

THE FRIENDS OF ELY CATHEDRAL CIO

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE FRIENDS OF ELY CATHEDRAL CIO

1.

PARTICULARS OF THE CHARITY

FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES

The Very Reverend M P J Bonney, Dean of Ely (Chairman)

Mr E J Gifford (Chair of Council)

Mr R O Setchell (Honorary Treasurer)

Mrs A L Bishop

Mrs C Bushnell

Mrs J Davie

Mrs S Farmer

Ms J I Fenton

Prof V Lewis

Mr R H G Mason

Mrs H Merrick

Mr G Mizen

Mrs M Rone (retired 26 November 2020)

Mr N T Taylor (appointed 26 November 2020)

FRIENDS' OFFICER: Mrs S M Hunting

PRINCIPAL BANKERS: Lloyds Bank plc, Minster Place, Ely.

INDEPENDENT EXAMINER: Mrs Helena Wilkinson, Price Bailey LLP.

REGISTERED ADDRESS: The Chapter Office, The College, Ely, Cambs, CB7 4DL.

CHARITY REGISTRATION NO: 1157705

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and independently examined financial statements for the year ended 31 December 2020.

Objects of the Charity

The objects of the charity are to assist the Dean and Chapter of Ely in the advancement of the religious, pastoral, musical and educational work of the Cathedral including the preservation of its fabric and the ornaments and furnishings thereof.

The Trustees have considered the Charity Commission's guidance on public benefit, and they consider that the charity is fulfilling its obligations in this respect by achieving the above objectives.

Governing Document

The Charity is regulated by its Constitution dated 29 April 2014.

Organisation

There can be a maximum of 14 Trustees (there are 13 at present) comprising no more than 7 trustees elected at the annual general meeting of the members, 1 ex officio trustee (the Dean of Ely) and 6 trustees nominated by the Chapter of Ely Cathedral. Trustees shall hold office for three years but shall be eligible for re-election or nomination for up to three consecutive occasions.

The day to day administration is handled by the Friends' Officer, Mrs S M Hunting.

Gifts to Ely Cathedral up to a value of £40,000 are approved by the Trustees (Council) and those in excess of £40,000 must be approved by the members at the Annual General Meeting.

Trustee induction and training

New Trustees are selected from the local community, only if they have relevant experience, skills and enthusiasm to enable them to make a contribution to the administration of the charity. They are interviewed and, if they are willing to be appointed, they are formally proposed and seconded for appointment either at an Annual General Meeting or, if elected by the Dean and Chapter, by a meeting of that body. No formal training is given to new Trustees but they are briefed thoroughly as to the charity's activities.

Charity Governance Code

The seven principles that make up this code: organisational purpose, leadership, integrity, decision making risk and control, board effectiveness, diversity, openness and accountability, have all been considered by the Trustees who are satisfied that the charity meets these principles.

Development, Activities and Achievements

The Trustees approved gifts to Ely Cathedral during the period totalling £56,050 (2019 - £128,850). Gifts previously agreed and not taken up in full and now written back totalled £5,695 (2019 - £7,169), making a net charge in the financial statements of £50,035 (2019 - £121,681). A further £25,000 (2019 - £22,000) has been agreed since the year end and remains unpaid at the date of this report

TRUSTEES' REPORT (continued)**FOR THE YEAR ENDED 31 DECEMBER 2020****Review of the Financial Position and Transactions**

The financial position of the Charity is strong and it is well able to meet the agreed gifts from funds which are readily available. In 2020 the total income of the Friends was £156,457 (2019 - £80,364), expenditure excluding gifts was £24,468 (2019 - £27,126). The value of the investments increased by £68,709. As stated in the previous paragraph gifts totalled £50,355 leaving a surplus for the year of £150,343 (2019 - £105,932)

Reserves Policy

Normal recurring expenditure can be met by the expected income of the charity. Reserves are required to enable the charity to assist Ely Cathedral with projects as and when required and the Trustees have agreed that reserves should not be allowed to fall below £50,000.

Fundraising

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year.

Risk management

The Trustees have examined the charity's operations and considered the risks faced. In the opinion of the Trustees the charity has established the resources and review systems which, under normal circumstances, should allow any risks to be mitigated to an acceptable level in its day to day operations.

Investment Policy

Apart from the Johnson Bequest (see below), the trustees do not envisage holding funds for the long term. As referred to above, it is intended that reserves will not fall below £50,000 and this is covered by cash deposits and an investment in M&G Charifund income units which cost £15,245 several years ago and at 31 December 2020 had a value of £35,014. With regard to the Johnson Bequest, the fund is invested in the CBF Church of England Investment Fund with dividends received held in a deposit account pending re-investment. This has a balanced investment objective with low or medium risk and at 31 December 2020 had a value of £1,195,659.

On Behalf of the Trustees

Ed Gifford (Chair of Council)

5 July 2021

Independent Examiner's Report to the Trustees of The Friends of Ely Cathedral CIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 5 to 13.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records ; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Helena Wilkinson BSc FCA DChA
Price Bailey LLP
Chartered Accountants
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

6 August 2021

THE FRIENDS OF ELY CATHEDRAL CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

5.

		2020	2019
		Unrestricted	Unrestricted
		Funds	Funds
	<u>Note</u>	<u>£</u>	<u>£</u>
Income:			
Subscriptions, donations and legacies	2	111,712	32,701
Fund raising	3	8,225	11,811
Investments	4	36,520	35,852
Total income		156,457	80,364
Expenditure:			
Raising funds	3	2,261	5,387
Charitable activities	5	72,562	143,420
Total expenditure		74,823	148,807
Increase in value of Investments	6	68,709	174,375
Net income for the year being net movement in funds		150,343	105,932
Reconciliation of funds:			
Total funds brought forward		1,223,255	1,117,323
Total funds carried forward		1,373,598	1,223,255

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

BALANCE SHEET AT 31 DECEMBER 2020

	Note	2020		2019	
		£	£	£	£
Fixed Asset					
Investments	6		1,230,673		1,121,842
Current assets					
Debtors	7	1,827		1,017	
Stock of bags & cards		1,772		1,991	
Bank account & cash		58,451		7,650	
Deposit accounts		245,102		250,412	
		307,152		261,070	
Current liabilities					
Creditors (amounts falling due within one year)	8	164,227		159,657	
Net current assets			142,925		101,413
Total net assets			1,373,598		1,223,255
Funds	10				
Unrestricted funds			1,373,598		1,223,255

The financial statements on pages 5 to 13 were approved by the Council on 5 July 2021 and signed on its behalf by:

Ed Gifford (Chair of Council)

Richard Setchell (Honorary Treasurer)

The notes on pages 7 to 13 form part of these accounts

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES**a. Basis of Accounting**

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b. Going concern

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with the gains and losses on revaluation of these investments each year. This is covered in more detail in the performance and risk sections of the Trustees' annual report for more information.

The trustees have considered the effects of the Covid-19 pandemic and have concluded that it will not affect the going concern status of the charity.

c. Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. For legacies, entitlement is taken on a case by case basis as the earlier of the date on which the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: (continued on next page)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

d. Expenditure (continued)

- Costs of raising funds includes support costs for the management of the investment portfolio, fund- raising and event organisation;
- Expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

e. Investment Fixed Assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their bid value as at the balance sheet date using the closing quoted market price.

The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Investment income, gains and losses are allocated to the appropriate fund.

f. Tangible Fixed Assets

Equipment, furniture and fittings owned by the Charity are written off when acquired. It is considered that the realisable value of these items is not significant.

g. Funds

Restricted Funds are funds which have been given for particular purposes or projects.

Unrestricted funds are funds given for no particular purpose or projects, to be spent as Trustees decide.

h. Stocks

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value.

i. Cash at bank and in hand

Cash at bank includes cash held in current and deposit accounts.

j. Debtors

Other debtors are recognised at the settlement amount due

k. Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a payment to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

l. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at cost and subsequently measured at their settlement value. At the balance sheet date, fixed asset investments are recorded at market value and all other assets and liabilities are recorded at cost (which is their fair value). The investment note 6 details the original cost of the investments and their fair value (market value) recorded in the accounts.

m. Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The trustees do not consider there to be any material estimates and judgements.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from subscriptions, donations and legacies

	2020	2019
Subscriptions including gift aid claims	31,358	32,060
Donations	6,378	641
Legacies	73,976	-
	111,712	32,701

All relate to unrestricted funds in both years

3. Income from Fund Raising Activities

	2020			2019		
	Income	Expenses	Net	Income	Expenses	Net
Outings	-	-	-	1,316	1,046	270
Friends' day	-	-	-	1,216	1,214	2
Friends' social events	196	-	196	2,067	568	1,499
New Friends evening	-	-	-	-	88	(88)
Christmas cards	7,432	2,168	5,264	6,093	2,007	4,086
Shopping Bags	108	49	59	309	165	144
Notecards & badges	162	44	118	810	299	511
Advent calendars	327	-	327	-	-	-
	8,225	2,261	5,964	11,811	5,387	6,424

All relate to unrestricted funds in both years

4. Income from Investments

	2020	2019
Investment fund - dividends	34,381	33,147
Interest – deposits	2,139	2,705
	36,520	35,852

All relate to unrestricted funds in both years

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5. Charitable Activities

Gifts to Ely Cathedral	2020	2019
Balance of gifts previously agreed and not taken up in full :		
Designated Funds:		
Choirstalls (part of Octagon furniture project)	-	(7,169)
Unrestricted Funds:		
Folding lectern & music stand	(588)	-
Lady Chapel sound system	(5,107)	-
New gifts:		
Unrestricted Funds:		
Disability access ramp outside Lady Chapel	10,000	-
Clavinova & small grand piano	22,000	-
Personal protection equipment	5,000	-
Livestreaming choral evensong	2,000	-
Streaming equipment (Octagon)	17,000	-
Lantern repairs	-	25,000
Choristers prize	50	50
Resurfacing pathway at east end	-	18,200
Grant to Broderers group	-	1,100
Asbestos removal in vestry	-	12,000
Folding lectern & music stand	-	12,500
Sponsorship of the earth display	-	10,000
Cathedral lighting project (preparatory work)	-	10,000
Lady Chapel sound system	-	40,000
	50,355	121,681
Governance costs		
Printing, stationery, postage & telephone	1,933	2,008
Salaries	17,402	17,061
National insurance	1,195	1,131
Pension contributions	1,131	1,109
Sundry expenses	36	430
Accountancy fees	510	-
	22,207	21,739
Total	72,562	143,420

The average number of employees (part-time) during the period was 1 (2019 – 1)

No employee received emoluments of more than £60,000 during the year (2019 – None)

No employee benefits were received by key management personnel during the year (2019 – Nil)

The key management personnel were: Mrs S M Hunting (Friends Officer), Mr E J Gifford (Chair of Council) and Mr R O Setchell (Honorary Treasurer)

All relate to unrestricted funds in both years

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6. Investments

	Cost		Open market value	
	2020	2019	2020	2019
At beginning of year	822,029	799,741	1,121,842	925,179
Further investment	40,122	22,288	40,122	22,288
Investments sold	-	-	-	-
Increase in value in year	-	-	68,709	174,375
At 31 December 2020	862,151	822,029	1,230,673	1,121,842
Comprising:				
2,551 M&G Charifund income units	38,614	38,614	35,014	42,364
58361.01 CBF Church of England investment fund income shares	823,537	783,415	1,195,659	1,079,478
	862,151	822,029	1,230,673	1,121,842

	2020	2019
7. Debtors		
Income tax recoverable	754	549
Other debtors	1,073	468
	1,827	1,017

8. Creditors		
Ely Cathedral – re-imbursement of expenses	14,717	5,875
Ely Cathedral – gifts	149,027	153,782
Other creditors	483	-
	164,227	159,657

9. Commitments approved since December 2020

Piano & Clavinova for Music Department	-	22,000
Streaming Equipment (Prebytery & Organ Loft)	25,000	-
	25,000	22,000

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10. Fund Reconciliation

Current Year	At 31 December 2019	Income	Expenditure	Investment Gains	At 31 December 2020
Unrestricted Funds					
General fund	127,917	123,785	(74,823)	(7,350)	169,529
Designated fund	1,095,338	32,672	-	76,059	1,204,069
Total Funds	1,223,255	156,457	(74,823)	68,709	1,373,598
Prior Year	At 31 December 2018	Income	Expenditure	Investment Gains /(Losses)	At 31 December 2019
Unrestricted Funds					
General fund	228,522	49,334	(155,976)	6,037	127,917
Designated fund	888,801	31,030	7,169	168,338	1,095,338
Total Funds	1,117,323	80,364	(148,807)	174,375	1,223,255

The designated fund is the Stanley Johnson Bequest which has been set aside to provide funds for major projects.

11. Analysis of Fund Assets and Liabilities

	Unrestricted Funds	Designated Fund	Total Funds
2020			
Investments	35,014	1,195,660	1,230,674
Bank current account & cash	58,451	-	58,451
Deposit accounts	236,692	8,409	245,101
Other current assets	3,599	-	3,599
Current liabilities	(164,227)	-	(164,227)
	169,529	1,204,069	1,373,598
2019			
Investments	42,364	1,079,478	1,121,842
Bank current account & cash	7,650	-	7,650
Deposit accounts	234,552	15,860	250,412
Other current assets	3,008	-	3,008
Current liabilities	(159,657)	-	(159,657)
	127,917	1,095,338	1,223,255

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

12. Trustees' Remuneration

During the period, no Trustee received nor waived any remuneration (2019 – nil). Expenses reimbursed to the Trustees in the year were Nil (2019 – Nil)

13. Related Parties

There were no related party transactions (2019 – nil)

14. Post Balance Sheet Event

In February 2021 a legacy of £215,915 was received. At 31st December 2020 the trustees were aware that such a legacy might be receivable but there was a technical difficulty which could have resulted in it being cancelled and the precise amount, after legal costs to overcome the technical difficulty, was not known at the time.