

**THE BRENTWOOD DIOCESAN CATHEDRAL
AND CHORAL TRUST FUND
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
30 SEPTEMBER 2020**

CHARITY REGISTRATION NUMBER: 1056374

THE BRENTWOOD DIOCESAN CATHEDRAL AND CHORAL TRUST FUND

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LEGAL AND ADMINISTRATIVE DETAILS

Charity Registration No: 1056374

Address: Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Governing Instrument: The trust is established by a Trust Deed dated 31 May 1996

Investment Powers: There are no restrictions on the powers of investments.

Trustees: Alan Williams, Bishop of Brentwood
Gerald Vincent Bodenham Thompson, DL
Philip John Tolhurst - Chair
Simon Andrew Dalton Hall, MBE, DL
Rt. Rev Mgr David Manson
Marianne O'Sullivan
Christopher Hunter Gordon
Rt Rev Martin Boland

Solicitors: Tolhurst Fisher
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Bankers: HSBC
91 High Street
Brentwood
Essex
CM14 4RU

Independent Examiner David Sewell
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The trustees have pleasure in presenting their report for the year ended 30 September 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The trust was established by a Trust Deed dated 31 May 1996.

Trustees and Management Structure

The trustees who served during the year and since the year end are listed on page 1. Where additional trustees are required, the Charity encourages existing trustees to put forward names, advertises the position and discusses with similar organisations whether they are aware of suitable candidates. Prospective trustees are provided with full information on the charity's constitution, objects and finances.

OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS

Objectives

1. The advancement of education in establishing and maintaining scholarships and bursaries for lay clerks and choristers and organists of the choir of Brentwood Cathedral in order to promote the excellence of choral music in Brentwood Cathedral.
2. The advancement of religion through the maintenance and management of the fabric of the Brentwood Cathedral Building.

Capital and income may be applied towards the objects at the discretion of the Trustees, subject to the requirement that at least 50% of unrestricted income be applied to the choral fund.

Activities, Achievements and Future Plans

The trustees have continued their policy of trying to accumulate funds to meet future costs. The Cathedral is a relatively new building and while maintenance costs for the structure are currently modest these, together with general maintenance costs are both likely to increase in the future. It is intended that the building should be maintained to a high standard so that it can benefit future generations. The insurance value of approximately £7.5m gives an indication of the scale of maintenance costs that will accrue in the future.

Investment Performance

During the year the investment portfolio decreased in value by 6% and generated £50,953 of income for the Trust.

FINANCIAL REVIEW

The total income of the charity decreased from £67,545 in 2019 to £53,472 in 2020 due to falling investment income. Expenditure decreased from £69,346 to £52,772 mainly due to higher payments to lay clerks and Cathedral repair costs in 2019.

Investment Powers and Policy

There are no restrictions on the powers of investments. The policy of the Charity is to invest into a mixed portfolio of stocks and shares through the management of Investec. The Charity's policy is also to look for socially responsible investments consistent with a Catholic Foundation.

TRUSTEES REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2018

Reserves Policy

At 30 September 2020, the unrestricted reserves of the Charity were £1,035,036. As stated above, the trustees' policy is to accumulate funds to meet the future maintenance costs of the Cathedral, which are expected to increase in the future. The trustees aim to continue building up the free reserves over the next few years so as to continue to provide the support necessary for the Charity to fulfil its objectives.

Covid 19

The accounts are approved during a period where there is much uncertainty as a result of the emergence and international spread of a coronavirus (COVID-19). The Charity's response has been to implement its contingency planning arrangements for such circumstances. The ultimate impact of COVID-19 on the UK, the world, the economy and our communities is yet to be seen. However, through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken, trustees consider it appropriate for the going concern basis to be adopted for these accounts.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The Choir which is supported by the Trust, is open to all members of the Diocese, and also recruits lay clerks from the community generally. In addition to participating in church services, the choir also provides free concerts for the public. The Cathedral Church, which the trust helps to maintain, is not only the mother church of the Brentwood Diocese and a centre of worship but also a centre for charitable activities within the community of Essex and is open to all members of the public.

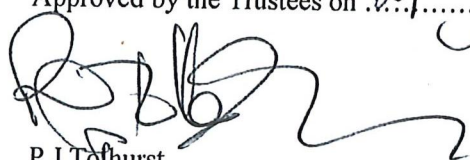
STATEMENT OF TRUSTEES' RESPONSIBILITIES

The purpose of this statement is to distinguish the trustees' responsibilities for the accounts from those of the auditors as stated in their report. The Charities Act 2011 requires the trustees to prepare for each financial year financial statements which give a true and fair view of the charity's financial activities during the year and of its financial position at the year end. In preparing the financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The trustees are responsible for ensuring proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Trust Deed and the disclosure regulations. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

Approved by the Trustees on 29th January 2021 and signed as authorised on their behalf by:


P J Tothurst
Trustee

THE BRENTWOOD DIOCESAN CATHEDRAL AND CHORAL TRUST FUND

I report on the accounts of the Trust for the year ended 30 September 2020 which are set out on pages 5 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the charity's Trustees you are responsible for the preparation of the accounts; you consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with S130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



10 Queen Street Place
London
EC4R 1AG

David Sewell
Haysmacintyre LLP
Chartered Accountants

Date: 5 February 2021

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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	Permanent Endowment Fund £	Restricted Funds £	Unrestricted Funds £	2020 Total £	2019 Total £
INCOME FROM:						
Investment income	4	-	5,309	45,644	50,953	67,545
Legacies and donations received		-	-	2,519	2,519	-
Total income		-	5,309	48,163	53,472	67,545
EXPENDITURE ON:						
Cost of raising funds						
Investment management fees		1,647	6,308	7,793	15,748	16,116
Charitable Activities:						
Choral expenses: lay clerks and choir		-	-	27,977	27,977	29,707
Music grants		-	-	-	-	4,400
Cathedral and organ repairs		-	-	-	-	10,122
Depreciation of grand piano		-	-	1,000	1,000	1,000
Support costs	5	-	-	8,047	8,047	8,001
Total expenditure		1,647	6,308	44,817	52,772	69,346
		(1,647)	(999)	3,346	700	(1,801)
(Losses)/gains on investments		(12,259)	(43,941)	(53,502)	(109,702)	30,440
Net income		(13,906)	(44,940)	(50,156)	(109,002)	28,639
Reconciliation of funds:						
Accumulated funds brought forward		205,422	800,012	1,085,192	2,090,626	2,061,987
Accumulated funds carried forward	6, 7&8	£191,516	£755,072	1,035,036	1,981,624	£2,090,626

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities. The comparative year's statement of financial activities is included in note 11.

BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	£	2020	£	£	2019	£
TANGIBLE FIXED ASSETS	1			23,000			24,000
INVESTMENTS	2			1,838,338			1,963,788
CURRENT ASSETS							
Debtors – accrued income & prepayments			9,260			15,926	
Cash - COIF Deposit			50,000			50,000	
- Cash at bank			63,826			51,046	
			<u>123,086</u>			<u>116,972</u>	
CURRENT LIABILITIES							
Creditor: Accrued expenses falling due within one year			(2,800)			(14,134)	
Net Current Assets				120,286			102,838
Total Assets				<u>£1,981,624</u>			<u>£2,090,626</u>
FUNDS							
Unrestricted Funds	6						
Trust Fund Received				859,612			913,115
Choral Fund				42,809			36,811
Cathedral Fund				46,104			41,106
				<u>948,525</u>			<u>991,032</u>
Designated Funds				86,511			94,160
				<u>1,035,036</u>			<u>1,085,192</u>
Restricted Funds	7			755,072			800,012
Permanent Endowment Fund	8			191,516			205,422
				<u>£1,981,624</u>			<u>£2,090,626</u>

Approved by the Trustees 29th January 2021 and signed on their behalf by



P J Tolhurst
Trustee

ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

The financial statements have been prepared in accordance with FRS102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019). The financial statements comply with all statutory requirements and the requirements of the charity's governing document. The particular accounting policies adopted are described below. The financial statements are prepared under the historical cost convention, as modified to include fixed asset investments at market value. Figures are presented in sterling and rounded to the nearest pound.

The Charity is a Public Benefit Entity as defined by FRS102.

Going concern

The Trustees consider that there are no material uncertainties which would cast doubt on the Charity's ability to continue as a going concern. The Trust continues to receive substantial income from its investments and tailors its expenditure to reflect what it has received and the advice on future income.

General information

The Charity is a charity registered in England and Wales (charity number: 1056374).

Income

Legacies and donations are recognised when receivable or when the Charity becomes legally entitled to them and they can reasonably be measured in financial terms. Investment income is accounted for as it accrues.

The trust deed provides that at least 50% of unrestricted income shall be applied to the choral fund and this allocation is shown in note 5 to the accounts.

Expenditure

Charitable activities consists of all expenditure directly relating to the objects of the Charity.

Governance costs include expenditure on management and compliance with constitutional and statutory requirements.

The grants for Cathedral and Choral expenses are made to the Roman Catholic Diocese of Brentwood, Registered Charity No 234092.

Irrecoverable VAT is included with the category of expense to which it relates.

Fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation is charged so as to allocate the cost of the asset less residual value over their estimated useful life.

Depreciation is provided on the grand piano on a straight line basis over 16 years. The residual value of the grand piano is estimated at £10,000.

Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

Investments

Investments held for the long-term to generate income or capital growth are carried at fair value as fixed assets. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

Restricted Funds

These funds are subject to restrictions imposed by the donor.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. TANGIBLE FIXED ASSETS

	Grand Piano £
Cost:	
Opening and closing cost	26,000
Depreciation:	
At 1 October 2019	
Charge in year	2,000
	1,000
At 30 September 2020	3,000
Net book value:	
30 September 2020	£23,000
30 September 2019	£24,000

2. INVESTMENTS

	2020 £	2019 £
Opening market value		
Additions	1,963,788	1,949,464
Disposals	-	-
Gains	(15,748)	(16,116)
	(109,702)	30,440
Closing market value	£1,838,338	£1,963,788

3. LOAN IN RESPECT OF CATHEDRAL CHOIR SCHOOL

This loan to the diocese which is free of interest is repayable on a change of use of the Choir School (whether it is sold or not), and the repayment is inflation linked. The likelihood of a change of use of the Choir School is considered to be remote, therefore the loan has a fair value of £Nil. If the loan had become repayable at 30 September 2020, it would have had a value of £282,783.

4. INCOME FROM INVESTMENTS

	2020 £	2019 £
Dividend income		
Bank and deposit interest	50,953	67,545
	-	-
	£50,953	£67,545

5. SUPPORT COSTS

	2020 £	2019 £
Support costs include:		
Independent Examination fee	£2,070	£2,040
Accounting fees	£5,856	£5,856

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

6. UNRESTRICTED FUNDS

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Gains/ Transfers £	Closing Balance £
General Funds	991,032	27,835	(16,840)	(53,502)	948,525
Designated Funds:					
Bursary Fund	94,160	20,328	(27,977)	-	86,511
	<u>£1,085,192</u>	<u>£48,163</u>	<u>£(44,817)</u>	<u>£(53,502)</u>	<u>£1,035,036</u>

Unrestricted funds for the comparative year:

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Gains/ Transfers £	Closing Balance £
General Funds	969,466	33,577	(27,097)	15,086	991,032
Designated Funds:					
Bursary Fund	101,334	26,933	(34,107)	-	94,160
	<u>£1,070,800</u>	<u>£60,510</u>	<u>£(61,204)</u>	<u>£15,086</u>	<u>£1,085,192</u>

GENERAL FUNDS

The fund balances at the end of the year is derived from:

	Trust Fund £	Choral Fund £	Cathedral Fund £	Total £
Income	-	13,918	13,917	27,835
Expenditure	-	(7,920)	(8,920)	(16,840)
Gains on investments	(53,502)	-	-	(53,502)
Net movement of funds	(53,502)	5,998	4,997	(42,507)
Initial amount received on foundation of the charity	500,000	-	-	500,000
Balances brought forward	413,115	36,811	41,106	491,032
Year end fund balance	<u>£859,613</u>	<u>£42,809</u>	<u>£46,103</u>	<u>£948,525</u>

General funds for the comparative year:

Income	-	16,789	16,788	33,577
Expenditure	-	(7,988)	(19,109)	(27,097)
Gains on investments	15,086	-	-	15,086
Net movement of funds	15,086	8,801	(2,321)	21,566
Initial amount received on foundation of the charity	500,000	-	-	500,000
Balances brought forward	398,029	28,010	43,427	469,466
Year end fund balance	<u>£913,115</u>	<u>£36,811</u>	<u>£41,106</u>	<u>£991,032</u>

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. RESTRICTED FUNDS

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Gains/ Transfers £	Closing Balance £
Elizabeth Atkins	118,798	-	(953)	(6,636)	111,209
Hermione Lang	287,587	-	(2,306)	(16,065)	269,216
Olga Rippon	44,549	-	(357)	(2,489)	41,703
Harold Hood	143,519	-	(1,151)	(8,017)	134,351
Mgr.Christopher Creede	44,549	-	(357)	(2,489)	41,703
Ames Legacy Income	13,421	5,309	-	-	18,730
Bishop of Brentwood	29,700	-	(238)	(1,659)	27,803
Friends of Cathedral Music	22,274	-	(179)	(1,244)	20,851
Doris Blooman Nott Bursary	7,424	-	(60)	(415)	6,949
Miss Eileen Keary	74,249	-	(595)	(4,148)	69,506
Mgr David Donnelly	13,942	-	(112)	(779)	13,051
	<u>£800,012</u>	<u>£5,309</u>	<u>£(6,308)</u>	<u>£(43,941)</u>	<u>£755,072</u>

Restricted funds for the comparative year:

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Gains/ Transfers £	Closing Balance £
Elizabeth Atkins	117,932	-	(975)	1,841	118,798
Hermione Lang	285,489	-	(2,360)	4,458	287,587
Olga Rippon	44,224	-	(366)	691	44,549
Harold Hood	142,472	-	(1,178)	2,225	143,519
Mgr.Christopher Creede	44,224	-	(366)	691	44,549
Ames Legacy Income	6,386	7,035	-	-	13,421
Bishop of Brentwood	29,484	-	(244)	460	29,700
Friends of Cathedral Music	22,112	-	(183)	345	22,274
Doris Blooman Nott Bursary	7,370	-	(61)	115	7,424
Miss Eileen Keary	73,707	-	(609)	1,151	74,249
Mgr David Donnelly	13,840	-	(114)	216	13,942
	<u>£787,240</u>	<u>£7,035</u>	<u>£(6,456)</u>	<u>£12,193</u>	<u>£800,012</u>

The income earned from the Ames Legacy Income fund is to be used towards the structural maintenance of the Cathedral.

The Friends of Cathedral Music and Harold Hood funds are for the support of the choir and the other funds are to provide bursaries for members of the choir including lay clerks.

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. PERMANENT ENDOWMENT FUND

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Investment Gains/(Losses) £	Closing Balance £
Ames Legacy Capital	<u>£205,422</u>	<u>£-</u>	<u>£(1,647)</u>	<u>£(12,259)</u>	<u>£191,516</u>

Permanent endowment fund for the comparative year:

	Opening Balance £	Incoming Resources £	Outgoing Resources £	Investment Gains/(Losses) £	Closing Balance £
Ames Legacy Capital	<u>£203,947</u>	<u>£-</u>	<u>£(1,686)</u>	<u>£3,161</u>	<u>£205,422</u>

The income earned from the Ames Legacy fund is to be used towards the structural maintenance of the Cathedral. The capital of the fund is to be maintained.

9. ALLOCATION OF NET ASSETS

	Endowment Funds £	Restricted Fund £	General Fund £	Designated Fund £	Total £
Fixed assets	-	-	23,000	-	23,000
Investments	191,516	755,072	891,750	-	1,838,338
Net Current Assets	-	-	33,775	86,511	120,286
	<u>£191,516</u>	<u>£755,072</u>	<u>£948,525</u>	<u>£86,511</u>	<u>£1,981,624</u>

Allocation of net assets for comparative year:

Fixed assets	-	-	24,000	-	24,000
Investments	205,422	800,012	958,354	-	1,963,788
Net Current Assets	-	-	8,678	94,160	102,838
	<u>£205,422</u>	<u>£800,012</u>	<u>£991,032</u>	<u>£94,160</u>	<u>£2,090,626</u>

10. TRUSTEES

The Trustees receive no remuneration or re-imbursement of expenses.

One trustee is a partner with a firm of solicitors. The firm charged the charity £5,856 (2017: £3,264) for accountancy services during the year and £Nil (2019: £Nil) of this was owed by the charity at the year end.

NOTES TO THE ACCOUNTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2019

	Permanent Endowment Fund £	Restricted Fund £	Unrestricted General £	2019 Total £
INCOME FROM:				
Investment income	-	7,035	60,510	67,545
Legacies and donations received	-	-	-	-
Total incoming resources	-	7,035	60,510	67,545
EXPENDITURE ON:				
Cost of raising funds				
Investment management fees	1,686	6,456	7,974	16,116
Charitable Activities:				
Choral expenses: lay clerks and choir	-	-	29,707	29,707
Music grants	-	-	4,400	4,400
Cathedral and organ repairs	-	-	10,122	10,122
Depreciation of grand piano	-	-	1,000	1,000
Support costs	-	-	8,001	8,001
Total expenditure	1,686	6,456	61,204	69,346
	(1,686)	579	(694)	(1,801)
Gains on investments	3,161	12,193	15,086	30,440
Net income	1,475	12,772	14,392	28,639
Reconciliation of funds:				
Accumulated funds brought forward	203,947	787,240	1,070,800	2,061,987
Accumulated funds carried forward	£205,422	£800,012	£1,085,192	£2,090,626