments.

Our twice-yearly magazine, Pepperpots, edited by Charlie Leggatt and issued to all members of the Friends makes very interesting reading. In 2020 we welcomed 12 new Friends.

Once again, our thanks are due to everyone at Brooks Mayfield, our accountants and Independent Examiner, our investment advisers, Brewin Dolphin, the Minster staff and to all our members for their continuing support.

FINANCIAL REVIEW

Dividend income this year fell by 33% to £12,250 from £18,224 last year because of the coronavirus effect on our investments cutting back on dividend payments.

Members subscriptions were not expected to be affected, but still we experienced a decrease from the 2019 figure of £9,547 to £9,063 this year. This fall continues the trend seen over recent years. We must address the reasons. There is certainly the need to increase the in-house publicity given to The Friends. Other sources of income were from a CCLA investment held for many years and this year giving £576, and there were donations and legacies of £3,807 from generous benefactors. Income tax recovered on gift-aided subscriptions and donations, along with some interest from HMRC of £5, amounted to £2,642. This is a valuable source of income and all members, who are UK taxpayers and have paid enough UK tax to cover the gift-aided tax on all their donations made are encouraged to be in the scheme. Every £10 donation and subscription gift-aided adds another £2.50 to the Friends funds.

Total expenditure of £81,990 exceeded income of £28,551 by £53,439. The net gains and losses from revaluation of the investments held at 31st December 2020 plus the net gains and losses of investments sold during the year produced an addition to funds of £8,534. Capital funds brought forward from the previous year of £687,443 therefore fell to £642,538 as at 31st December 2020.

The Friends of Southwell Cathedral

Report of the Trustees for the Year Ended 31st December 2020

FINANCIAL REVIEW

Our capital at this date comprises for the most part a diversified portfolio of investments valued at £606,110, whose purchase is governed by the ethical standards of The Church of England. Funding for Minster project contribution derives from the income generated from that portfolio together with subscriptions, donations and legacies received supplying an interest earning bank deposit and a current account which provide the reservoir of money to cover affordable and agreed demands from Chapter. It is indeed the case that our reserves have been reduced considerably below levels forecast earlier and during 2020, but at this point, in January 2021, we estimate that our resources will be sufficient to meet commitments in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The governing document is the Constitution and Rules of 18 June 1977 as amended on 4 June 1994, 15 June 1996, 13 June 1998 and further amended on 9 June 2001.

The Council meet three times every year to agree the broad strategy and areas of activity including consideration of grant making to the Southwell Cathedral Chapter, financial review and reserves, investment, risk management, publicity and performance. The day to day administration is delegated to the principal officers in particular the Secretary, Treasurer, Membership Secretary, "Pepperpots" editor and Events Secretary. All Council members including the principal officers give their time voluntarily and receive no benefits. Trustee reimbursed expenses were £3.96 and are recorded in note 7 to the accounts.

There has been one change to the Council during the year under review. We were pleased to welcome Mrs Pauline Rouse as Events Secretary.

Approved by order of the board of trustees on 25th February 2021 and signed on its behalf by:

The Dean of Southwell The Very Reverend Nicola Sullivan – Chairman

Mr R S W Wilson - Trustee

Independent Examiner's Report to the Trustees of The Friends of Southwell Cathedral

Independent examiner's report to the trustees of The Friends of Southwell Cathedral

I report to the charity trustees on my examination of the accounts of The Friends of Southwell Cathedral (the Trust) for the year ended 31st December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

William Oates BA FCA
Brooks Mayfield Limited
Chartered Accountants
12 Bridgford Road
West Bridgford
Nottinghamshire
NG2 6AB

25th February 2021

The Friends of Southwell Cathedral

Statement of Financial Activities for the Year Ended 31st December 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	15,512	27,458
Charitable activities	4		
Charlies Talks		-	1,247
Investment income	3	13,039	19,329
Total		28,551	48,034
EXPENDITURE ON			
Raising funds		3,262	3,554
Charitable activities	5		
Leaves Project		60,000	30,000
Charlies Talks		-	51
Needlework Guild		720	3,052
Audio Maintenance		-	550
Restore and Repair Sculptures		-	500
Minster Flowers Guild		2,110	2,110
Vergers and Gardeners Workwear		-	169
New Robes		10,000	-
Speech Reinforcement System maintenance		45	-
Other		5,853	7,001
Total		81,990	46,987
Net gains on investments		8,534	62,220
NET INCOME/(EXPENDITURE)		(44,905)	63,267
RECONCILIATION OF FUNDS			
Total funds brought forward		687,443	624,176
TOTAL FUNDS CARRIED FORWARD		642,538	687,443

The notes form part of these financial statements

The Friends of Southwell Cathedral

Balance Sheet 31st December 2020

	Notes	2020 Total funds £	2019 Total funds £
FIXED ASSETS			
Tangible assets	8	1	1
Investments	9	<u>606,110</u>	<u>603,664</u>
		606,111	603,665
CURRENT ASSETS			
Debtors	10	1,763	1,041
Cash at bank		<u>38,733</u>	<u>86,812</u>
		40,496	87,853
CREDITORS			
Amounts falling due within one year	11	<u>(4,069)</u>	<u>(4,075)</u>
NET CURRENT ASSETS		<u>36,427</u>	<u>83,778</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>642,538</u>	<u>687,443</u>
NET ASSETS		<u><u>642,538</u></u>	<u><u>687,443</u></u>
FUNDS	12		
Unrestricted funds		<u>642,538</u>	<u>687,443</u>
TOTAL FUNDS		<u><u>642,538</u></u>	<u><u>687,443</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th February 2021 and were signed on its behalf by:

The Dean of Southwell The Very Reverend Nicola Sullivan - Chairman

Mr R S W Wilson - Trustee

**Notes to the Financial Statements
for the Year Ended 31st December 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be qualified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Income from investments is included in the year in which it is receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

The Friends of Southwell Cathedral

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

1. ACCOUNTING POLICIES - continued

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations and legacies	3,807	15,076
Income tax recoverable	2,642	2,835
Subscriptions - Gift Aided	9,063	9,547
	<u>15,512</u>	<u>27,458</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Income from UK listed investments	12,250	18,224
Bank interest - Central Board of Finance	203	530
Bank interest - Central Board of Finance Unit Trust	576	559
Bank interest - Brewin Dolphin	10	16
	<u>13,039</u>	<u>19,329</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Other income from charitable activities	Charlies Talks	-	1,247

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)
	£
Leaves Project	60,000
Needlework Guild	720
Minster Flowers Guild	2,110
New Robes	10,000
Speech Reinforcement System maintenance	45
	<u>72,875</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Minster Flower Guild	2,110	2,110
Needlework Guild	720	3,052
Leaves Project	60,000	30,000
Audio Maintenance	-	550
Vergers and Gardeners Workwear	-	169
Charlies Talks	-	51
Sculpture repair	-	500
Robes cost	10,000	-
Speech Reinforcement System maintenance	45	-
	<u>72,875</u>	<u>36,432</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

During the year Trustees were reimbursed a total of £4 (2019 - £139) for expenses they had personally incurred.

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2020 and 31st December 2020	<u>1,000</u>
DEPRECIATION	
At 1st January 2020 and 31st December 2020	<u>999</u>
NET BOOK VALUE	
At 31st December 2020	<u>1</u>
At 31st December 2019	<u>1</u>

The Friends of Southwell Cathedral

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

9. FIXED ASSET INVESTMENTS

	Listed investments - Valuation £
MARKET VALUE	
At 1st January 2020	603,664
Additions	90,988
Disposals	(97,076)
Revaluations	<u>8,534</u>
At 31st December 2020	<u>606,110</u>
NET BOOK VALUE	
At 31st December 2020	<u>606,110</u>
At 31st December 2019	<u>603,664</u>

There were no investment assets outside the UK.

Fixed asset investments are actively managed by Brewin Dolphin Limited. The portfolio of investments is spread across 43 different holdings. Based on the total market value at 31 December 2020 no one holding represents more than 5% of the total portfolio.

Gains/(losses) on investment assets

	£
Realised (loss) during the year	(7,152)
Unrealised gain during the year	<u>15,686</u>
	<u>8,534</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Other fixed asset investment debtors	399	1,041
Prepayments	<u>1,364</u>	<u>-</u>
	<u>1,763</u>	<u>1,041</u>

The Friends of Southwell Cathedral

Notes to the Financial Statements - continued for the Year Ended 31st December 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Deferred income	100	60
Accruals	<u>3,969</u>	<u>4,015</u>
	<u>4,069</u>	<u>4,075</u>
Accruals:	2020	2019
	£	£
Independent examiner's fees	1,296	1,260
Telephone	445	533
Investment management charge	895	891
Printing, postage & stationery	783	730
Staffing	-	51
Audio maintenance	<u>550</u>	<u>550</u>
	<u>3,969</u>	<u>4,015</u>

12. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	687,443	(44,905)	642,538
TOTAL FUNDS	<u>687,443</u>	<u>(44,905)</u>	<u>642,538</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	28,551	(81,990)	8,534	(44,905)
TOTAL FUNDS	<u>28,551</u>	<u>(81,990)</u>	<u>8,534</u>	<u>(44,905)</u>

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	624,176	63,267	687,443
TOTAL FUNDS	<u>624,176</u>	<u>63,267</u>	<u>687,443</u>

Notes to the Financial Statements - continued
for the Year Ended 31st December 2020

12. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	48,034	(46,987)	62,220	63,267
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>48,034</u>	<u>(46,987)</u>	<u>62,220</u>	<u>63,267</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2020.

The Friends of Southwell Cathedral

Detailed Statement of Financial Activities for the Year Ended 31st December 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and legacies	3,807	15,076
Income tax recoverable	2,642	2,835
Subscriptions - Gift Aided	<u>9,063</u>	<u>9,547</u>
	15,512	27,458
Investment income		
Income from UK listed investments	12,250	18,224
Bank interest - Central Board of Finance	203	530
Bank interest - Central Board of Finance Unit Trust	576	559
Bank interest - Brewin Dolphin	<u>10</u>	<u>16</u>
	13,039	19,329
Charitable activities		
Other income from charitable activities	<u>-</u>	<u>1,247</u>
Total incoming resources	28,551	48,034
EXPENDITURE		
Raising donations and legacies		
Investment management fees	3,262	3,554
Charitable activities		
Minster Flower Guild	2,110	2,110
Needlework Guild	720	3,052
Leaves Project	60,000	30,000
Audio Maintenance	-	550
Vergers and Gardeners Workwear	-	169
Charlies Talks	-	51
Sculpture repair	-	500
Robes cost	10,000	-
Speech Reinforcement System maintenance	<u>45</u>	<u>-</u>
	72,875	36,432
Support costs		
Management		
Telephone	445	533
Printing, post and stationery	787	107
Annual general meeting expense	<u>-</u>	<u>327</u>
	1,232	967
Finance		
Independent examiners fees	1,236	1,260

This page does not form part of the statutory financial statements

The Friends of Southwell Cathedral

Detailed Statement of Financial Activities for the Year Ended 31st December 2020

	2020 £	2019 £
Finance		
Governance costs		
Pepperpots newsletter	<u>3,385</u>	<u>4,774</u>
Total resources expended	<u>81,990</u>	<u>46,987</u>
Net (expenditure)/income before gains and losses	(53,439)	1,047
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>8,534</u>	<u>62,220</u>
Net (expenditure)/income	<u>(44,905)</u>	<u>63,267</u>

This page does not form part of the statutory financial statements