

BRECON CATHEDRAL CHOIR TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023

BRECON CATHEDRAL CHOIR TRUST

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BRECON CATHEDRAL CHOIR TRUST

YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

The Very Rev Dr P Shackerley
Mr G Davies
Mrs G Jones-Powell
Mr J M Greateorex
Mr M Parry
Mrs R Lloyd
Mr H M Smith FCA (retired 31 December 2023)
Rev Canon S E Griffith
The Right Rev J D P Lomas

Address of the Trustees

Brecon Cathedral Office
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 2023

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 an Assistant Organist 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

The 2023 financial year has been influenced by the absence of permanent musical staff from post in the Cathedral requiring the trust to continue support for their salaries and accommodation and supporting the Dean and Chapter in using temporary musical staff.

The total support provided in 2023 for music staff supporting the choir and Cathedral music was £40,633.

The Choir Trust expenditure has increased to £58,262 giving a deficit before investment gains of £18,974.

As agreed with our investment advisors the Trust continues to receive a fixed monthly sum of £3,500 comprising dividends and capital. Dividends received in the year were £37,372.

The market value of investments and cash held by our investment advisors, Brewin Dolphin, increased from £1.30 million to £1.36 million reflecting market expectation for reduced inflation and bank interest rates.

The Trust has free cash of £47,212 and is expecting to operate on an income deficit in the medium term. Exceptional expenditure will be needed in the short term to assist the Dean and Chapter pay for temporary staff to cover for absent permanent music staff and accommodation previously supplied by an arrangement with Christ College, Brecon and property owned by the Dean and Chapter.

The Trust's planned free cash is expected to stabilise at levels between £30,000 and £10,000.

BRECON CATHEDRAL CHOIR TRUST

REPORT OF THE TRUSTEES (CONTINUED) for the year ended 31 December 2023

Report of the Chair

This has been a difficult year for the Music Department. There have been some staffing issues that have meant that extra funds have had to be made available to provide temporary cover for both the Director of Music and the Assistant Organist. We have been fortunate to be able to do this and the Music Department has been able to continue to function and the Choirs have continued to sing for our liturgy. On a positive note, we have seen an increase in the number of choristers with 7 probationers swelling the ranks. It will be some time before they will have the confidence and training to sing to the best of their abilities, but it is very encouraging and bodes well for the future.

In the summer the choir took delivery of their new cassocks following a grant of £10,000 from the Trust, the new cassocks and surplices replacing the rather old and worn ones. The cassocks are purple and have gone down well with the choir who look very smart in their new attire.

I would like to thank Mr Martin Smith for his time as our treasurer over the last few years. It has been a great help to myself and the former chair to have an extremely experienced and capable treasurer and I wish him well for his future.

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 2023**

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 March 2024 on their behalf by :



Rev Canon S E Griffith
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 2023 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 March 2024

BRECON CATHEDRAL CHOIR TRUST

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2023

	Notes	Unrestricted funds £	Total 2023 £	Total 2022 £
INCOME AND ENDOWMENTS				
Donations, legacies and similar income	2	1,916	1,916	1,653
Investment income	3	37,372	37,372	35,577
TOTAL INCOME		<u>39,288</u>	<u>39,288</u>	<u>37,230</u>
EXPENDITURE:				
<i>Costs of raising funds</i>				
Investment management costs	4	6,527	6,527	6,630
Charitable activities	5	50,871	50,871	40,344
Other	6	864	864	917
TOTAL EXPENDITURE		<u>58,262</u>	<u>58,262</u>	<u>47,891</u>
NET EXPENDITURE		(18,974)	(18,974)	(10,661)
Net gains/(losses) on investment assets	7	74,162	74,162	(179,327)
NET MOVEMENT IN FUNDS		<u>55,188</u>	<u>55,188</u>	<u>(189,988)</u>
<i>Reconciliation of funds:</i>				
Balances brought forward at 1 January 2023		1,351,205	1,351,205	1,541,193
Balances carried forward at 31 December 2023		<u>1,406,393</u>	<u>1,406,393</u>	<u>1,351,205</u>

BRECON CATHEDRAL CHOIR TRUST**BALANCE SHEET****as at 31 December 2023**

		2023		2022	
		£	£	£	£
FIXED ASSETS	Note				
Investments	7		1,350,170		1,264,834
CURRENT ASSETS					
Debtors	8	383		296	
Brewin Dolphin Capital and Income accounts		8,626		30,955	
Cash at bank		51,806		65,573	
		60,815		96,824	
CREDITORS: Amounts falling due within one year	9	4,592		10,453	
NET CURRENT ASSETS			56,223		86,371
TOTAL ASSETS LESS CURRENT LIABILITIES			1,406,393		1,351,205
FUNDS					
Unrestricted	10		1,406,393		1,351,205

Approved by the Board of Trustees on 6 March 2024 and signed on its behalf by

Rev Canon S E Griffith
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 2023

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

	2023 £	2022 £
Donations in memory of the late Mrs Betty Spackman	225	-
Regular donations	1,308	1,308
Gift aid relief	383	345
	<u>1,916</u>	<u>1,653</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

3.	INVESTMENT INCOME AND INTEREST		2023	2022
			£	£
	Dividends and interest from portfolio managed by Brewin Dolphin		<u>37,372</u>	<u>35,577</u>
4.	COSTS OF RAISING FUNDS			
		Unrestricted Funds	2023	2022
		£	£	£
	Investment management fees	<u>6,527</u>	<u>6,527</u>	<u>6,630</u>
5.	CHARITABLE ACTIVITIES			
		Unrestricted Funds	2023	2022
		£	£	£
	Office expenses	11	11	1
	Contribution to salaries paid by Dean and Chapter for:-			
	Director of Music	18,200	18,200	18,200
	Assistant Organist	7,400	7,400	7,400
	Substitutes	8,433	8,433	-
	Music and singing lessons	6,889	6,889	4,098
	Other choir support	9,849	9,849	10,061
	Organ expenses	-	-	500
	Bank charges	89	89	84
		<u>50,871</u>	<u>50,871</u>	<u>40,344</u>
6.	OTHER COSTS			
		Unrestricted Funds	2023	2022
		£	£	£
	Accountants' charges	752	752	715
	Trustee indemnity insurance	112	112	202
		<u>864</u>	<u>864</u>	<u>917</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

7. INVESTMENTS

	2023	2022
	£	£
Market value at 1 January 2023	1,264,834	1,437,130
Additions to investments at cost	457,465	226,419
Disposals at carrying value	(446,291)	(219,388)
	<hr/>	<hr/>
Net gain/(loss) on revaluation in the year	1,276,008	1,444,161
	74,162	(179,327)
	<hr/>	<hr/>
Market value at 31 December 2023	<u>1,350,170</u>	<u>1,264,834</u>

Investments at market value comprised:

	2023	2022
	£	£
Equities	1,034,065	996,967
Fixed interest securities	316,105	267,867
	<hr/>	<hr/>
	<u>1,350,170</u>	<u>1,264,834</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

	2023	2022
	£	£
Gift aid relief receivable	383	296
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accrued expenses	4,592	10,453
	<hr/>	<hr/>

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Total funds
	£	£
Fund balances at 31 December 2023 are represented by:		
Investment assets	1,350,170	1,350,170
Current assets	60,815	60,815
Current liabilities	(4,592)	(4,592)
	<hr/>	<hr/>
	<u>1,406,393</u>	<u>1,406,393</u>

BRECON CATHEDRAL CHOIR TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2023

11. REMUNERATION OF TRUSTEES AND CONNECTED PERSONS

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

12. RELATED PARTY TRANSACTIONS

~~The Right Rev J D P Lomas~~, The Very Rev Dr P Shackerley, Rev Canon S E Griffith and Mrs G Jones Powell who are Trustees of the Charity are also members of Brecon Cathedral Dean and Chapter. As stated in the Report of the Trustees on page 2 of these financial statements, the purpose of the charity is to provide financial support to Brecon Cathedral Choir, and the support provided is shown in detail in note 5 of these financial statements.