

BRECON CATHEDRAL CHOIR TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2021

BRECON CATHEDRAL CHOIR TRUST

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BRECON CATHEDRAL CHOIR TRUST

YEAR ENDED 31 DECEMBER 2021

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

The Very Rev Dr P Shackerley
Mr G Davies
Mrs G Jones-Powell
Mr J M Greatorex
Mr M Parry
Mrs R Lloyd
Mr H M Smith FCA
Rev Canon D Roberts

Address of the Trustees

Diocesan Centre
Cathedral Close
Brecon
Powys
LD3 9DP

Registered Charity Number

1093670

Independent Examiners

W J James & Co
Bishop House
10 Wheat Street
Brecon
Powys
LD3 7DG

Bankers

Lloyds Bank
38 High Street
Brecon
Powys
LD3 7AR

BRECON CATHEDRAL CHOIR TRUST

REPORT OF THE TRUSTEES for the year ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is governed by a Declaration of Trust dated 20 March 2002. It is registered as a charity with the Charity Commission.

The Charity operates from the cathedral church of St John the Evangelist, Brecon, in the Diocese of Swansea and Brecon.

Organisation

The Trustees who have served during the year and since the year-end are set out on page 1.

Objectives and activities

The objects of the charity are to offer all choristers, from the time of their admission as full choristers until the end of their full-time statutory education, tuition on a musical instrument or singing lessons in addition to their choral training in the cathedral choir.

The Charity specifically intends to contribute towards a full-time Director of Music and a part-time assistant employed by the Dean and Chapter of Brecon Cathedral.

In order to be able to achieve these objectives, the Charity intends to maintain its investments at over £1.2 million-plus achieving returns from income and capital appreciation to compensate for increasing costs.

Achievements and performance

Once again, the 2021 financial year has been dominated by the effects of the Covid 19 pandemic. The Cathedral Choir has lost a number of choristers and many of the normal activities of the choir such as the bi-annual tour which the Trust supports have not occurred. Some chorister tuition has been done via the use of technology such as zoom and the internet. The Trust has continued its support of the Musical staff at the Cathedral and has contributed £6,000 to the cost of a replacement grand piano. Additional support for the Cathedral's musical staff has been contributed to the Dean and Chapter from the government Corona Virus Job Support Scheme and from Cathedral Music Trust.

As expected, income from investments has fallen whilst expenditure has fallen to £40,600 giving a deficit before investment gains of £5,451.

As agreed with our investment advisors the Trust continues to receive a fixed monthly sum of £3,500 comprising dividends and capital. The capital contribution in the year is £6,852.

Investments and cash held by our investment advisors, Brewin Dolphin, has grown from £1.33 million to £1.49 million indicating the initial success in Brewin Dolphin re organising the Trust's portfolio to target increases in capital values to replace some dividend income.

The Trust has net assets in excess of £1.5 million including free cash of £54,991 and is expecting to operate on an income deficit in the medium term. Exceptional expenditure may be needed in the short term to assist the choir to return to its pre covid operating levels leaving the Trust's planned free cash to stabilise at the level of £25,000.

BRECON CATHEDRAL CHOIR TRUST

REPORT OF THE TRUSTEES (CONTINUED) for the year ended 31 December 2021

Report of the Chair

The earlier part of 2021 saw little activity in the music department due to Covid restrictions. The Director of Music and Assistant Organist were on furlough leave until 1 September 2021. However, music theory classes for choristers continued throughout. Seven choristers left the choir in July 2021, leaving a yet more urgent need for a recruitment drive in the schools. Recruitment has been hindered due to the restrictions of schools preventing visits. To this end, the music staff have worked together to create a professional film produced by Lodge Production about the choir and Cathedral, which has involved the remaining choristers, who have proved to be excellent ambassadors in taking forward a new recruitment package for local schools.

The successful Junior Choir, established by the Assistant Organist reformed in September once the staff were taken off furlough. The Junior Choir has performed at the Christmas Concert, two Crib Services on Christmas Eve, and featured in a concert with the Prince of Wales military band in the Cathedral. It is hoped to have further collaborative working with the military band and the Cathedral music department in the future.

The Dean and Chapter were successful in receiving several Covid grants, including from the Friends of Cathedral Music (FCM) to support choirs and music in Cathedrals, which have helped to sustain and move forward with reintroducing the choral and musical tradition of Brecon Cathedral after a very challenging two years. As outlined in the Annual Report, the Trust contributed to a much-needed new piano, positioned in the song room, replacing a very old piano that was not fit for purpose and couldn't hold its tuning ability.

Finally, I would like to thank the team at Brecon Cathedral, both employees and volunteers, the Choir Trustees and Treasurer, for their support and commitment in another difficult and challenging year. They have shown considerable resilience. We now look with renewed hope to rebuilding the choirs and music department in 2022.

Funding policy

The Trustees anticipate that the Charity is now funded sufficiently to enable it to carry out its long-term objectives, at least for the time being, and does not intend to be engaging in further core fundraising in the near future.

Investment and reserves policy

Two Trustees sit on the Diocesan Investment Committee which meets with the Charity's brokers, Brewin Dolphin, and seeks to balance income with outgoings. A cash balance of between £10,000 and £30,000 is maintained by the Trustees for running expenses and a buffer for capital.

Plans for future periods

The trustees intend to carry out the Charity's stated objectives within an annual revenue budget of £50,000.

Risk Management

The Trustees consider their investment portfolio and anticipated returns to be their largest risk. They recognise the fact that financial assets are volatile and that their value can go down as well as up, and they want to avoid any degradation of capital and income relating to their investments. They manage this risk by adopting a policy of investing in a portfolio with a diverse range of ethical investments.

BRECON CATHEDRAL CHOIR TRUST

REPORT OF THE TRUSTEES (CONTINUED) for the year ended 31 December 2021

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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 Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on 6 April 2022 on their behalf by :

A handwritten signature in blue ink, appearing to read 'P. Shackerley', with a stylized flourish at the end.

The Very Rev Dr Paul Shackerley
Chair

BRECON CATHEDRAL CHOIR TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BRECON CATHEDRAL CHOIR TRUST

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 6 to 11.

Responsibilities and basis of report

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

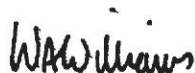
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 charity 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.



W A Williams BSc, FCA
W J James & Co
Chartered Accountants
Bishop House
10 Wheat Street
Brecon
Powys

6 April 2022

BRECON CATHEDRAL CHOIR TRUST

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	Notes	Unrestricted funds £	Total 2021 £	Total 2020 £
INCOME AND ENDOWMENTS				
Donations, legacies and similar income	2	2,485	2,485	3,850
Investment income	3	32,664	32,664	36,010
TOTAL INCOME		<u>35,149</u>	<u>35,149</u>	<u>39,860</u>
EXPENDITURE:				
<i>Costs of raising funds</i>				
Investment management costs	4	6,933	6,933	6,132
Charitable activities	5	32,749	32,749	35,604
Other	6	918	918	819
TOTAL EXPENDITURE		<u>40,600</u>	<u>40,600</u>	<u>42,555</u>
NET INCOME EXPENDITURE		(5,451)	(5,451)	(2,695)
Net (losses)/gains on investment assets	7	174,104	174,104	(29,595)
NET MOVEMENT IN FUNDS		<u>168,653</u>	<u>168,653</u>	<u>(32,290)</u>
<i>Reconciliation of funds:</i>				
Balances brought forward at 1 January 2021		<u>1,372,540</u>	<u>1,372,540</u>	<u>1,404,830</u>
Balances carried forward at 31 December 2021		<u>1,541,193</u>	<u>1,541,193</u>	<u>1,372,540</u>

BRECON CATHEDRAL CHOIR TRUST

BALANCE SHEET as at 31 December 2021

		2021	2020
		£	£
FIXED ASSETS	Note		
Investments	7	1,437,130	1,287,913
CURRENT ASSETS			
Debtors	8	491	366
COIF deposit account	9	-	1,311
Brewin Dolphin Capital and Income accounts		51,109	41,010
Cash at bank		54,991	48,900
		106,591	91,587
CREDITORS: Amounts falling due within one year	10	2,528	6,960
NET CURRENT ASSETS		104,063	84,627
TOTAL ASSETS LESS CURRENT LIABILITIES		1,541,193	1,372,540
FUNDS			
Unrestricted	11	1,541,193	1,372,540

Approved by the Board of Trustees on 6 April 2022 and signed on its behalf by



The Very Rev Dr P Shackerley
Trustee

The notes on pages 8 to 11 form part of these accounts

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments to market value.

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and collections

Donations, collections and all voluntary income is accounted for gross when received.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Costs of raising funds

The costs of generating funds consist of investment management costs.

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

2. DONATIONS, LEGACIES AND SIMILAR INCOME

	2021	2020
	£	£
Donations in memory of the late Mr Tom Cannock	655	-
Legacy from the late Pauline Matthews OBE	-	2,000
Pay Pal Giving Fund	-	21
Regular donations	1,308	1,463
Gift aid relief	522	366
	<u>2,485</u>	<u>3,850</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

3.	INVESTMENT INCOME AND INTEREST		2021	2020
			£	£
	Interest		-	5
	Dividends and interest from portfolio managed by Brewin Dolphin		32,664	36,005
			<u>32,664</u>	<u>36,010</u>
4.	COSTS OF RAISING FUNDS			
		Unrestricted Funds	2021	2020
		£	£	£
	Investment management fees	6,933	6,933	6,132
5.	CHARITABLE ACTIVITIES			
		Unrestricted Funds	2021	2020
		£	£	£
	Office expenses	3	3	7
	Contribution to salaries paid by Dean and Chapter for:-			
	Director of Music	12,200	12,200	18,200
	Assistant Organist	7,400	7,400	7,400
	Music and singing lessons	3,889	3,889	4,620
	Other choir support	6,159	6,159	5,292
	Organ expenses	3,000	3,000	-
	Bank charges	98	98	85
		<u>32,749</u>	<u>32,749</u>	<u>35,604</u>
6.	OTHER COSTS			
		Unrestricted Funds	2021	2020
		£	£	£
	Accountants' charges	716	716	679
	Trustee indemnity insurance	202	202	140
		<u>918</u>	<u>918</u>	<u>819</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

7. INVESTMENTS	2021	2020
	£	£
Market value at 1 January 2021	1,287,913	1,342,567
Additions to investments at cost	377,709	529,508
Disposals at carrying value	(402,596)	(554,567)
	<u>1,263,026</u>	<u>1,317,508</u>
Net (loss)/gain on revaluation in the year	174,104	(29,595)
Market value at 31 December 2021	<u>1,437,130</u>	<u>1,287,913</u>

Investments at market value comprised:	2021	2020
	£	£
Equities	1,234,825	1,119,511
Fixed interest securities	202,305	168,402
	<u>1,437,130</u>	<u>1,287,913</u>

All investments are carried at their market value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at their transaction value.

8. DEBTORS	2021	2020
	£	£
Gift aid relief receivable	<u>491</u>	<u>366</u>
9. SHORT TERM DEPOSITS	2021	2020
	£	£
COIF Deposit Account	<u>-</u>	<u>1,311</u>
10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2021	2020
	£	£
Accrued expenses	<u>2,528</u>	<u>6,960</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Total funds £
Fund balances at 31 December 2021 are represented by:		
Investment assets	1,437,130	1,437,130
Current assets	106,591	106,591
Current liabilities	(2,528)	(2,528)
	<u>1,541,193</u>	<u>1,541,193</u>

12. REMUNERATION OF TRUSTEES AND CONNECTED PERSONS

No remuneration or reimbursed expenses have been paid to Trustees or connected persons during the year.

