



THE ASSOCIATION OF ENGLISH CATHEDRALS

REPORT OF THE EXECUTIVE COMMITTEE AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2021**

**Company No. 06726262
Charity Registration: 1128254**

**Registered Office:
8 Kingswood Drive
London SE19 1UR**

THE ASSOCIATION OF ENGLISH CATHEDRALS

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REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDING 31 DECEMBER 2021

The members of the Executive Committee have pleasure in presenting their report together with the financial statements of the Association for the year ended 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The executive confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Reference and administrative information

Principal address and registered office

The principal address of the Association is:

8 Kingswood Drive
London
SE19 1UR

Company registered number: 06726262

Charity registered number: 1128254

Executive

The names of the persons who were members of the Executive Committee (trustees of the charity and directors of the company) at any time during the year ended 31 December 2021 or have been appointed since that date were as follows:

The Very Rev'd Adrian Dorber, Dean of Lichfield (Chair)
Mr David Bilton, Chapter member, Newcastle Cathedral
Mr David Coulthard, Communar, Chichester Cathedral
Ms Emma Davies, Registrar, St Paul's Cathedral (resigned April 2022)
The Very Rev'd Rogers Govender, Dean of Manchester
The Rev'd Canon Simon Griffiths, Canon, Truro Cathedral (appointed February 2022)
The Very Rev'd Peter Howell-Jones, Dean of Blackburn
The Rev'd Canon Dr Jessica Martin, Residentiary Canon, Ely Cathedral (resigned September 2021)
The Very Rev'd David Monteith, Dean of Leicester
The Rev'd Canon Aidan Platten, Canon, Norwich Cathedral
The Rev'd Canon David Stone, Sub-Dean, Coventry Cathedral (resigned June 2021)
The Rev'd Canon Celia Thomson, Canon, Gloucester Cathedral (resigned February 2022)
The Very Rev'd Andrew Tremlett, Dean of Durham
The Rev'd Canon Matthew Vernon, Sub-Dean, St Edmundsbury Cathedral (appointed February 2022)

Senior staff

Mrs Sarah King, Executive Director

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Principal advisers

Bankers

The Co-operative Bank
PO Box 250, Delf House
Southway
Skelmersdale WN8 6WT

Independent Examiner

Mr J F Fletcher FCA
Fletcher & Partners
Crown Chambers
Bridge Street
Salisbury SP1 2LZ

Structure, governance and management

Governing document

The Association of English Cathedrals was established as an unincorporated association in 1990. The company limited by guarantee number 06726262 was incorporated on 16 October 2008 and became a registered charity in England and Wales charity number 1128254 on 25 February 2009. The Association is governed by its Articles of Association as adopted on 14 June 2016.

Under the Companies Act 2006 the trustees have the status of directors. This report therefore constitutes a directors' report as required by section 477 of the Companies Act 2006 and has been prepared taking advantage of the exemptions conferred by section 476 of this Act.

The members of the Association are the administrative bodies of the 42 English Anglican Cathedrals. Westminster Abbey, St George's Chapel, Windsor, St German's Cathedral, Isle of Man and St Davids Cathedral are associate members. In the event of the Association winding up, each member undertakes to contribute an amount not exceeding £10. Upon the winding up or dissolution of the Association, all remaining assets shall be given or transferred to another charity having the same or similar objects to the Association in accordance with charity law.

Organisational structure and decision making

The trustees of the Association of English Cathedrals are known as Executive Committee members and are also the company directors. The management of the Association is vested in the Executive Committee, which is responsible for delivery of the Association's objects and setting the strategic direction. The Committee manages and exercises all the powers of the charity in accordance with the Memorandum and Articles of Association.

The Executive Committee is assisted in its work by a number of working groups, formed of Executive Committee members and others with relevant expertise and experience. The working groups are formed to deliver specific projects and meet as and when required. Notes of all meetings are given to the Executive Committee.

The Executive Committee delegates day-to-day running of the Association to the Executive Director, Sarah King.

Executive Committee recruitment and appointment

The members elect nine members of the Executive Committee. The nine members must include no fewer than four deans and no fewer than four other Chapter members (excluding administrators); no fewer than three members must come from each Province of the Church of England. There are three ex-officio trustees: the Chair of the College of Deans, the Chair of the Cathedrals Administration and Finance Association and another member of the Executive Committee of that Association. At every annual general meeting one-third, or the number nearest to (but not greater than) one third, of the elected Committee members retire from office, but are eligible for re-appointment by the members. Those standing down are

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those who have been longest in office since their last appointment or re-appointment. There is no fixed term for appointment as a Committee member.

The Executive Committee has the power to co-opt new members but those co-opted have to stand for election at the following annual general meeting. Co-options are made to provide an appropriate balance of skills, experience and gender, and to ensure that cathedrals of different types and with a geographical spread are represented on the Committee.

Remuneration

Staff salaries are reviewed annually in July and any increase is in line with the pay rises given at Lichfield Cathedral.

Objectives and activities

Object

The object of the Association of English Cathedrals is to advance the Christian religion for the benefit of the public in accordance with the doctrines of the Church of England and to further the mission of the Anglican religion by:

- (1) Supporting the English Anglican cathedrals (the members of the Charity) and Westminster Abbey, St George's Chapel, Windsor, St German's Cathedral, Isle of Man and St Davids Cathedral in their work of advancing the Christian religion by representing the common interests of cathedrals both in national and ecclesiastical contexts.
- (2) Working with the National Church Institutions and other parts of the Church of England in furthering the mission and work of cathedrals;
- (3) Working with the Churches' Legislation Advisory Service and other appropriate ecumenical bodies in furthering the mission and work of cathedrals;
- (4) Working with the Government and its agencies to represent the interests of cathedrals and achieve an environment where cathedrals are enabled to fulfil their mission and work;
- (5) Debating and proposing policies and other matters affecting cathedrals, including their role in advancing education; community development; arts, culture and heritage; and environmental protection and improvement. Also assisting in developing their role in promoting religious and racial harmony and equality and diversity; and
- (6) Encouraging the development and sharing of best practice between cathedrals.

Information about the activities undertaken during the year is set out below in the section describing achievements and performance. The Executive Committee members consider that all activities undertaken have been for the public benefit, and that they have paid due regard to guidance from the Charity Commission 'Public Benefit: running a charity (PB2)' in determining what work is done.

The Charity Commission in its 'Charities and Public Benefit' Guidance requires that there are two key principles to be met in order to show that an organisation's aims are for the public benefit: first, there must be an identifiable benefit, and secondly, the benefit must be to the public or a section of the public.

Executive Committee

The membership of the Executive Committee changed during the year. David Stone stood down at the Annual General Meeting as he was leaving Coventry Cathedral to take up another post, and Jessica Martin resigned in September 2021 following her appointment to another non-executive role. Peter Howell-Jones and Andrew Tremlett were re-elected to the Committee. In February 2022, the Executive Committee co-opted Simon Griffiths and

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Matthew Vernon to fill the two vacancies on the Committee. Celia Thomson retired from Gloucester Cathedral in February 2022 and resigned from the Executive Committee at the same time.

Achievements and performance

The Executive Committee met on six occasions during the year to discuss matters of interest to the members, agree actions and review progress. All these meetings were held by Zoom. An in-person strategy day was held in November at the Royal Foundation of St Katharine. An Annual General Meeting (AGM) attended by representatives of the Association's members was held as usual in June, for a second year by Zoom due to the restrictions arising from the Covid-19 pandemic. At the strategy day, the Committee reflected on the role of the Association, having regard to other entities providing national support to cathedrals, including the College of Deans and CAFA from within the cathedral sector and also the Church Commissioners which provides funding, regulates and supports cathedrals. A Statement of Purpose was devised.

The AEC's activities were disrupted by the pandemic. Induction training courses for new Chapter members were held using Zoom in February and March, following the cancellation of two training sessions in 2020, and again in May. In October, it was possible to hold an in-person session. Induction courses are an invaluable opportunity for those attending to understand more about the role and ways of working of cathedrals and to develop a bigger picture of cathedral life, enabling them to discharge their responsibilities with greater knowledge and skill.

The Committee continues to work closely with the Church of England's National Safeguarding Team and the cathedral lead on safeguarding matters, the Very Rev'd Stephen Lake, Dean of Gloucester, to ensure that cathedrals are alert to and implement good practice in safeguarding; it recognises the importance of providing the best possible care to children and adults at risk in cathedral contexts. The AEC worked with the National Safeguarding Team to facilitate the review of various policies and procedures and to ensure that cathedrals were aware of training sessions and support available.

The AEC worked with the Church Commissioners in supporting the smooth implementation of the new Cathedrals Measure which received its final approval from General Synod in November 2020 and passed its parliamentary stages before receiving the Royal Assent in April 2021.

The Communications Project, which aims to improve the profile of cathedrals in traditional and social media at a national level and encourage the development of communications skills in cathedrals, helped keep cathedrals in the public eye through the vicissitudes of the Covid-19 pandemic and supported cathedrals in their response to and recovery from the pandemic. In line with plans agreed in 2019, the project's two media professionals worked an extra half day each week, increasing the time each spent working to two days a week. The additional time was well used in telling stories of what cathedrals were doing through lockdowns and closures, and, as they re-opened, affirming that cathedrals were still at the centre of their communities. The AEC's website and social media continued to be key to the Project. The AEC's social media activity grew through the year, reaching people who are less likely to read traditional media. A Project Board, chaired by David Stone until June and subsequently by Jonathan Greener, the Dean of Exeter, oversees the Project on behalf of the Committee. Board members are drawn from communications specialists working in cathedrals and the National Church Institutions (NCIs).

Plans for the continued roll out of peer reviews in 2021 were again disrupted by the Covid-19 pandemic. All four reviews which were completed in the year took place between September and November. The Project Board, chaired by Andrew Nunn, the Dean of Southwark, met twice in the year to oversee the project on behalf of the Committee, once by Zoom but in

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November in person. Reviews planned for earlier in 2021 were rescheduled, with dates being agreed in 2022 and 2023. Already, six reviews have been conducted in 2022. The Project Board plans to conduct a survey later in 2022 of those cathedrals which have participated in a peer review in order to gain feedback on their experience, how they perceived its value, the level of challenge provided, and whether it influenced their future activity. The survey results will help the Project Board and Committee, and also the Church Commissioners as the project's funders, assess the value of peer review and formulate plans for a possible second round of reviews. Les West, as Project Manager, and Moira Dean, as Project Coordinator, organise the reviews and recruitment and training of new reviewers.

The Chapter Training Project, which provided training to Chapters in the areas of financial management and sustainability, governance, and strategic marketing for growth was concluded during the year. The surplus funding was returned to the Church Commissioners to be used to fund training related to implementation of the new Measure.

The Cathedral and Major Church Projects Support Panel's Project Board continues to be chaired by Peter Howell-Jones. The AEC manages the day to day affairs of the project as set out in the memorandum of understanding with the Major Churches Network. The pandemic has continued to adversely affect the work of the Panel. The volume of requests for assistance has diminished in comparison to pre-Covid times, although cathedrals and especially major churches have taken part in strategic planning workshops which have been delivered successfully online. In the autumn of 2020 and in early 2022, a few in-person visits took place. Anne Locke, Cathedrals Coordinator, and Nick Chapple, Major Church Coordinator, answer questions and match cathedrals and major churches with panel members. Reports on the project's progress were made regularly to the Committee and also to the project funders, the Benefact (formerly Allchurches) Trust and the Church Commissioners.

The pandemic had a significant impact on plans for '2020 Year of Cathedrals Year of Pilgrimage'. The decision was made to extend the project's life as 'Discover Cathedrals, Discover Pilgrimage'. During the year, a volunteer management framework and an online training module for volunteers, both produced in conjunction with the Centre for the Study of Christianity and Culture at the University of York, were launched, and were well received. Some cathedrals were able to host 'Cathedrals at Night' evenings successfully in a Covid-safe way which attracted visits from local people and younger people who are not traditional cathedral visitors. Pilgrim Passports continue to sell and encourage visits to cathedrals. The AEC assisted with the launch of a new Cathedral Cycle Route, the brainchild of a research student attached to Newcastle Cathedral, which is promoting a new way of travelling between cathedrals.

In August 2021 a report showing the Economic and Social Impacts of English Cathedrals, commissioned by the AEC and produced by Ecorys, was published. The report was accompanied by an infographic setting out the key findings. These were sent to ministers in relevant government departments, leaders within the NCIs and their governing bodies, and other sector and strategic partners, and also to all cathedrals, which circulated them to local stakeholders including politicians. The report, which was based on survey data from both 2019 (pre-pandemic) and 2020, showed that in 2019 cathedrals attracted over 9.5 million tourists, an increase of 15% on 2014, generated a net contribution of £107 million and a combined total of £235 million in local spending, and supported 5,535 jobs in their local economies. They were supported by over 15,000 volunteers who contributed an estimated 906,000 hours, equivalent to 500 full-time employees. The research also showed the impact of Covid-19 on cathedrals, particularly in significantly lower non-visitor and visitor related income, but also the response of cathedrals in reaching people in new ways and providing additional support services. The research is a valuable tool in demonstrating the value of cathedrals to government, both central and local, in economic and social terms.

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The AEC has continued its membership of the Churches Legislation Advisory Service and the Charity Tax Group so that it can work with the wider church and charity sector, and also to provide information to cathedrals on relevant legislative changes and developments in charity taxation. These memberships proved advantageous as HMRC issued new guidance in February 2021 to resolve an issue relating to cathedrals and VAT for which the AEC and the two organisations had campaigned for a number of years.

The AEC, as a member, works closely with the Heritage Alliance, the biggest alliance of heritage interests in England furthering the interests of heritage organisations. It is also a member of the Heritage Alliance's Historic Religious Buildings' Group. The AEC continues to work in partnership with the Association of Leading Visitor Attractions (ALVA), sharing information and participating in webinars and meetings, ensuring that cathedrals, which are important tourist attractions, are supported in improving their visitor offers. These relationships were especially valuable during 2021, as they ensured cathedrals were part of the visitor sector response to the pandemic.

Executive members and the Executive Director worked with government departments and other national bodies on a number of issues relating to cathedrals and appropriate action has been taken to represent the interests of cathedrals by commenting on forthcoming legislation. Of note this year was the AEC's response on behalf of cathedrals to the Home Office's Protect Duty consultation.

The Executive Director provided support to cathedrals in a number of areas, facilitating meetings using Zoom for members of various cathedral networks, and also produced good practice papers and guidance notes, assisting cathedrals in their work. Moira Dean is providing support for the new CAFA website which has a growing library of documentation covering a wide range of topics; the website facilitates the sharing of good practice.

Financial review

Results of the period

Income was £95,513 less than expenditure (2020, income was £19,284 less than expenditure). Unrestricted income exceeded expenditure by £2,609 (2020: unrestricted income exceeded expenditure by £16,273), and restricted income was £98,122 less than expenditure (2020: income was £35,557 less than expenditure).

Income of £196,110 was broadly similar to that of 2020 (£194,133). Grant income of £56,675 was lower than that of 2020 (£72,580). The Communications Project, funded by cathedrals, increased capacity to eight working days a month in 2021, rising from six working days per month in 2020. Income for the Project increased to £70,780 in 2021 from £55,851 in 2020. Due to lower activity levels as a result of the pandemic, the AEC took advantage of Coronavirus Job Retention Scheme support, with members of staff on flexi-furlough from the start of the year to the end of September (when the Scheme ended). Coronavirus Job Retention Scheme receipts were £7,618 (2020 £3,064).

Expenditure was higher than the previous year at £291,623 (2020: £213,417). The Chapter Training Project was concluded during the year and surplus funding of £60,987 was repaid to the Church Commissioners, the Project's funders. There were increased costs for the Communications Project and on Peer Reviews following their resumption in the autumn. Expenditure on the Discover Cathedrals Discover Pilgrimage Project declined as the pandemic affected delivery of the renamed project (2021, £22,362; 2020, £59,656).

Reserve policy and future prospects

Reserves are needed to bridge the gap between the spending and receiving of resources and to cover unplanned expenditure. Income from subscriptions and contributions to employment costs and the Communications Project is received at one point in the year,

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whereas expenditure, including salary payments, continues throughout the year. Whilst the Executive always seeks to fund projects with grants, reserves are also needed to fund projects which arise from time to time which are important to cathedrals nationally. In normal times Executive Committee members aim to maintain a reserve equivalent to six months unrestricted and recurring restricted expenditure for cash flow purposes. In 2021, the target reserves level was £64,000. The Committee is rebuilding reserves to the desired level through subscriptions, the primary source of unrestricted income, and controlling expenditure. The reserves policy is reviewed annually when the budget for the following year is approved.

At the year end, free reserves were £36,877 (2020: £34,268).

Fundraising activity

The Association does not currently employ anyone dedicated to fundraising, nor does it use external fundraisers or commercial participators. The Association has not received any complaints about its fundraising activities and practices.

Risk management

The members of the Executive regularly consider the risks which the Association may face. They are satisfied that there are adequate reserves in place to mitigate any financial risk, and deem any reputational risk to be slight. The principal risk facing the Association is the loss of the Executive Director, which is mitigated by a three-month notice period and adequately documented work. In respect of other risks, they consider there are adequate contingency plans appropriate to the size of the Association in place to lessen their effect.

Plans for future periods

The Executive Committee continues to review how it can best support cathedrals in their work. It will continue to run and establish projects which support Chapters and staff working in cathedrals to develop well-governed, strategically focussed and sustainable cathedrals. Over the next year, plans include assisting through the Cathedral and Major Church Project Support Panel as cathedrals continue to re-assess their operations in the light of the impact of the pandemic, continuing with peer reviews, and working with cathedrals through the Discover Cathedrals Discover Pilgrimage Project to attract visitors back to cathedrals.

Plans for a second National Cathedrals Conference in Newcastle in May 2022 are well advanced, with all member cathedrals booked to attend as well as a number of delegates from other cathedrals, the NCIs, and related organisations. The Committee wishes to express its gratitude to the Conference's main sponsor, CCLA, for its considerable financial support, as well as to the Church Commissioners and Kirby Laing Foundation for grants to help with costs and to provide bursaries to enable more cathedral representatives to attend respectively. A number of other sponsors are supporting the Conference. The finances for the Conference are being managed by Manchester Cathedral Hire Ltd on behalf of the AEC.

Going concern

The Executive Committee expects the AEC to have adequate resources to continue in operational existence for the foreseeable future. It continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the Association of English Cathedrals for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland).

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Company law 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing the financial statements, the trustees are required to:

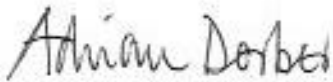
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the Independent Examiner

To the knowledge and belief of the Executive Committee, there is no relevant information of which the charitable company's Independent Examiner is not aware, and it has taken all necessary care to ensure and establish that the Independent Examiner is aware of any relevant information.

Approved by order of the Executive Committee and signed on their behalf by:



Adrian Dorber
Chair

3 May 2022

THE ASSOCIATION OF ENGLISH CATHEDRALS

REPORT OF THE INDEPENDENT EXAMINER TO THE MEMBERS OF THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF ENGLISH CATHEDRALS

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

James Fletcher FCA
Fletcher & Partners
Chartered Accountants
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds £	Restricted funds £	Total 31.12.21 £
Income from donations				
Membership subscriptions		18,400	-	18,400
Grants		-	56,675	56,675
Coronavirus Job Retention Scheme		7,618	-	7,618
		26,018	56,675	82,693
Income from charitable activities				
Contributions to staff costs	6	-	37,750	37,750
Contributions to Communications Project	6	-	70,780	70,780
Chapter training course fees		2,610	-	2,610
Other income		23	2,116	2,139
		2,633	110,646	113,279
Income from investments				
Bank deposit interest		138	-	138
Total income		28,789	167,321	196,110
Expenditure on:				
Charitable activities supporting the English Anglican cathedrals				
Staff costs	6	-	36,366	36,366
Executive meetings		2,891	-	2,891
Working groups		2,001	-	2,001
Discover Cathedrals etc. Project	6	-	22,362	22,362
Cathedral & Major Church Projects Support Panel 6		-	27,571	27,571
Chapter Training	6	3,292	60,987	64,279
Communications Project	6	-	73,463	73,463
Peer Review Project	6	-	31,390	31,390
Economic and Social Impacts Survey	6	475	19,602	20,077
CAFA Website	6	-	1,320	1,320
Conferences		182	-	182
English cathedrals website		6,570	-	6,570
Subscriptions		1,013	-	1,013
		16,424	273,061	289,485
Other				
Governance	11	960	-	960
Insurance		545	-	545
Other		633	-	633
		2,138	-	2,138
Total expenditure		18,562	273,061	291,623
Net income/ (expenditure)		10,227	(105,740)	(95,513)
Transfers between funds		(7,618)	7,618	-
Net movements in funds	6,7	2,609	(98,122)	(95,513)
Reconciliation of funds:				
Total funds brought forward	6,7	34,268	293,299	327,567
Total funds carried forward	6,7	£36,877	£195,177	£232,054

The notes on pages 14 to 18 form part of these accounts

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

Comparative information

	Note	Unrestricted funds £	Restricted funds £	Total 31.12.20 £
Income from donations				
Membership subscriptions		23,000	-	23,000
Grants		-	72,580	72,580
Coronavirus Job Retention Scheme		3,064	-	3,064
		26,064	72,580	98,644
Income from charitable activities				
Contributions to staff costs	6	-	37,750	37,750
Contributions to Communications Project	6	-	55,851	55,851
Chapter training course fees		600	-	600
Other income		-	-	-
		600	93,601	94,201
Income from investments				
Bank deposit interest		1,288	-	1,288
Total income		27,952	166,181	194,133
Expenditure on:				
Charitable activities supporting the English Anglican cathedrals				
Staff costs	6	-	36,905	36,905
Executive meetings		1,221	-	1,221
Working groups		631	-	631
2020 Year of Cathedrals etc. Project	6	-	59,656	59,656
Cathedral & Major Church Projects Support Panel 6		-	24,299	24,299
Chapter Training	6	500	119	619
Communications Project	6	-	47,338	47,338
Peer Review Project	6	-	19,407	19,407
Economic and Social Impacts Survey	6	-	17,078	17,078
Grant to CSCC Covid impacts survey		2,000	-	2,000
Conferences		324	-	324
English cathedrals website		1,866	-	1,866
Subscriptions		927	-	927
		7,469	204,802	212,271
Other				
Insurance		498	-	498
Other		648	-	648
		1,146	-	1,146
Total expenditure		8,615	204,802	213,417
Net income/ (expenditure)		19,337	(38,621)	(19,284)
Transfers between funds		(3,064)	3,064	-
Net movements in funds	6,7	16,273	(35,557)	(19,284)
Reconciliation of funds:				
Total funds brought forward	6,7	17,995	328,856	346,851
Total funds carried forward	6,7	£34,268	£293,299	£327,567

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BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Current assets:			
Debtors and prepayments	4	12,268	1,641
Cash at bank		230,070	331,819
		<u>242,338</u>	<u>333,460</u>
Liabilities:			
Creditors: amounts due within one year	5	(10,284)	(5,893)
Net current assets		<u>£232,054</u>	<u>£327,567</u>
The funds of the Charity:			
Restricted funds	6	195,177	293,299
Unrestricted funds	7	36,877	34,268
Total Charity funds		<u>£232,054</u>	<u>£327,567</u>

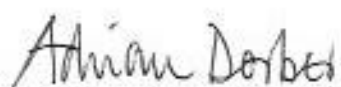
The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Executive Committee on 3 May 2022 and signed on their behalf by:



Adrian Dorber
Chair

The notes on pages 14 to 18 form part of these accounts

THE ASSOCIATION OF ENGLISH CATHEDRALS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Cash flows from operating activities:		
Cash receipts	185,415	191,204
Cash payments	(287,302)	(217,161)
<i>Net cash(used)/ provided by operating activities</i>	<i>(101,887)</i>	<i>(25,957)</i>
Cash flows from investing activities:		
Interest	138	1,288
<i>Net cash provided by investing activities</i>	<i>138</i>	<i>1,288</i>
Change in cash in the reporting period	(101,749)	(24,669)
Cash at beginning of the reporting period	331,819	356,488
Cash at end of the reporting period	£230,070	£331,819
Reconciliation of net income to net cash flow from operating activities		
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	£ (95,513)	£ (19,284)
Adjustments for:		
Interest	(138)	(1,288)
(Increase)/ decrease in debtors	(10,627)	(1,059)
Increase/ (decrease) in creditors	4,391	(4,326)
Net cash provided/ (used) by operating activities	£(101,887)	£(25,957)
Analysis of cash		
	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Cash at bank	230,070	331,819
Total cash	£230,070	£331,819

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 GENERAL INFORMATION

The Association of English Cathedrals is a company limited by guarantee incorporated in England and Wales registered number 06726262, and a registered charity number 1128254. The members of the company are the 42 English Anglican cathedrals. The registered office is 8 Kingswood Drive, London, SE19 1UR. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

2 ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Association of English Cathedrals meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going Concern

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

2.3 Incoming resources

Incoming resources are recognised when they are invoiced (for example subscriptions) or when received (including donations and bank interest). Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the Statement of Financial Activities.

2.4 Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the AEC to pay out resources.

2.5 Cash at bank and in hand

Cash at bank and in hand includes cash and cash on deposit.

2.6 Debtors

Debtors are measured at the amounts the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

2.7 Liabilities

Liabilities are measured at the amounts the charity anticipates it will pay to settle a debt or the amount it has received as an advance payment for goods or services it must provide.

2.8 Fund accounting

Unrestricted funds are available to use to further any of the purposes of the Association. Restricted funds are given for particular areas of the AEC's work or for specific projects.

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

3 LEGAL STATUS OF THE ASSOCIATION

The Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £10.

4 DEBTORS AND PREPAYMENTS

	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Other debtors	£12,268	£1,641

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Other creditors	£10,284	£5,893

6 ANALYSIS OF RESTRICTED FUNDS

	Year ended 31 December 2021 Balance at 1.1.2021 £	Income £	Expend- -iture £	Transfers between funds £	Balance at 31.12.2021 £
Staff costs	8,916	37,750	(36,366)	-	10,300
Chapter Training Project	60,304	683	(60,987)	-	-
CMCPSP	40,381	10,174	(27,571)	3,152	26,136
Communications Project	22,416	70,780	(73,463)	-	19,733
Peer Review Project	122,534	-	(31,390)	2,948	94,092
DC,DP	19,146	43,934	(22,362)	1,518	42,236
Economic and Social Impacts	19,602	-	(19,602)	-	-
CAFA website maintenance	-	4,000	(1,320)	-	2,680
Total	£293,299	£167,321	£(273,061)	£7,618	£195,177

	Year ended 31 December 2020 Balance at 1.1.2020 £	Income £	Expend- -iture £	Transfers between funds £	Balance at 31.12.2020 £
Staff costs	8,071	37,750	(36,905)	-	8,916
Chapter Training Project	60,423	-	(119)	-	60,304
CMCPSP	27,980	35,900	(24,299)	800	40,381
Communications Project	13,903	55,851	(47,338)	-	22,416
Peer Review Project	139,991	-	(19,407)	1,950	122,534
DC,DP	74,488	-	(59,656)	314	19,146
Economic and Social Impacts	-	36,680	(17,078)	-	19,602
CAFA website maintenance	-	-	-	-	-
Total	£328,856	£166,181	£(204,802)	£3,064	£293,299

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

Fund balances are represented by cash.

Staff Costs Fund: Amounts contributed by cathedrals to the costs of employing the Executive Director.

Chapter Training Project Fund: Established to account for grants from the Church Commissioners relating to the Chapter Training Project.

Cathedral and Major Church Projects Support Panel Fund (CMCPSP): Created by donations from the Benefact (formerly Allchurches) Trust and Church Commissioners to fund a Panel of expert volunteers, supported by two part-time Co-ordinators, to give advice to cathedrals on projects to ensure they are well conceived, planned and executed.

Communications Project Fund: Amounts contributed by cathedrals to provide communications support to cathedrals and improve their profile externally.

Peer Review Project Fund: Established to account for grants from the Church Commissioners to fund peer reviews of cathedral governance.

Discover Cathedrals, Discover Pilgrimage (DC,DP): Established in response to grants from the Church Commissioners and Kirby Laing Foundation to fund expenditure to increase the mission and profile of cathedrals in 2020 and subsequent years (originally: 2020 Year of Cathedrals, Year of Pilgrimage).

Economic and Social Impacts Fund: Set up to account for a grant from the Church Commissioners to fund a new survey of the Economic and Social Impacts of England's Cathedrals.

CAFA Website Fund: Funding for AEC staff to provide support to the new CAFA website.

7 ANALYSIS OF UNRESTRICTED FUNDS

Year ended 31 December 2021	Balance at 1.1.2021	Income	Expenditure	Transfers between funds	Balance at 31.12.2021
	£	£	£	£	£
General funds	34,268	28,789	(18,562)	(7,618)	36,877

Year ended 31 December 2020	Balance at 1.1.2020	Income	Expenditure	Transfers between funds	Balance at 31.12.2020
	£	£	£	£	£
General funds	17,995	27,952	(8,615)	(3,064)	34,268

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

8 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year ended 31 December 2021	Unrestricted funds £	Restricted funds £	Total funds £
Current assets	37,837	204,501	242,338
Creditors due within one year	(960)	(9,324)	(10,284)
Total	£36,877	£195,177	£232,054

Year ended 31 December 2020	Unrestricted funds £	Restricted funds £	Total funds £
Current assets	37,207	296,253	333,460
Creditors due within one year	(2,939)	(2,954)	(5,893)
Total	£34,268	£293,299	£327,567

9 PAID EMPLOYEES

During the year, the Association employed four part-time members of staff (total 1.6 FTE) and reimbursed their expenses totalling £1,527 (2020: four part-time members of staff (total 1.6 FTE), expenses reimbursed: £1,875). The Association received £7,618 (2020: £3,064) during the year in Coronavirus Job Retention Scheme grants from HM Government.

	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Salaries	67,608	68,393
National insurance	516	1,143
Pension costs	2,621	2,704
Total	£70,745	£72,240

No employee received employee benefits of more than £60,000 in either year.

The Association of English Cathedrals participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the Scheme separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. The Association participates in the latter section.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

bonuses declared is payable, unreduced, from age 65. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable in the year, 2021: £2,621 (2020: £2,704).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the Association of English Cathedrals could become responsible for paying a share of that employer's pension liabilities.

10 EXECUTIVE MEMBERS REMUNERATION, BENEFITS AND EXPENSES

No member of the Executive Committee was paid any remuneration or received any other benefits from an employment with the Charity.

Members of the Executive Committee had their travel and subsistence expenses reimbursed but no other payments were made to Executive Committee members (2020, £NIL).

	Year ended 31.12.2021	Year ended 31.12.2020
No. of members who were paid expenses	6	5
Travel and subsistence expenses	£770	£692

11 GOVERNANCE COSTS

	Year ended 31.12.2021	Year ended 31.12.2020
Independent examiner's remuneration	£960	-

12 RELATED PARTY TRANSACTIONS

There were no related party transactions.

13 COVID-19 PANDEMIC

The members of the Executive Committee acknowledge and recognise the potential impact of Covid-19 on the Association's operations. One-off projects are funded in advance of expenditure being incurred and income to fund recurring projects is unlikely to be materially affected. Members have considered whether Covid-19 has had any impact on the Association's ability to continue operating for the foreseeable future; they are confident that the Association has sufficient resources to meet its liabilities as they fall due and that it is a going concern.

THE ASSOCIATION OF ENGLISH CATHEDRALS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Year ended 31.12.2021 £	Year ended 31.12.2020 £
Income		
Membership subscriptions	18,400	23,000
Grants	56,675	72,580
Contributions to staff costs	37,750	37,750
Contributions to Communications Project	70,780	55,851
Coronavirus Job Retention Scheme	7,618	3,064
Chapter training courses fees	2,610	600
Bank interest	138	1,288
Other income	2,139	-
<i>Total income</i>	<i>196,110</i>	<i>194,133</i>
Expenditure		
Executive meetings	2,891	1,221
Staff costs and expenses	36,366	36,905
Chapter training courses	3,292	500
Discover Cathedrals Discover Pilgrimage Project	22,362	59,656
Cathedral & Major Church Projects Support Panel	27,571	24,299
Chapter Training Project	60,987	119
Communications Project	73,463	47,338
Peer Review Project	31,390	19,407
Economic and Social Impacts Survey	20,077	17,078
CAFA Website	1,320	-
Grant for CSCC Covid impact survey	-	2,000
Working groups	2,001	631
Subscriptions	1,013	927
English cathedrals website	6,570	1,866
Conferences	182	324
Governance	960	-
Insurance	545	498
Other	633	648
<i>Total expenditure</i>	<i>291,623</i>	<i>213,417</i>
Operating surplus/ (deficit) for the year	<u>(£95,513)</u>	<u>(£19,284)</u>

This Income and Expenditure Account is included in the Financial Statements in compliance with the Companies Act 2006.