

**Canterbury Cathedral Trust Fund**

**Trustees' Report and Financial Statements**

**For the year ended 31 March 2021**

Company Registration Number: 05588837 (England and Wales)

Charity Registration Number: 1112590

## **Canterbury Cathedral Trust Fund**

### **Contents**

	<b>Page</b>
Trustees' report	1 to 10
Independent auditor's report	11 to 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 to 27
Appendix – comparative information	28 to 33

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

The Trustees submit their annual report and the audited financial statements of Canterbury Cathedral Trust Fund (the charity) for the year ended 31 March 2021. The trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document, the Companies Act 2006 and the provisions of the 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) "Accounting and Reporting by Charities".

#### **Objectives and Activities**

The objectives of the charity are to support the priorities of Canterbury Cathedral, including to support the conservation, maintenance and improvement of the building and its collections; enhance access and interpretation; develop the site as a centre for learning; promote and perpetuate the choral music tradition of the Cathedral; create and sustain opportunities for craftsmen and women; and support such other charitable purposes for which the capitular revenues of the Cathedral are applicable. The main mechanisms for delivering its objectives are to raise funds and to make grants to the Chapter of Canterbury (the Chapter).

Grant giving is informed by the strategic aims and priorities of the Chapter. Grants are agreed by the Trustees for specific projects based on the charity's available funds. Additionally, a long-term designated Music Fund is administered by the charity, which was set up from income received in 1983 at the discretion of the Trustees, and which was invested to generate further income to support the continuation of the Cathedral's Choir and musical tradition.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in determining the activities undertaken by the charity.

Founded in 597 by St Augustine, Canterbury Cathedral is a place of global significance – historically, artistically and spiritually. As the Mother Church of the Anglican Communion and the seat of the Archbishop of Canterbury, Canterbury Cathedral is regarded as a spiritual home by 85 million people. Built and rebuilt over 1,400 years by the most talented craftspeople in Europe, Canterbury Cathedral is an architectural treasure and a UNESCO World Heritage Site.

Under normal circumstances, the Cathedral welcomes almost one million visitors each year, and plays an important role in the local community and economy, supporting employment, trade and tourism.

Throughout the Covid-19 pandemic, the Cathedral has developed its outreach through online streaming of services and other communications. Visitor numbers have been severely curtailed, events postponed, and the focus of most supporting activities, such as fundraising, has been on survival and recovery.

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

#### **Achievements and performance**

Since November 2020, when the remaining Trust Fund staff returned, part-time, from furlough, a great deal of activity has been planned and undertaken.

Since meetings, visits and events have been impossible, the focus has been on the continued stewardship of relationships with charitable trusts and major donors. Reporting on the two most recent major projects – the Canterbury Journey and the Organ Project (now completed) – has continued.

Works on the Canterbury Journey were suspended in March 2020, but have gradually resumed over the course of this year. Key areas include:

- The completion of works to the North Nave Aisle roof and removal of scaffolding.
- Stonework in flying buttresses renewed and repaired.
- Stained glass in the North Nave Clerestory has been reinstated.
- The completion of the restoration of the South Tower clock face and mechanism.
- The Visitor Centre (including ticketing area, shop and viewing gallery) has been completed.
- Scaffolding has been installed around the Christ Church Gate, with cleaning and conservation undertaken, particularly on the roof.
- Exhibition spaces in the Water Tower and Library Corridor have been prepared.
- The new media guide content has been produced and tested.

The National Lottery Heritage Fund has approved a year's extension to the project (meaning a new end-date of October 2022) and has approved a grant uplift, to take into account delays caused by the pandemic.

A Development Committee has been established by the Trustees to support the Trust Fund with delivering its strategy. Terms of Reference have been developed and Trustees have nominated five members so far. We will look to add to this group over time.

The main goal of the Development Committee is to help secure funding for the West Front project. The Canterbury Journey included repairs and conservation to Stage 5 and part of Stages 4 and 3 of the West Front (working from the top down). This was supplemented by the funding from the Culture Recovery Fund, distributed by Historic England and the Church of England, which enabled the completion of works to Stages 4 and 3. A Case for Support has been developed for the completion of the remaining Stages of the West Front. This is likely to be a 3-year project, costing around £3.8 million. The project has been broken down into £0.5 million phases.

The other main funding priority for the Trust Fund has been agreed as the Choral Scholars project, which focusses on raising £80,000 per year to cover the costs of four new choral scholars in the Cathedral choir.

The Trust Fund was notified of a significant legacy in October 2020. Comprising half an entire estate and including the proceeds from the sale of a property, the legacy is likely to amount to some £700,000. The Trustees have agreed to grant £150,000 of the legacy to Chapter for refurbishment works on a property in the Precincts, will retain £125,000 and the remainder will be used on the West Front project. In

## Canterbury Cathedral Trust Fund

### Trustees' report for the year ended 31 March 2021

addition, approximately £400,000 is also available for the West Front project from Trust Fund designated funds now not needed for the Organ Project, and from proceeds of a Stone Auction held in 2016.

As well as these activities which directly benefit the Trust Fund (and thereafter the Cathedral), before the staff restructure was complete, the (then) Head of Development also led on the submission of several successful 'emergency' funding applications for Chapter. These included a £999,200 application to the National Lottery Heritage Fund for core salaries, and a £640,000 application to Historic England/the Church of England for the West Front project. Both grants were for Chapter, but the Trust's (now) Head of Fundraising continues to oversee the reporting to funders.

Canterbury Cathedral Trust Fund extends sincere thanks to all the individuals and organisations from around the world who have been so generous throughout this challenging year.

#### The General Data Protection Regulation

The General Data Protection Regulation (GDPR) which came into effect on 25 May 2018, sets out the key principles, rights and obligations for most processing of personal data.

#### Impact of the Coronavirus pandemic

The Cathedral closed to the public on 23 March 2020 and in April 2020, placed almost 90% of staff on furlough, utilising the Government's Job Retention Scheme. Trust Fund staff were furloughed, apart from the Executive Director for Strategic Management and his Personal Assistant. Between April and July 2020, given sensitivities around the impact of the pandemic, and the fact that most staff were not working, no proactive fundraising took place.

In May 2020, Chapter initiated a consultation process leading to a staff restructure. The Executive Director for Strategic Development took voluntary redundancy in June, following which the Head of Development was brought back from furlough in July to undertake several fundraising activities for Chapter and to oversee reporting to funders. An additional project was to attract unrestricted donations from individuals by including simple fundraising messages at the end of streamed worship, and also on the homepage of the website, as well as improved signage within the Cathedral.

The staff restructure concluded in November 2020 and a new approach to fundraising has been established. The previous Head of Development became the new Head of Fundraising, a member of the new Senior Management Team, and produced and oversees an holistic fundraising strategy which incorporates donations for three separate legal entities: Chapter, the Trust Fund and The Friends of Canterbury Cathedral. Each entity retains its own governance, but a more co-ordinated approach is now being taken. The new fundraising strategy was approved by Trustees, Chapter and the Friends' Council at the end of 2020.

In future, the Trust Fund will focus on supporting defined projects through major giving, seeking grants and donations from charitable trusts and foundations, and high net-worth individuals. Lower-level donations, regular giving, legacies, and in memoriam gifts will be the focus of the Chapter fundraisers (although, if a potential legator particularly wishes to support the Trust Fund or Friends, that will, of course, be possible). The Friends will focus on developing the membership scheme.

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

An agreement has been reached between Chapter and the Trustees for the funding of the Fundraising Team, to better reflect roles and responsibilities, as follows:

- Head of Fundraising – 80% the Trust / 20% Chapter
- Individual Giving Manager – 20% the Trust / 80% Chapter
- Trusts & Research Manager – 80% the Trust / 20% Chapter
- Fundraising Assistant – 50% the Trust / 50% Chapter

Since November 2020, the whole team has been part-furloughed, resulting in 1.2FTE working on Trust Fund activities (and 0.8FTE on Chapter fundraising).

### **Financial Review**

The accounts show total net expenditure of £0.76m for the year, before accounting for net gains on investments of £1.14m and after recognising grants payable of £1.74m. This compares with net expenditure of £0.62m in 2020 after recognising grants payable of £1.40m and before losses on revaluation of investments of £1.25m.

Of the total income receivable in the year (£1.21m), 6.3% (2020: 58.5%) was receivable for restricted purposes. Legacies of £0.73m, (2020: £0.02m) were received or notified in the year, making up 60% of the total income for the year. Most of the legacy income carried no restriction. Income from investments made up 21.6% of the total income.

It is the charity's policy to recognise grants payable when they are approved and communicated to the Cathedral Chapter. At the year-end there were grants approved but not yet paid of £0.70m.

As a result of the Covid19 pandemic, the charity's offices were closed on 23 March 2020 and staff have been furloughed or part furloughed for much of the year. In addition, the office was restructured and the Executive Director of Strategic Development left the organisation at the end of June 2020. His PA has taken up a fulltime role with the Cathedral.

The investments recovered the valuation losses made at the start of the pandemic. Investment income was 68% of the previous year. Fundraising was minimal during the year with the bulk of the income coming from legacies and investment income. It remains unclear what the long term impact of the pandemic will be on the global economy or on fundraising opportunities. The Trustees are working with the Cathedral Chapter to ascertain how the Trust can best support the Cathedral at this challenging time.

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

#### **Financial Reserves**

Total funds at the year end were £7.96m of which £1.5m was for restricted purposes and £6.2m was designated by the trustees for specific purposes. Designated funds form part of unrestricted reserves and the designation can be changed by the Trustees. General funds (excluding the designated funds) were £0.24m at 31 March 2021. The Trustees have a policy of retaining between 6 and 12 months' operating costs as general funds. Despite the challenges that will inevitably arise due to Covid19, the Trustees are of the view that the charity's reserves policy remains appropriate and that the charity will be able to remain financially viable for at least the short to medium term.

During the year £0.2m was designated to support further conservation work to the West end of the Cathedral.

#### **Investment Policy and Performance**

Investments continue to be held in Charifund which is managed by M&G Securities Limited and in the Alpha CIF Fund managed by Sarasin & Partners LLP. In appointing fund managers the Trustees take account of social, environmental and ethical considerations. Neither fund invests in tobacco, pornography, armaments or gambling. The funds are kept under regular review. Performance is shown below.

Where funds will be transferred to the Cathedral in a short time period, they are held in cash. Where funds are likely to be held for a significant period, longer term investments are made.

The investment in Charifund represents the designated music fund which is invested for the long term with the income being transferred to the Chapter of Canterbury to help fund the music and choir of the Cathedral.

The investment managed by Sarasin & Partners LLP in the Alpha Fund represents the Marit and Hans Rausing Choir Bursary Fund which was established to provide bursaries for choristers. The income from the investment is available for bursaries.

## Canterbury Cathedral Trust Fund

### Trustees' report for the year ended 31 March 2021

The total return for each fund is shown below.

Investment Returns - M&G	One year Return	Three year Return	Five year Return
Total Cumulative Investment Return-Charifund	+29.7%	+12.7%	+33.7%
FTSE - All-Share Total Return (Cumulative)	+26.7%	+9.9%	+35.7%

Source: M&G Investments, 31.03.2021

Investment Returns - Sarasin	One year Return	Three year Return	Five year Return
Total Cumulative Investment Return-Alpha CIF	+24.5%	+30.8%	+55.2%
Portfolio Benchmark	+25.5%	+27.7%	+57.1%

Source: Sarasin & Partners LLP 31.03.2021

### Risk Management

The Trustees have assessed the major risks to which the charity is exposed, including operational, financial and reputational risk. Trustees review and update the risk register regularly, employing a ranking system which considers the likelihood of occurrence and subsequent impact. Mitigating steps are then agreed. The register was reviewed in January 2021. Key points:

Risk	Mitigation/Actions
Continuing impact of Coronavirus and potential for future spikes, bringing about loss of income	Overarching Cathedral crisis management plan in place.
Lack of clear funding priorities agreed/articulated by Chapter	New management structure established. Strategic plan for Recovery written which sets out priorities.
Inability to identify and engage new donors	Creation of new Development Committee. New giving initiatives being prepared (Patrons Scheme, regular giving etc)
Non-compliance with charity law and/or data protection regulation	Registration with Fundraising Regulator. Charity Commission updates received. Enhanced training for staff on policies/practice relating to GDPR.



## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

#### **Plans for Future Periods**

The Covid-19 pandemic brought significant challenges but the ensuing Cathedral restructure and greater clarity on its aims for recovery will lead to new opportunities for fundraising across the Cathedral. The new holistic fundraising strategy will see greater collaboration and co-ordination between Chapter, the Trust Fund and the Friends.

The Trust Fund's focus this year will be on securing major gifts for the West Front project and for Choral Scholars. Whilst the ability to hold cultivation/recognition events remains unknown (owing to Government restrictions around the pandemic), the emphasis will be on building relationships in other ways. The Development Committee will have an important role. In terms of wider fundraising (for Chapter), the priority will be securing unrestricted income.

The Trustees remain committed to supporting the Cathedral's strategic objectives and core values.

#### **Structure, Governance and Management**

The charity is governed by its Trustees who meet four times a year, when policy with regard to expenditure and future projects is discussed and decided.

New Trustees are recruited to provide a balance of skills and experience on the Trustee Board. Their induction to the charity comprises a briefing on the constitution and current projects, tours of the work being done to the building, and meeting the key staff.

The strategic direction of the charity is undertaken by the Trustees. Management of the charity during the year ended 31 March 2021 was undertaken by the staff and volunteers assisted by staff employed by the Chapter of Canterbury. The accounting function is undertaken partly by the charity and partly by the accounts department of the Chapter, under the guidance and support of its Director of Finance who acts as Assistant Treasurer to this charity.

It was agreed this year that the sub-committee of the Trustees which had been set up as a Finance Committee would be disbanded. Instead, the discussion and monitoring of the financial position of the charity, and its function as an Audit Committee, have been incorporated into the full Board meetings which take place quarterly.

A new Development Committee has been set up, chaired by one of the Trustees, to support the Trust's major fundraising activities. Their focus for the coming year will be on helping to secure major gifts for the Cathedral's West Front project. It is hoped that the Committee will grow over the coming months, and, according to its Terms of Reference, it will meet regularly to discuss networks, potential supporters and action plans.

Key management personnel include the Head of Fundraising and the Trustees of the charity.

Trustees do not receive any remuneration. The remuneration of the Head of Fundraising is determined with reference to market rates for similar posts.

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

#### **Reference and Administrative Details**

Those Trustees, committee members and officers who have acted at any time during the course of the financial year and up to the date of this report are listed below:

Patron: HRH The Duke of Kent KG GCMG GCVO  
Life President: The Viscount De L'Isle CVO MBE

#### **Directors/Trustees of Canterbury Cathedral Trust Fund**

Lady Colgrain, Lord-Lieutenant (from 02/10/20)	President
Mr James Loudon DL	Chairman and Treasurer
The Very Reverend Dr Robert Willis DL	Dean of Canterbury
Canon Andrew Dodd (from 02/10/20)	Canon Treasurer of Canterbury
Mr Paul Barrett MBE	Chairman of Development Committee
Mr Roger Brookhouse (from 02/10/20)	
Mrs Amanda Cottrell OBE JP DL	
Mr Hugo Fenwick (to 08/01/21)	
Mr Benedict Moorhead DL	
Mr Richard Oldfield OBE DL	
The Rt Hon Sir Hugh Robertson KCMG DL	

#### **Secretary**

Mrs Joanna Luck – Head of Fundraising

#### **Management**

Mr Andrew Edwards – Executive Director of Strategic Development (to 30/06/20)  
Mrs Joanna Luck – Head of Fundraising

#### **The Finance Committee**

The Finance Committee was disbanded in the year and its role has been assumed by the full board of trustees which meets quarterly.

The membership of the committee during the year was:

Mr James Loudon DL	Chairman
The Viscount De L'Isle CVO MBE Lord-Lieutenant	
The Very Reverend Dr Robert Willis DL	Dean of Canterbury
Mr Richard Oldfield OBE DL	
The Rt Hon Sir Hugh Robertson KCMG DL	

## **Canterbury Cathedral Trust Fund**

### **Trustees' report for the year ended 31 March 2021**

#### **The Development Committee**

Mr Paul Barrett MBE

Chairman

Ms Geraldine Allinson OBE DL

Mrs Patsy Barrett

Mr Roger Brookhouse

Mr Nicholas Fisher

#### **Company registration number:**

05588837 (England and Wales)

#### **Charity registration number:**

1112590 (England and Wales)

#### **Registered Office:**

8 The Precincts

Canterbury

Kent CT1 2EE

#### **Bankers:**

Lloyds Bank plc

49 High Street

Canterbury

Kent CT1 2SE

#### **Investment Managers:**

M&G Charities Investment Managers Limited

PO Box 9038

Chelmsford CM 99 2XF

#### **Registered Auditor:**

Buzzacott LLP

130 Wood Street

London EC2V 6DL

Sarasin & Partners LLP

Juxon House

100 St Pauls Churchyard

London EC4M 8BU

#### **Legal Structure**

Canterbury Cathedral Trust Fund is registered in England and Wales as a Charitable Company limited by guarantee, company registration number 05588837, Charity registration number 1112590. The liability of each member, should the charitable company be dissolved whilst they are a member or within 12 months thereafter, is limited to £10.

## Canterbury Cathedral Trust Fund

### Trustees' report for the year ended 31 March 2021

#### Trustees' Responsibilities in Relation to the Financial Statements

The Trustees are responsible for preparing the Trustees' 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 companies in England and Wales requires the 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 income and expenditure 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 principles and methods of the Charities SORP;
- Make judgments 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 the charity will continue in operation.

The Trustees are responsible for keeping adequate 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 Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

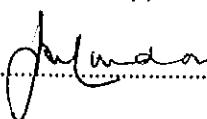
So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditor is unaware and
- Each Trustee has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of this information.

#### Auditor

The auditor, Buzzacott LLP will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the Trustees on 23 July 2021 and signed on their behalf by:-

.....  


Trustee

## **Independent auditor's report to the members of Canterbury Cathedral Trust Fund**

### **Opinion**

We have audited the financial statements of Canterbury Cathedral Trust Fund (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the notes to the accounts including the principal accounting policies and appendix. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at **31 March 2021** and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditor's report to the members of Canterbury Cathedral Trust Fund (continued)**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Independent auditor's report to the members of Canterbury Cathedral Trust Fund (continued)**

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and the Companies Act 2006; and
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;

## Independent auditor's report to the members of Canterbury Cathedral Trust Fund (continued)

- ◆ Understanding how those charged with governance consider and address the potential for override of controls or other inappropriate influence over the financial reporting process; and
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; and
- ◆ performed substantive testing on expenditure including authorization thereof.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Bogganott LLP

Amanda Francis (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

2 September 2021



# Canterbury Cathedral Trust Fund

## Statement of Financial Activities for the year ended 31 March 2021

	Note	General Fund	Designated Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	2	849,529	-	50,828	900,357	661,921
Other sources: Coronavirus Job Retention Scheme	2	47,273	-	-	47,273	-
Investments and interest receivable	3	993	235,467	25,619	262,079	383,428
<b>Total</b>		<b>897,795</b>	<b>235,467</b>	<b>76,447</b>	<b>1,209,709</b>	<b>1,045,349</b>
<b>Expenditure on:</b>						
Raising funds	4	231,834	-	-	231,834	268,012
Charitable activities	5	575,000	1,077,064	85,303	1,737,367	1,400,278
<b>Total</b>		<b>806,834</b>	<b>1,077,064</b>	<b>85,303</b>	<b>1,969,201</b>	<b>1,668,290</b>
<b>Net income/(expenditure) before revaluations</b>		<b>90,961</b>	<b>(841,597)</b>	<b>(8,856)</b>	<b>(759,492)</b>	<b>(622,941)</b>
Net gains/(losses) on investments	8	-	1,005,299	134,592	1,139,891	(1,245,478)
<b>Net income/(expenditure)</b>		<b>90,961</b>	<b>163,702</b>	<b>125,736</b>	<b>380,399</b>	<b>(1,868,419)</b>
<b>Transfers between funds</b>	11	-	371,501	(371,501)	-	-
<b>Net movement in funds</b>		<b>90,961</b>	<b>535,203</b>	<b>(245,765)</b>	<b>380,399</b>	<b>(1,868,419)</b>
Reconciliation of funds:						
Balance brought forward at 1 April		150,913	5,695,260	1,730,242	7,576,415	9,444,834
Balance carried forward at 31 March		241,874	6,230,463	1,484,477	7,956,814	7,576,415

The above results reflect the total gains and losses of Canterbury Cathedral Trust Fund and arise wholly from continuing activities.

Comparative figures for the year ended 31 March 2020 can be found in the appendix.

# Canterbury Cathedral Trust Fund

## Balance Sheet as at 31 March 2021

	Note	General Fund	Designated Funds	Restricted Funds	Total 2021	Total 2020
		£	£	£	£	£
<b>Fixed assets</b>						
Investments	8	-	5,344,883	769,722	6,114,605	4,974,714
<b>Current assets</b>						
Debtors	9	222,356	-	-	222,356	21,667
Cash at bank		639,978	935,249	782,718	2,357,945	3,482,387
		862,334	935,249	782,718	2,580,301	3,504,054
<b>Current liabilities</b>						
Creditors: amounts falling due within one year	10	620,460	49,669	67,963	738,092	902,353
<b>Net current assets</b>		241,874	885,580	714,755	1,842,209	2,601,701
<b>Total net assets</b>		241,874	6,230,463	1,484,477	7,956,814	7,576,415
<b>Funds</b>	11	241,874	6,230,463	1,484,477	7,956,814	7,576,415

Revaluation reserves gains of £766,248 are included in the above funds (£496,526 gains in designated funds and £269,722 gains in restricted funds).

Designated funds represent funds set aside by the Trustees for specific purposes. The Trustees can amend the designation at any time.

The financial statements were approved and authorised for issue by the Trustees on 23 July 2021 and signed on their behalf by:-

Trustee

Trustee

Comparative figures for the year ended 31 March 2020 can be found in the appendix

Canterbury Cathedral Trust Fund is a registered company, number 05588837 (England and Wales)

**Canterbury Cathedral Trust Fund**  
**Statement of cash flows**  
**For the year ended 31 March 2021**

		2021	2020
	Note	£	£
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	A	(1,386,521)	(3,233,991)
<b>Cash flows from investing activities:</b>			
Investment income and interest received		262,079	383,428
Disposal of investments		-	650,000
<b>Net cash provided by investing activities</b>		<b>262,079</b>	<b>1,033,428</b>
Change in cash and cash equivalents in the year		(1,124,442)	(2,200,564)
Cash and cash equivalents at the beginning of the year		3,482,387	5,682,951
<b>Cash and cash equivalents at the end of the year</b>	B	<b>2,357,945</b>	<b>3,482,387</b>
<b>Reconciliation of net income/(expenditure) to net cash used in operating activities</b>			
		2021	2020
		£	£
<b>A Net (expenditure)/income for the reporting period (as per SOFA)</b>		380,399	(1,868,419)
<b>Adjustments for:</b>			
(Gains)/losses on investments		(1,139,891)	1,245,478
Investment income and interest receivable		(262,079)	(383,428)
(Increase)/decrease in debtors		(200,689)	110,453
Decrease in creditors		(164,261)	(2,338,075)
<b>Net cash used in operating activities</b>		<b>(1,386,521)</b>	<b>(3,233,991)</b>
<b>B Analysis of cash and cash equivalents:</b>			
Total cash and cash equivalents: cash at bank		2,357,945	3,482,387
<b>C Analysis of changes in net debt</b>			
	2020	Cash Flows	2021
	£	£	£
Cash at bank	3,482,387	(1,124,442)	2,357,945

## **Canterbury Cathedral Trust Fund**

### **Notes to the accounts for year ended 31 March 2021**

#### **1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

#### **Basis of preparation of financial statements**

These financial statements have been prepared for the year ended 31 March 2021 with comparative information given in respect to the year to 31 March 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies or other notes to these financial statements.

The financial statements have been prepared in accordance with 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 (Charities SORP (FRS 102)) and with the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and rounded to the nearest pound.

#### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates:

The items in the financial statements where these judgements and estimates have been made include:

- assessing the probability of the receipt of legacy income;
- determining the value of designated funds needed at the year end to meet specific future expenditure;
- assessing the impact of the Covid-19 pandemic and other factors on the future income and expenditure and, in particular on whether it is appropriate to prepare the accounts on the basis of a going concern (see below); and
- the basis for the allocation of support costs.

## **Canterbury Cathedral Trust Fund**

### **Notes to the accounts for year ended 31 March 2021**

#### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.

The Covid19 Pandemic has had a significant impact on the immediate capacity of the charity to raise funds. However, the charity has sufficient restricted cash to meet its approved grant commitments and has unrestricted and designated funds to enable it to meet its other liabilities as they fall due. The Trustees, therefore, have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees remain of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

#### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and legacies and investment income and interest receivable.

Legacies are recognised in the statement of financial activities when the Trustees are satisfied that:

- the charity is entitled to the legacy,
- the value of the legacy can be reliably estimated,
- the executors have established that there are sufficient surplus assets in the estate to pay the legacy and that receipt of the legacy is therefore probable and
- fulfilment of any conditions attached to the legacy is wholly in the control of the Trustees.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when it is receivable; this is normally upon notification from the bank of the interest payable or paid.

Coronavirus Job Retention Scheme funds have been credited to the statement of financial activities when the charity is entitled to receipt and the amount has been quantified.

## **Canterbury Cathedral Trust Fund**

### **Notes to the accounts for year ended 31 March 2021**

#### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT.

Expenditure comprises direct costs and support costs. All expenditure is allocated to the relevant expenditure heading. The classification between activities is as follows:

Expenditure on raising funds comprises fundraising expenditure including support costs and governance costs.

Expenditure on charitable activities includes all costs of grant making.

#### **Donated facilities**

The value of donated services and gifts in kind provided to the charity are recognised as income in the period that they are receivable, where the benefit can be reliably measured. An equivalent amount is recognised as expenditure under the appropriate heading on the Statement of Financial Activities unless the gift is a fixed asset when it would be capitalised and depreciated over its useful economic life.

#### **Grants payable**

Grants payable are accounted for when they are paid unless a firm commitment to pay the grant exists at a date prior to the year end. No conditional grants are awarded. Where the charity is awarding grants from funds which it has received subject to restricted terms, these restrictions are maintained within the award.

#### **Support costs and governance costs**

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

Governance costs comprise the costs relating to the public accountability of the charity (including audit costs) and costs incurred in respect of its compliance with regulation and good practice.

All support costs and governance costs are included within expenditure on raising funds.

## **Canterbury Cathedral Trust Fund**

### **Notes to the accounts for year ended 31 March 2021**

#### **Fixed asset investments**

Listed investments are a form of basic financial instrument and 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either their opening carrying value, or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value and the carrying value at year end. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

#### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

#### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than twelve months from the date of acquisition.

#### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

#### **Fund structure**

Restricted funds comprise monies raised for, or their use restricted to, a specified purpose or amounts subject to donor imposed conditions as to use.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

#### **Pensions**

The charity participates in a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the scheme in respect of the year.

## Canterbury Cathedral Trust Fund

### Notes to the accounts for year ended 31 March 2021

#### Taxation

Canterbury Cathedral Trust Fund is a registered charity and, therefore, is not liable to income tax, corporation tax or capital gains tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

#### 2. Income from donations and legacies

	General Funds £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Trusts and Foundations	7,550	-	29,500	37,050	245,973
Legacies	729,002	-	2,220	731,222	22,825
Individuals	106,883	-	19,108	125,991	387,340
Collections	6,080	-	-	6,080	3,411
CJRS	47,273	-	-	47,273	-
Other	14	-	-	14	2,372
<b>Total</b>	<b>896,802</b>	<b>-</b>	<b>50,828</b>	<b>947,630</b>	<b>661,921</b>

At the year end pledges received from donors payable in the next 3 years totalled £0.02million (2020 : £0.2million). These will be recognised when the funds are received.

#### 3. Income from Investments and interest receivable

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
UK equities	-	234,137	24,486	258,623	355,393
Unit trusts	-	1,330	1,133	3,456	28,035
Bank and other interest	993	1,330	1,133	3,456	28,035
<b>Total</b>	<b>993</b>	<b>235,467</b>	<b>25,619</b>	<b>262,079</b>	<b>383,428</b>



# Canterbury Cathedral Trust Fund

## Notes to the accounts for year ended 31 March 2021

### 4. Expenditure on raising funds

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Staff costs (Note 7)	190,055	-	-	190,055	192,493
Event and campaign costs	7,452	-	-	7,452	34,009
Governance costs (Note 6)	9,300	-	-	9,300	9,030
Office and administration	20,521	-	-	20,521	29,376
Other fundraising costs	4,506	-	-	4,506	3,104
	<u>231,834</u>	<u>-</u>	<u>-</u>	<u>231,834</u>	<u>268,012</u>

Expenditure on support costs are all included in table above

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Premises and Office Costs	20,521	-	-	20,521	29,376
Governance Costs	9,300	-	-	9,300	9,030
Other Costs	4,506	-	-	4,506	3,104
Staff Support Costs	59,511	-	-	59,511	38,406
	<u>93,838</u>	<u>-</u>	<u>-</u>	<u>93,838</u>	<u>79,916</u>

### 5. Expenditure on charitable activities

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Grant funding: The Chapter of Canterbury	575,000	1,077,064	38,375	1,690,439	1,373,654
Chorister Bursaries	-	-	46,928	46,928	26,624
Total	<u>575,000</u>	<u>1,077,064</u>	<u>85,303</u>	<u>1,737,367</u>	<u>1,400,278</u>

### 6. Governance costs

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Audit Fees	9,300	-	-	9,300	9,030

## Canterbury Cathedral Trust Fund

### Notes to the accounts for year ended 31 March 2021

#### 7. Staff costs

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Salaries and wages	147,552	-	-	147,552	161,688
Redundancy costs	15,200	-	-	15,200	-
Social security costs	15,412	-	-	15,412	17,958
Pension costs	11,891	-	-	11,891	12,847
	<u>190,055</u>	<u>-</u>	<u>-</u>	<u>190,055</u>	<u>192,493</u>

The average number of full-time equivalent employees during the year was 4.0 (2020: 2.5).

Actual average headcount for the year was 4.5 (2020: 2.5).

Number of employees receiving emoluments (including taxable benefits but excluding employer pension and national insurance contributions): was as follows (50% of these costs being met by Canterbury Cathedral Trust Fund and 50% by the Chapter of Canterbury):

	2021	2020
£90,000 and £100,000	1	-
£110,001 and £120,000	-	1

During the year redundancy costs of £30,401 were incurred of which 50% was met by Canterbury Cathedral Trust Fund (2020: £nil).

Remuneration paid to key personnel in the year (including taxable benefits, employer pension and national insurance contributions) totalled £108,139 (2020: £106,508).

#### 8. Investments

	Designated Funds £ (M&G)	Restricted Funds £ (Sarasin)	Total 2021 £
<b>Movements in listed investments</b>			
Market value 1 April 2020	4,339,584	635,130	4,974,714
Net unrealised gains	1,005,299	134,592	1,139,891
Market value 31 March 2021	<u>5,344,883</u>	<u>769,722</u>	<u>6,114,605</u>
Cash held in the investments portfolio	<u>-</u>	<u>24,652</u>	<u>24,652</u>
	<u>5,344,883</u>	<u>794,374</u>	<u>6,139,257</u>
Market Value 31 March 2020	4,339,584	635,130	4,974,714
Cash held in portfolio 31 March 2020	-	23,258	23,258
Total 31 March 2020	<u>4,339,584</u>	<u>658,388</u>	<u>4,997,972</u>

All listed investments held by M&G Securities Limited comprise units in Charifund common investment fund whilst those held by Sarasin & Partners LLP comprise units in the Sarasin Endowments Fund, a charities authorised investment fund.

# Canterbury Cathedral Trust Fund

## Notes to the accounts for year ended 31 March 2021

### 9. Debtors

	General Fund £	Designated Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Miscellaneous debtors	247	-	-	247	247
Prepayments and accrued income	5,239	-	-	5,239	15,542
Legacies receivable	216,870	-	-	216,870	-
Amounts due from the Chapter of Canterbury	-	-	-	-	5,878
	<u>222,356</u>	<u>-</u>	<u>-</u>	<u>222,356</u>	<u>21,667</u>

### 10. Creditors

	General Fund £	Designated Music Fund £	Restricted Funds £	Total 2021 £	Total 2020 £
Expense creditors	255	-	-	255	290
Accruals and deferred income	9,300	-	-	9,300	35,654
Amounts owed to the Chapter of Canterbury	609,850	49,669	67,963	727,482	862,997
Other creditors	<u>1,055</u>	<u>-</u>	<u>-</u>	<u>1,055</u>	<u>3,412</u>
	<u>620,460</u>	<u>49,669</u>	<u>67,963</u>	<u>738,092</u>	<u>902,353</u>

# Canterbury Cathedral Trust Fund

## Notes to the accounts for year ended 31 March 2021

### 11. Statement of Funds

	As at 1 April 2020	Income	Fund raising Expenditure	Charitable Activities	Transfers between funds	Gains	As at 31 March 2021
	£	£	£	£	£	£	£
<b>Unrestricted Funds</b>							
General Funds	150,913	897,795	(231,834)	(575,000)	-	-	241,874
<b>Designated funds</b>							
Designated Music Fund	4,326,324	234,137	-	(234,137)	150,000	1,005,299	5,481,623
Designated Cathedral Organ Fund	9,929	145	-	-	19,928	-	30,000
Designated Music Campaign Fund	5,061	6	-	-	-	-	5,067
Designated Canterbury Journey Fund	1,353,946	1,179	-	(842,927)	-	-	512,198
Designated West Front Fund	-	-	-	-	201,575	-	201,575
	5,695,260	235,467	-	(1,077,064)	371,501	1,005,299	6,230,483
<b>Restricted Funds</b>							
<b>Fabric and related expenditure</b>							
Apprentices (Stonemasonry) Fund	1,577	-	-	(1,577)	-	-	-
Apprentices General	12,783	3,512	-	(5,500)	-	-	10,795
Archaeological Graffiti Survey	2,010	-	-	(2,010)	-	-	-
Stained Glass Studio	37,672	1,766	-	-	-	-	39,438
Stones	1,978	1,081	-	-	-	-	3,059
Bufs Chapel to Clean	32,701	39	-	-	-	-	32,740
Fabric Fund	15,411	1,477	-	-	-	-	16,888
Glass Guardians	2,005	-	-	(2,005)	-	-	-
North West Transept	4,935	31	-	-	-	-	4,966
Library Corridor Roof	229	-	-	(229)	-	-	-
Stone Auction Fabric Fund	211,258	254	-	-	-	-	211,512
<b>Music</b>							
Marit & Hans Rausing Choir Bursary	613,130	-	-	-	-	134,592	747,722
Rausing Choir Bursary Income	8,026	24,492	-	(30,187)	-	-	2,331
Chorister Scholarship fund	20,862	1,245	-	-	-	-	22,107
Music Fund	57,914	120	-	-	-	-	58,034
Music & Choir	3,008	-	-	(3,008)	-	-	-
John Sunley Memorial Bursary	15,376	10	-	(13,734)	-	-	1,652
Cathedral Organ Fund	87,177	25,085	-	(6,374)	(105,868)	-	-
Adopt a Stop (Organ)	264,078	15,197	-	(3,762)	(265,633)	-	9,880
The Canterbury Voice	853	-	-	(853)	-	-	-
Your Voice Endowment	1,189	1	-	-	-	-	1,190
<b>Other</b>							
Miscellaneous	4,378	1,502	-	(3,697)	-	-	2,183
Cathedral Models	2,871	-	-	(2,871)	-	-	-
Paper conservation	16,717	280	-	(9,698)	-	-	7,301
<b>Canterbury Journey Project</b>							
Project Delivery Phase Fund	312,304	375	-	-	-	-	312,679
	1,730,242	76,447	-	(85,303)	(371,501)	134,592	1,464,477
<b>Total of Funds</b>	<b>7,578,415</b>	<b>1,209,700</b>	<b>(231,834)</b>	<b>(1,737,387)</b>	<b>-</b>	<b>1,139,891</b>	<b>7,958,814</b>

Unrestricted funds are available for any of the purposes for which the Charity was established.

There are five designated funds: the Designated Music Fund which has been invested for the long term and whose income is used to support the music and choral tradition of the Cathedral; The Canterbury Journey Fund which has been designated to support the delivery of the various elements of The Canterbury Journey Project; the Cathedral Organ Fund which has been set aside for rebuilding the Cathedral Organ; and the Music Campaign Fund which will enable us to create new and bespoke events, working closely with colleagues across the Cathedral, particularly within the music team, the choirs and the lay Clerks; the West Front Project is for fabric repairs to the Cathedral.

Restricted funds have been established for specific purposes in line with the restrictions imposed by donors. Most restricted funds are expected to be spent within the next 36 months.

Since 2017 the Trustees have designated £1.1m to underwrite the cost of the renovation and extension of the Cathedral's Organ, pending fundraising for the project. A number of restricted gifts were subsequently received for the project including from the "Adopt a Stop" campaign. During the year these restricted gifts were allocated to the project releasing funds back to the Designated Organ Fund. Subsequently the Trustees agreed to re-designate £0.15m previously earmarked for the Organ Project to the Designated Music Fund and re-designate £0.202m towards the renovation of the West Front of the Cathedral which is the next priority project for the Cathedral.

## **Canterbury Cathedral Trust Fund**

### **Notes to the accounts for year ended 31 March 2021**

#### **12. Pension Commitments**

The charity participates in a Group Personal Pension Scheme, whereby it agrees to pay, for eligible employees, a defined contribution into the members' individual pension plans. An insurance company independently administers contributions to the scheme. The pension cost for the year was £11,891 (2020: £12,847). Contributions of £1,055 were outstanding at the year end (2020: £3,412).

#### **13. Capital and Financial Commitments**

There were no capital or financial commitments at the year end which have not been recognised in the accounts (2020: £Nil).

Trustees are committed to providing the matched funds for the Cathedral's Canterbury Journey project which is part funded by the National Lottery Heritage Fund (NLHF). The Cathedral has received approval from the NLHF of a grant uplift and extension of the project by a further 12 months. Trustees expect to approve grants of around £0.82 million over the next 18 months.

#### **14. Contingent Liabilities**

There were no contingent liabilities at the year end (2020 – £Nil).

#### **15. Related party transactions and Trustees' remuneration**

No remuneration was paid to the Trustees, nor were any expenses reimbursed to them in the current or prior year. No travel expenses were met for Trustees travelling on business for the charity (2019: £Nil).

Donations received from Trustees during the year were £200 (2020: £4,770).

Canterbury Cathedral Trust Fund is wholly for the benefit of Canterbury Cathedral but is not controlled by the Chapter of Canterbury.

Grants payable to the Chapter of Canterbury during the year are as set out in note 5.

The charity occupies premises owned by the Chapter of Canterbury for which a full rent is paid of £9,084 (2020: £11,277). The Chapter of Canterbury met sundry costs of £4,188 (2020: £10,120) which have been recharged to the charity.

# Appendix – comparative information

## Statement of Financial Activities for the year ended 31 March 2020

	Note	General Fund	Designated Funds	Restricted Funds	Total 2020
		£	£	£	£
<b>Income from:</b>					
Donations and legacies	2	80,223	-	581,698	661,921
Investments and interest receivable	3	1,370	352,384	29,674	383,428
<b>Total</b>		<u>81,593</u>	<u>352,384</u>	<u>611,372</u>	<u>1,045,349</u>
<b>Expenditure on:</b>					
Raising funds	4	267,832	-	180	268,012
Charitable activities	5	-	330,907	1,069,371	1,400,278
<b>Total</b>		<u>267,832</u>	<u>330,907</u>	<u>1,069,551</u>	<u>1,668,290</u>
<b>Net expenditure before revaluations</b>		(186,239)	21,477	(458,179)	(622,941)
Net losses on investments	8	-	(1,212,628)	(32,850)	(1,245,478)
<b>Net expenditure</b>		<u>(186,239)</u>	<u>(1,191,151)</u>	<u>(491,029)</u>	<u>(1,868,419)</u>
<b>Transfers between funds</b>	11	-	-	-	-
<b>Net movement in funds</b>		<u>(186,239)</u>	<u>(1,191,151)</u>	<u>(491,029)</u>	<u>(1,868,419)</u>
Reconciliation of funds:					
Balance brought forward at 1 April		337,152	6,886,411	2,221,271	9,444,834
Balance carried forward at 31 March		<u>150,913</u>	<u>5,695,260</u>	<u>1,730,242</u>	<u>7,576,415</u>

The above results reflect the total gains and losses of Canterbury Cathedral Trust Fund and arise wholly from continuing activities.

## Appendix – comparative information

### Balance Sheet as at 31 March 2020

	Note	General Fund	Designated Funds	Restricted Funds	Total 2020
		£	£	£	£
<b>Fixed assets</b>					
Investments	8	-	4,339,584	635,130	4,974,714
<b>Current assets</b>					
Debtors	9	21,667	-	-	21,667
Cash at bank		328,806	1,406,496	1,747,085	3,482,387
		350,473	1,406,496	1,747,085	3,504,054
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	10	199,560	50,820	651,973	902,353
<b>Net current assets</b>		150,913	1,355,676	1,095,112	2,601,701
<b>Total net assets</b>		150,913	5,695,260	1,730,242	7,576,415
<b>Funds</b>	11	150,913	5,695,260	1,730,242	7,576,415

Revaluation reserves losses of £373,641 are included in the above funds (£508,771 losses in designated funds and £135,130 gains in restricted funds).

Designated funds represent funds set aside by the Trustees for specific purposes. The Trustees can amend the designation at any time.

Canterbury Cathedral Trust Fund is a registered company, number 05588837 (England and Wales)

## Appendix – comparative information

### 2. Income from donations and legacies

	General Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Trusts and Foundations	18,766	-	227,207	245,973
Legacies	17,265	-	5,560	22,825
Individuals	39,390	-	347,950	387,340
Collections	3,411	-	-	3,411
Other	1,391	-	981	2,372
Total	<u>80,223</u>	<u>-</u>	<u>581,698</u>	<u>661,921</u>

At the year end pledges received from donors payable in the next 3 years totalled £0.2million (2019 : £0.7million). These will be recognised when the funds are received.

### 3. Income from investments and interest receivable

	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Unit trusts	-	330,907	24,486	355,393
Bank and other interest	1,370	21,477	5,188	28,035
Total	<u>1,370</u>	<u>352,384</u>	<u>29,674</u>	<u>383,428</u>

### 4. Expenditure on raising funds

	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Staff costs (Note 7)	192,493	-	-	192,493
Event and campaign costs	33,829	-	180	34,009
Governance costs (Note 6)	9,030	-	-	9,030
Office and administration	29,376	-	-	29,376
Other fundraising costs	3,104	-	-	3,104
	<u>267,832</u>	<u>-</u>	<u>180</u>	<u>268,012</u>

Support costs of £79,916 are included in the above.

### 5. Expenditure on charitable activities

	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Grant funding: The Chapter of Canterbury	-	330,907	1,042,747	1,373,654
Chorister Bursaries	-	-	26,624	26,624
Total	<u>-</u>	<u>330,907</u>	<u>1,069,371</u>	<u>1,400,278</u>



## Appendix – comparative information

6. Governance costs	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Audit Fees	<u>9,030</u>	<u>-</u>	<u>-</u>	<u>9,030</u>

7. Staff costs	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Salaries and wages	161,688	-	-	161,688
Social security costs	17,958	-	-	17,958
Pension costs	<u>12,847</u>	<u>-</u>	<u>-</u>	<u>12,847</u>
	<u>192,493</u>	<u>-</u>	<u>-</u>	<u>192,493</u>

The average number of full-time equivalent employees during the year was 2.5

Actual average headcount for the year was 2.5

One employee received emoluments (including taxable benefits but excluding employer pension and national insurance contributions) in the year of between £110,000 and £120,000 of which 50% is met by Canterbury Cathedral Trust Fund and 50% by the Chapter of Canterbury.

Remuneration paid to key management personnel in the year (including taxable benefits, employer pension and national insurance contributions) totalled £106,508

8. Investments	Designated Funds £ (M&G)	Restricted Funds £ (Sarasin)	Total 2020 £
<b>Movements in listed investments</b>			
Market value 1 April 2019	6,202,212	667,980	6,870,192
Disposals	(650,000)	-	(650,000)
Net realised gains	34,394	-	34,394
Net unrealised losses	(1,247,022)	(32,850)	(1,279,872)
Market value 31 March 2020	<u>4,339,584</u>	<u>635,130</u>	<u>4,974,714</u>

All listed investments held by M&G Securities Limited comprise units in Charifund common investment fund whilst those held by Sarasin & Partners LLP comprise units in the Sarasin Endowments Fund, a charities authorised investment fund.

## Appendix – comparative information

### 9. Debtors

	General Fund £	Designated Funds £	Restricted Funds £	Total 2020 £
Miscellaneous debtors	247	-	-	247
Prepayments and accrued income	15,542	-	-	15,542
Amounts due from the Chapter of Canterbury	5,878	-	-	5,878
	<u>21,667</u>	<u>-</u>	<u>-</u>	<u>21,667</u>

### 10. Creditors

	General Fund £	Designated Music Fund £	Restricted Funds £	Total 2020 £
Expense creditors	290	-	-	290
Accruals and deferred income	9,030	-	26,624	35,654
Amounts owed to the Chapter of Canterbury	186,828	50,820	625,349	862,997
Other creditors	3,412	-	-	3,412
	<u>199,560</u>	<u>50,820</u>	<u>651,973</u>	<u>902,353</u>

## Appendix – comparative information

11. Statement of Funds	As at 1 April 2019	Income	Fund raising Expenditure	Charitable Activities	Transfers between funds	(Losses)	As at 31 March 2020
	£	£	£	£	£	£	£
<b>Unrestricted Funds</b>							
General Funds	337,152	81,593	(267,832)	-	-	-	150,913
<b>Designated funds</b>							
Designated Music Fund	5,538,952	330,907	-	(330,907)	-	(1,212,828)	4,326,324
Designated Cathedral Organ Fund	6,221	3,708	-	-	-	-	9,929
Designated Music Campaign Fund	5,034	27	-	-	-	-	5,061
Designated Canterbury Journey Fund	1,338,204	17,742	-	-	-	-	1,355,946
	6,886,411	352,384	-	(330,907)	-	(1,212,828)	5,695,260
<b>Restricted Funds</b>							
<b>Fabric and related expenditure</b>							
Apprentices (Stonemasonry) Fund	1,573	4	-	-	-	-	1,577
Apprentices General	12,289	494	-	-	-	-	12,783
Archaeological Graffiti Survey	2,005	5	-	-	-	-	2,010
Stained Glass Studio	32,862	4,810	-	-	-	-	37,672
Stones	2,111	867	-	-	(1,000)	-	1,978
Bufs Chapel to Clean	32,614	87	-	-	-	-	32,701
Fabric Fund	9,582	5,829	-	-	-	-	15,411
Glass Guardians	-	1,005	-	-	1,000	-	2,005
North West Transept	4,809	126	-	-	-	-	4,935
Library Corridor Roof	-	229	-	-	-	-	229
Stone Auction Fabric Fund	210,696	562	-	-	-	-	211,258
<b>Music</b>							
Marit & Hans Rausing Choir Bursary	645,980	-	-	-	-	(32,850)	613,130
Rausing Choir Bursary Income	10,072	24,578	-	(26,624)	-	-	8,026
Chorister Scholarship fund	12,225	8,637	-	-	-	-	20,862
Music Fund	57,760	154	-	-	-	-	57,914
Music & Choir	3,000	8	-	-	-	-	3,008
John Sunley Memorial Bursary	15,335	41	-	-	-	-	15,376
Cathedral Organ Fund	482,151	142,283	-	(537,237)	-	-	87,177
Adopt a Stop (Organ)	170,165	94,093	(180)	-	-	-	264,078
The Canterbury Voice	680	173	-	-	-	-	853
Your Voice Endowment	601	588	-	-	-	-	1,189
<b>Other</b>							
Miscellaneous	2,626	1,512	-	-	240	-	4,378
Cathedral Models	2,664	7	-	-	-	-	2,671
Paper conservation	20,445	494	-	(3,982)	(240)	-	16,717
<b>Canterbury Journey Project</b>							
Project Delivery Phase Fund	489,026	324,806	-	(501,528)	-	-	312,304
	2,221,271	611,372	(180)	(1,069,371)	-	(32,850)	1,730,242
<b>Total of Funds</b>	<b>9,444,834</b>	<b>1,045,349</b>	<b>(268,012)</b>	<b>(1,400,278)</b>	<b>-</b>	<b>(1,245,478)</b>	<b>7,576,415</b>

Unrestricted funds are available for any of the purposes for which the Charity was established.

There are four designated funds: the Designated Music Fund which has been invested for the long term and whose income is used to support the music and choral tradition of the Cathedral; The Canterbury Journey Fund which has been designated to support the delivery of the various elements of The Canterbury Journey Project; the Cathedral Organ Fund which has been set aside for rebuilding the Cathedral Organ; and the Music Campaign Fund which will enable us to create new and bespoke events, working closely with colleagues across the Cathedral, particularly within the music team, the choir and the lay Clerks.

Restricted funds have been established for specific purposes in line with the restrictions imposed by donors. Most restricted funds are expected to be spent within the next 36 months.

