

# BRECON CATHEDRAL

EGLWYS GADEIRIOL ABERHONDDU



## Annual Report and Unaudited Financial Statements For Year Ended 31 December 2021



### The Dean and Chapter of Brecon Cathedral

Constituted by The Welsh Church Act 1914  
and The Welsh Church (Temporalities) Act 1991 and  
The Constitution and Regulations of the Cathedral Church  
of St John the Evangelist Brecon adopted on 27 May 2020 as amended on 22 September 2021

Charity Registration Number 1160017

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## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees/Canons:	The Very Reverend Dr Paul Shackerley (Chair) The Venerable Alan Jevons The Venerable Jonathan Davies Reverend Canon Dr Mark Clavier Reverend Canon Peter Brooks
Chapter Clerk and Treasurer:	Dr Mike Williams
Charity Registration Number:	1160017
External Examiner:	Mr Brian Turner FCCA 61 Gabalfa Road Sketty Swansea SA2 8NA

# TRUSTEES' REPORT FOR YEAR ENDED 31 DECEMBER 2021

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## 1. OBJECTIVES AND ACTIVITIES

### 1.1. Purpose

The principal objectives of The Dean and Chapter of Brecon Cathedral (**Charity**) are to:

- Advance the Christian religion of the Church in Wales for the public benefit.
- Promote the mission of the Church in Wales in and through the Cathedral by promoting the statement of faith more particularly described in: The Constitution of the Church in Wales; The Royal Charter 1919; The Welsh Church Act 1914; and The Welsh Church (Temporalities) Act 1991.
- Resource the Cathedral for future ministry and mission.
- Achieve and develop lay and ordained vocations that will enable and equip ministers and laity in mission, education, and evangelism.

### 1.2. Activities

#### 1.2.1. The Charity ensures that the Cathedral is a focus of worship, spirituality, and prayer for all who visit, by:

- Maintaining a daily pattern of corporate prayer and worship, giving glory to God, and holding the needs of the Church, the Diocese of Swansea and Brecon, and the wider society.
- Exploring innovative styles of worship alongside sustaining the centuries-old Cathedral sacramental and choral tradition.
- Supporting the Bishop in his ministry and developing links with parishes across the Diocese.
- Enabling tourists and pilgrims to grow and flourish through new patterns of spirituality and prayerful explorations.
- Nurturing God's people in the Christian faith and tradition, rooted in the study of Holy Scripture and prayer in the pattern of the Cathedral's Benedictine heritage.
- Working to encourage children, young people, and families to feel welcomed and embraced by the variety of worship and events.

#### 1.2.2. The Charity ensures that the Cathedral is an inclusive and hospitable space that welcomes those of faith, other faiths, and no faiths, as well as tourists and visitors, by:

- Bringing the Cathedral's heritage and spiritual resources to a wide range of backgrounds and ages, providing opportunities to learn and respond to the Gospel.
- Extending welcome to those of all faiths and none who visit to pray, attend a community event, or want to explore the Cathedral's rich history and heritage.
- Witnessing the sacred by exploring new ways of interpreting the building for tourists and visitors, and ensuring that it remains a light, open space that is clean, safe, and an uncluttered environment.

- Working in partnership with external organisations to develop ways to attract more visitors to Brecon and to the Cathedral, recognising that people visit faith destinations for varied reasons.
- Developing the Tithebarn as a flexible learning and hospitality suite, as an adaptable space for multiple use, and to provide new income streams for the Charity.
- Develop the Cathedral shop as a welcoming destination for visitors.

**1.2.3 The Charity is committed to mission and outreach, by:**

- Working in partnership with other organisations in the public and private sectors, the civic and military groups, and charities for the common good of the communities served by the Charity.
- Developing ways to engage afresh with the parishes and Diocese through the newly developing Ministry Areas.
- Working with the Brecon Ministry area to ensure that the members of all the churches in the Ministry Area are able to contribute to the Cathedral and its mission.
- Safeguarding that Ministry initiatives are not duplicated but shared, recognising each church has its particular strengths to reach varied communities across the area.

**1.2.4 The Charity will ensure that the Cathedral will become financially sustainable and establish a clear building program of maintenance and reordering, by:**

- Ensuring the future sustainability of the Cathedral in order to ensure it has the capacity to develop its mission and grow its ministry.
- Ensuring that the Cathedral achieves a gender balance in governance and ministry as outlined by the Province.
- Developing a financially sustainable future through good use of the buildings and the Cathedral Close, offering annual teaching on Christian stewardship, and practicing robust financial protocols and procedures.
- Replenishing reserves and generating a surplus budget through identifying ways to increase revenue, particularly through charitable giving by those who visit the Cathedral and shop.
- Addressing the recommendations of the current (2021) Quinquennial Report through a major development and refurbishment project for the Cathedral, grounds, and Tithebarn.

**1.2.5 The Charity ensures that the Cathedral is a centre of learning and discipleship, by:**

- Engaging with Church, county, and local schools throughout the Diocese.
- Developing partnership with local schools through teaching music through the chorister and concert initiatives.
- Developing programmes of theological learning as a resource for Ministry Areas across the Diocese.
- Developing a partnership with the Education Officer of y Gaer (comprised Brecknock Museum & Art Gallery and Brecon Library) to deliver children's workshops in the Cathedral and Tithebarn.
- Offering a series of events under the newly formed Convivium initiative, bringing the environment, sustainable living, local communities, and heritage together, rooted in a sacramental view of the world.
- Running a weekly bible study group, operating courses for Advent and Lent, and encouraging formal learning ahead of baptism and confirmation.

### 1.3 Public Benefit

From the activities above, public benefit is delivered by the Charity:

- By encouraging adults, children, young people, and families to find something of benefit to them in visiting the Cathedral, whether this is heritage-related, spiritual, or improving health and wellness.
- By welcoming all people of faith and those with none who come to the Cathedral for a spiritual experience, to join in a community event, to study the history and heritage of the site, or even just to find a few moments of peace in a beautiful building.
- By working in partnership with external tourist-based organisations and taking a lead-partner role in the newly created Brecon Cultural and Heritage Network, which seeks to bring together tourist-reliant organisations within Brecon to share ideas and stories with which to market the town.
- By partnering with faith and non-faith organisations in the public and private sectors, the civic and military populations within Brecon and the Diocese, and charities for the common good of the communities we jointly serve.
- By working with Young Offenders' Institutions to offer work placement and training to those on probation.
- By developing a partnership with mental health charity MIND to deliver projects for people affected through mental health issues and the wellbeing of people in general.
- By growing our engagement with Church, county, and local schools throughout the Diocese.
- By developing partnerships with local schools through teaching music through the chorister and concert initiatives.
- By expanding programmes of theological learning as a resource for Ministry Areas across the Diocese.
- By partnering with the Education Officer of y Gaer (comprised Brecknock Museum & Art Gallery and Brecon Library) to deliver children's workshops in the Cathedral and Tithebarn.
- By fostering the Convivium initiative aiming to bring together the environment, communities, and heritage.

The Trustees of the Charity have had regard to the Charity Commission's guidance on public benefit in assessing their compliance with this requirement.

### 1.4 Principal Service

The principal service offered by the Charity (as identified in the accompanying accounts) is the provisioning of the Cathedral through undertaking the activities identified in 1.2. All actions of the Charity are in support of delivering the activities listed.

The total income for 2021 was £382,250 plus £38,667 unrealised investment gain.  
The total expenditure for 2021 was £304,846.

## 2. ACHIEVEMENTS AND PERFORMANCE

The accounts cover the period from 31 December 2020 to 31 December 2021, and this section reviews some of the achievements of the Charity between these dates.

## 2.1 Financial

- The accounts for 2021 show a total surplus to the Charity of £116,071 including an unrealised rise in investment value of £38,667. As in 2020, Covid-19 made this an exceptional year both for income and expenditure and it is difficult to relate the financial situation to previous years. Accordingly, no reference is made to budget figures unless they have been unaffected by the pandemic.
- Exceptional Covid-19 related grants received by the Charity in 2021 accounted for £58,948 income with an additional £58,047 released from retained income received in 2020 but restricted to spending in 2021. The Coronavirus Job Retention scheme accounted for another £21,912. The operating position without these grants would have been a gross deficit of £61,503 without exceptional expenditure being included.
- Exceptional expenditure included £35,340 spent on reopening reports due to the Covid-19 restrictions. Some other costs increased, such as cleaning costs roughly doubling, additional signage, and abortive Convivium conference costs, adding an additional £2,997 to the total. In addition, £12,000 was expended on the purchase of a new piano for the Choir Song Room, which was exceptional and took advantage of grants received.
- Reducing the exceptional expenditure from the operating position without Covid-19 grants leaves net operating surplus of £11,166, demonstrating the effect of Covid-19 but gratifying nonetheless compared to previous year deficits.
- However, for most of the past 20 years, the Charity has experienced operating deficits (averaging c. £30,000 but increasing markedly more recently), which have been covered by calling upon investment capital. Through receiving the Covid-19 grants, this has not been the case in 2020 when a £26,318 surplus has been recorded, nor in 2021 when a £113,471 surplus has been recorded. However, the Trustees remain aware that to return to deficit in future years is not sustainable and considerable effort is being made to reduce expenditure and increase income. In addition, discussions with the Church in Wales Representative Body regarding new ways of funding Cathedrals has resulted in a £30,000 grant for Cathedral salaries (rising to £52,000 in 2022) and the payment of the Quinquennial Inspection Report undertaken in 2021. It is anticipated that these contributions will return a surplus each year from 2022.
- The highest expenditure this year was on salary costs (£72,604 to include National Insurance and pension contributions), reduced through the Coronavirus Job Support scheme by £21,912, and further reduced through a Church in Wales grant of £30,000, a Cathedral Choirs Emergency grant of £16,527, a Choir Trust grant of £19,600, and a contribution from St Mary's Church of £550. The actual spend on salaries during 2021 was, therefore, zero with £1,159 carried forward from the Church in Wales grant and £14,825 carried forward from the Choir Trust grant.
- Ministry Share was £68,034, although an additional £4,510 was counted as paid through overpayment in 2020. Other significant costs include utilities costs; gas use overall cost £11,554, offset by a rebate from the Diocese and clergy of £1,963 to give a net cost of £9,591. This is lower than previous years due to the erratic payments taken by British Gas through 2020 and 2021. Insurance and security costs totalled £16,616, electricity cost for all buildings cost £7,500, building maintenance (including exceptional repairs to the aging roof) cost £14,763, grounds maintenance (mostly clearing dangerous trees) came to £2,152, advice and post-Covid-19 reopening reports came to £35,340 (all grant paid), equipment maintenance was £3,439, accountancy fees were £2,640, organ repairs came to £4,307, Covid-19 signage costs came to £2,567, legal and professional fees (for the Brecon and District Mind project) came to £2,600. There was

also exceptional expenditure of £12,000 on a new piano (half paid by the Choir Trust). All other itemised costs were below £2,000.

- Expenditure to take forward the National Lottery Heritage Fund (NLHF) development project for roof repairs, a new west entrance, internal reordering, and improvements to the Cathedral Close and Tithebarn ('NLHF Project' in the accounts) continued in 2021 but most tasks were subsumed in the work undertaken for post Covid-19 measures, which totalled £35,340. This included developing an Expression of Interest to the NLHF for submitting a new Round 1 application in 2022. Expenditure to develop the project and formulate the NLHF application was taken from the investment capital allocated for this purpose in 2016 and 2017 and supplemented by a £25,000 drawdown from investments in 2019 and £2,200 in unrestricted donations for the project. (£128,200 designated in total). The unspent £9,855 in the Appeal bank account at the end of 2020 (and unspent in 2021) has been included in the accounts as Designated Funds and will go towards expenditure on the project in 2022.
- Unexpected expenditure in 2021 related to provisions surrounding Covid-19 opening, mostly on additional cleaning products (a total of £536 of which £250 has been exceptional), directional signage, and additional printing/laminating (£3,823), and, as noted above, safe opening advice reports (£35,340). These amounts were all covered by a Welsh Government Covid-19 Recovery Fund grant received in 2021 and an amount brought forward from a grant received in 2020 but where terms stipulated expenditure could only occur in 2021.
- Extraordinary items have been shown separately in the accounts and relate to income and expenditure on the Arwain project, and the Brecon Heritage and Cultural Network (as the organisation became at the end of September 2020). Although the project is run by and through the Cathedral all income and expenditure are restricted and reliant on grants. There is no material effect on the Charity's accounts except that £1,787 has been carried forward into 2021 in addition to £10,470 carried forward in 2020 but remaining unspent in 2021. The small expenditure shown for the Arwain project (£36) was for contract fees (now transferred) and paid by transfer from the Brecon Heritage and Cultural Network.
- The existing fundraising initiatives have been continued during 2021, albeit all have been affected by Covid-19 and provided less income than prior to the pandemic. These initiatives include the promotion of a 200 Club for congregation members, online donating methods through JustGiving, and establishing an online shopping portal to raise commission-based donations for the Charity through GiveAsYouLive. Due to the success of the new Goodbox touch-card donations, two congregation collection plates with built in card readers were purchased in 2021 with grant funding. Neither has yet been used due to restrictions surrounding taking collections during Covid but it is hoped they will be commissioned in 2022.
- 2016 saw a significant investment in tarmacking the Cathedral car park and initiating a pay-and-display system of parking with camera enforcement. This remains a highly successful initiative, albeit 2020 income was reduced by the lack of visitors during Covid-19 closures. Despite ongoing restrictions in 2021, gross income was £7,519 less management fees of £840 (£450 grant paid) to give a net income of £6,679. Notwithstanding, this brings the total raised to £38,133 or a net £28,118 on initial costs of £10,015. No income is received directly or indirectly from fines.
- After volatile trading conditions throughout 2020, the market recovered somewhat in 2021 and the investments held as reserves by the Cathedral showed a gain of £38,667. This was in excess of projections although concern is still material for conditions in 2022.



- The Trustees are responding positively to past funding deficits and are seeking to put the Charity on a more sustainable financial footing. This will not happen without considerable investment and the NHLF fundraising project will provide this.

## **2.2 People**

- The Charity started 2021 with 11 Trustees (The Dean, the Archdeacon of Brecon, the Archdeacon of Gower, and eight Canons drawn from Diocesan clergy including the Canon Residentiary of Brecon Cathedral). There were six retirements at the last Chapter meeting of the year as a result of the implementation of the new Constitution. This left five trustees at year end and will be supplemented with the appointment of lay persons (non-clergy) in early 2022.
- Canon Rowland Edwards resigned as Chancellor, Canon Keith Evans resigned as Treasurer, and Canon Dewi Roberts resigned as Precentor during 2021. These were all honorary positions with no specific tasks allocated to holders and have been abolished in the new Constitution.
- Dr Mike Williams, the Chapter Clerk and Chapter Treasurer, remained in position for 2021.
- Due to Covid-19, the usual Eucharist, lunch, and presentation to the Cathedral congregation in March and September had to be cancelled. The concept of these gatherings will be reviewed in 2022 when the new Chapter is in place.
- The Director of Music, Mr Stephen Power, remained in post for 2021.
- The Assistant Organist, Mr Jonathan Pilgrim, remained in post for 2021.
- The Administrator, Ms Karen Schiebe remained in post for 2021.
- Jo Burges was appointed part-time vergers on 1 November 2021.
- The Facilities Officer, Richard Williams, left employment on 30 September 2021 and Shane Healey was appointed his replacement on 1 September 2021 (overlapping for a month before Richard Williams left).
- The two job-share cleaners left employment on 30 September 2021 and Julie Morgan was appointed sole cleaner on 1 October 2021.
- Canon Residentiary Dr Mark Clavier started the process of assembling a team of Pastoral Assistants comprising four lay persons to take communion to the sick and housebound in 2018.
- The Brecon Heritage and Culture Network (administered by the Charity as lead-partner) employed an Administrator, Julia Blazer, directly from the organisation.

## **2.3 Outreach**

- As for many organisations, outreach by the Charity was severely affected by Covid-19 closure and restrictions in 2020 and now in 2021. Many of our usual events and activities could not take place and the following list is severely truncated as a result. Note is made where the Charity's regular programme has been significantly compromised. During closure, and whilst restrictions continued thereafter, the Sunday 11:00am service has been live-streamed via the Charity Facebook page and watched by the regular congregation and others from around the world. The hope is that such outreach will lead to tangible relationships going forward.
- Throughout 2021, the Dean has written regular pastoral letters to the Cathedral community, referring to mental and spiritual health during the lockdown. A telephone-tree was established to offer support for those who needed it.
- The Charity has been working closely in recent years with representatives of y Gaer (incorporating Brecknock Museum & Art Gallery and Brecon Library) to deliver

children's workshops in the Cathedral and Tithebarn. The partnership opens educational and Christian teaching opportunities for a new audience and satisfies national curriculum requirements relating to religious and historical study. Covid-19 prevented any events happening in 2020 and again in 2021 but the partnership will continue into 2022.

- The Charity provides work for young people serving community sentences, previously through Mr Richard Williams, the Cathedral Facilities Manager (and ex-Police Officer) but now through his replacement Mr Shane Healey, and this helps rehabilitate offenders back into society and provides them with experience of working. Some work was possible late 2021 after the Covid restrictions lifted.
- The Charity worked with local mental health charity MIND to expand its joint gardening initiative to apply for a NLHF grant to make-over the gardens outside the Diocesan Centre. The grant was received in December 2020 and work began as soon as restrictions allowed in 2021. The garden was officially opened in late summer by MS Jane Dodds. Other activities include sessions on botanical ink, creating a sensory garden, nature trails, plant sales, webinars, and podcasts by BBC Sounds. Eluned Morgan MS, Minister for Health and Social Services, visited the garden on 11 June.
- The Charity launched a new initiative titled '1,000 Years of Calm'. Under its auspices, a history trail was laid out in the Cathedral Close accessible via QR codes and launched on 7 August. The initiative also arranged for the cleaning and consolidation of significant historical graves in the churchyard.
- The Charity contracts the Director of Music to select boys and girls with singing promise from local schools and invite them to become Cathedral choristers. The Director of Music has a duty to ensure that socially deprived children have equal access to joining the choir. This provides selected choristers with voice and instrument lessons, as well as the opportunity to sing at services. There is also a bi-annual foreign tour to cathedrals and churches in Europe. Whilst the Cathedral Choir was unable to sing during periods of closure and Covid-19 restrictions, every effort was made to engage choristers in socially distanced outdoor singing rehearsals and lessons. Once Covid restrictions were lifted, the choristers returned to sing at regular services including Christmas. To attract more choristers and make up for those leaving during Covid, the Director of Music commissioned a new leaflet and video to market the opportunities to local schools.
- As a teaching aid to choristers and to help them rehearse, a 13-year-old Yamaha Piano G2 was purchased to replace the current 1897 Bechstein, which had proven impossible to retune without major renovation as well as showing some cracking to the soundboard.
- The Charity encourages the Director of Music to invite those reaching the age limit to remain choristers, as well as adults from the community, to join the Cathedral consort, a less formal Cathedral choir that performs evensong on Thursdays and at selected events. Once Covid restrictions were lifted, the consort returned to sing at regular services.
- The Cathedral Choir was involved in the Three Choirs concert at the RSCM Music Festival held at Llandaff Cathedral on 19 June.
- The Charity runs a mini-choir project coordinated by the Director of Music to enable those too young to join the Cathedral choir to sing at the Cathedral. It is anticipated that these children will become the choristers of the future. Contact was maintained throughout lockdown and the project was able to restart after Covid restrictions were lifted with carol singing at St Marys and the Cathedral on 18 and 21 December.
- The Charity welcomes the staff and children of Priory School, Brecon to make use of the Cathedral for services and events, including an annual school leavers' service and a

carol concert. Both were affected by Covid-19 restrictions in 2020 but were able to begin again once Covid restrictions were lifted in 2021.

- The Charity has an active bell ringer group who met and rang as Covid allowed in 2021. They took part in the national Climate Ring Out on 30 October.
- The Charity printed a new pilgrimage guide to Llanddew, and the inaugural walk took place on 9 May and was repeated on 20 September.
- The Charity makes the Cathedral available to many groups including the Franciscans for monthly services, the Mother's Union for events and services, the local Cubs group, as well as supporting initiatives such as weekly peace prayers, visiting choirs, and meetings of local groups. Some of these were able to restart following the relaxation of Covid restrictions in 2021.
- The Lord Lieutenant of Powys awarded Brecon Mountain Rescue the Queen's Award for Voluntary Service at the Cathedral on 29 July.
- The Charity worked with the local Wildlife Trust to run a Hedgehog Day at the Cathedral on 6 November.
- A congregation member, Mr Jonathan Morgan, launched his latest book at the Cathedral on 18 August.
- The Charity has a good relationship with the Regiment of the Royal Welsh but the usual annual Rorke's Drift service in January (to commemorate events in the 1879 Zulu War) had to be cancelled due to Covid-19 restrictions. Military presence at the Remembrance Day service was curtailed due to social-distancing requirements but went ahead with the usual wreath laying.
- Brecknock Sinfonia regularly hold concerts in the Cathedral, and these will continue in 2022.
- The Charity hosted Diocesan events in the Cathedral during 2021, such as the ordination of three new deacons and eight priests on 26 and 27 June, but with reduced numbers attending due to Covid-19 restrictions on social distancing.
- The Charity engages with the Brecon Street Pastors and gives support to the Cathedral member on the team. The Pastors patrol the streets of Brecon through the evenings and nights at selected weekends and at festival occasions to keep locals and visitors' safe whilst they are out. Again, Covid-19 has meant regular patrols were suspended in 2021.
- The Charity usually engages with the local Jazz Festival in August, but this was cancelled in 2021 due to Covid-19.
- The Charity engaged with the Brecon Baroque Festival over 22 to 25 October, hosting several concerts.
- The Brecknock Society and Museum Friends filmed in the Cathedral as part of their prestigious Sir John Lloyd Memorial Lecture, which was held online in 2021.
- The Charity continued its bible study group in 2021, taught by Canon Residentiary Dr Mark Clavier, initially online but then meeting weekly in term-time in the Tithebarn. Attendance has averaged at around 25 people. In addition, teachings around the period of Lent were offered online.
- The third Convivium festival for 2021 was cancelled and will now take place in summer 2022. Similarly, the academic conference planned for spring 2020 will go ahead in spring 2022.
- Due to its ongoing popularity, the Charity continued printing its Cathedral trail leaflet for children visiting the Cathedral in the style of a detective hunt. Stickers are presented to those who take part. This has again proved extremely popular when the Cathedral has been open, although Covid-19 restrictions saw the removal of all shared printed material due to Covid-19 restrictions.

- The Summer Fair, usually held on 1 August, to mark the Feast Day of local saint, Eluned, whose now-disappeared Chapel on the Slwch in Brecon was once owned by Brecon Priory (now the Cathedral) was cancelled for 2021 and is likely to be incorporated into the Convivium Festival in 2022.
- The Harvest Supper in October, in partnership with the Brecon Food Festival and in support of the Brecon Food Bank, was cancelled for 2021.
- A Christmas Fair, including carols by the Cathedral choirs, took place on 21 December.
- The Rotary Club of Brecon held a carol concert at the Cathedral on 20 December.
- A service of Carols by Candlelight featuring the Band of the Prince of Wales was well attended on 16 December.
- The Cathedral took place in Baby Loss Awareness week in October.
- The Charity has formed a new Fellowship Team from congregational members that offers coffee and tea after every Sunday 11:00am service.
- The popular lunchtime music recitals moved online in 2021. In addition, online organ recitals took place during lockdown.
- The singing weekend at the Cathedral was cancelled for 2021.
- The Charity ran a regular service in the Welsh language at the Cathedral every Monday until Covid-19 closure, and restrictions caused it to be suspended. This will restart in 2022. Around a dozen congregation usually attend.
- Special services took place in 2021 to remember those who lost their lives to Covid-19, to offer prayers for Afghanistan, and for accompany COP 26.
- A new Charity website was created in 2020 with thousands of visits each week through 2021 from Wales, the United Kingdom, and throughout the World. It is regularly updated with news, events, and stories from the Cathedral. In addition, the Cathedral now has active Twitter and Facebook accounts, which were used for outreach while the Cathedral was closed including live streaming and videos of services, talks, and presentations.

## 2.4 Fabric

- Regular expenditure on fabric was kept to the minimum during 2021, with £2,352 spent on maintenance, mostly on minor repairs, and £3,439 for equipment maintenance, mostly relating to repairing and servicing the disabled stair lift and maintaining fire appliances. Both sums combined were £1,349 below budget and was unaffected by Covid-19.
- There was significant emergency expenditure on fabric as repairs to the roof became critical in some areas. This cost £12,411 and is likely to be an annual problem until the major overhaul as part of the People | Passion | Priory project starts.
- Expenditure on grounds maintenance was £2,152, including servicing equipment, work to trees, and purchasing hazel hurdles to demarcate private areas within the Close.
- As noted above, the Charity has continued its preparations for the launch of the People | Passion | Priory project throughout 2021, working towards an Expression of Interest to the NLHF in 2022 (delayed from 2021 due to further consultation with local communities). The project includes reroofing the south transept, north transept, chancel (and organ chamber), and Havard Chapel (leaving for a subsequent phase the nave, north and south aisles and St Laurence Chapel/sacristy roofs) and making the Cathedral watertight (which will, in turn, reduce annual maintenance costs significantly), forming a west entrance (with much improved disabled access), and reordering (allowing for a more flexible space), with a smaller allowance for the Tithebarn.
- The Cathedral Architect, Mr Stephen Oliver, was reappointed for 2021.

- A new Quinquennial Inspection was carried out in 2021 by the Cathedral Architect. The executive summary read:  
 The condition of the building has been of concern for some time. The stone tiled roofs were last relaid in the 19th century and are now all in need of retiling. However, resources for such a major project are not available, and so the work will need to be phased. The Chancel and South Transept are the highest priorities due to their poor condition and important interiors. Access for maintenance is very difficult and needs to be improved to allow clearance of moss and debris from gutters. Plant growth at high level remains a problem, which will need to be addressed, and kept on top of. The walls of the Tower appear to be suffering from driving rain ingress and there are other areas where pointing is poor, and this supports plant growth. There are numerous other concerns, for example to the roof of the Nave south-west turret, failing and blocked rainwater goods, the Boiler House asphalt roof. There are several damp patches internally. The floors have some trip hazards and monuments are damaged in places. Precinct walls are also poor, and the Lychgate needs reroofing.
- In the Parish Return for 2020 (submitted July 2021), the Cathedral boundary walls, lych gate, roof, rainwater goods, external pointing, and the existence of damp in the building were all recorded as poor. The path and steps, windows and guards, heating systems, and internal decorations were also noted as of concern.

## 2.5 Management

- The Trustees meet every two months under the guise of the Cathedral Chapter, providing for six meetings every year. In 2021, all meetings (January – September) were held virtually over Zoom. The November meeting was unable to go ahead due to diary conflicts and a briefing paper with email voting occurred instead (copied to all remaining and all new trustees but with no voting rights for the latter). There was no interruption of Charity governance or oversight, and time was provided for everyone to contribute fully. The Fabric and Buildings Committee, the Finance Committee, and the People | Passion | Priory Executive Committee, remained suspended from March 2020 and all business was conducted through Trustees.
- Usually, the Fabric and Building Committee reports to the Charity on the building challenges highlighted in the Quinquennial Report and the urgent need for repair and restoration. With the formation of the new Chapter, the remit of this Committee and its terms of reference will be reviewed in 2022.
- Usually, the Finance Committee oversees the annual budget, and manages cost savings and fundraising initiatives with the aim to extinguish the possibility of operating shortfalls and to replenish reserves. It reports to the Charity. With the formation of the new Chapter, the remit of this Committee and its terms of reference will be reviewed in 2022.
- The People | Passion | Priory Executive Committee, chaired by the Dean (a Trustee), was stood down in September 2019 ahead of new consultants being appointed. Since appointing DCA Consultants in February 2020, the Dean (a Trustee) and the Chapter Clerk have met regularly with them (and other specialist consultants) in person and over Zoom. With the formation of the new Chapter, the remit of this Committee and its terms of reference will be reviewed in 2022 as the Charity recognises there needs to be a body where interested and community people and groups have an opportunity to feed into the project.

- The commercial arm of the Cathedral is operated by the Brecon Cathedral Tithebarn Company Limited, a company limited by guarantee. Its meetings are arranged by its Directors, which comprises four Trustees.
- Through 2019, the Charity began the process of rewriting its constitutional scheme under the Church in Wales Constitution. This was adopted by the Trustees in 2020 and has been approved and accepted by the Charity Commission. However, due to the Covid-19 situation, the terms of the new Constitution were not implemented until September 2021 when the old Chapter disbanded to be replaced with a new Chapter from January 2022. In brief, the new Constitution provides for new Trustees to be brought onto a revised Chapter, including lay people, and four (later reduced to three) lay people have accepted posts. This will radically change the composition, diversity, and skill set of the governing body and is seen as an essential part of restoring the Cathedral both materially and financially. The first meeting of the new Chapter is anticipated to be January 2022.

## 2.6 External Approval

- It is difficult to provide accurate attendance figures at services for 2021 since most took place under Covid-19 social distancing restrictions limiting numbers to a maximum of 65 attendees (excluding choir and clergy). This applied to Sunday services as well as special services during the year. Therefore, numbers were below the usual that would have been expected without the restrictions in place. However, services were live streamed whilst these restrictions were in place with an additional 30-50 watching.
- Baptisms, weddings, and funerals were restricted in 2021 but, together, brought in £4,195, which was a considerable improvement over 2020 and showed the popularity of the Cathedral to mark these life changes has survived lockdown.
- The Charity received voluntary donations from its visitors (service collections and collection boxes including electronic donations and any Gift Aid claimed thereon) in 2021 amounting to £56,393, which was commensurate with 2020 (£54,063) but still below the total of £68,117 in 2019. Notwithstanding, this still demonstrates a significant expression of goodwill and approval by Cathedral visitors.
- On Trip Advisor, where 93 percent of independent reviews are either Excellent or Very Good. All 2021 reviews were four- or five-stars ‘very good’ or ‘excellent’ reviews. The single poor review related to charging in the car park, which was foreseen by the Charity when charging was introduced. Letters to the local press in previous years have explained the justification for charging, which seems to have been accepted by the overwhelming majority. However, complaints still occasionally arise, and these are handled personally by the Dean.
- The Charity keeps a Visitor’s Book within the Cathedral, where feedback is unanimously positive. Work undertaken on the Visitor’s Book by a university graduate as part of his MA research demonstrated the geographical spread of visitors from all parts of the United Kingdom, European Union countries, Australia, New Zealand, the United States of America, Brazil, Japan, China, and Russia. This is also borne out by visitors to the website, which are also worldwide.
- The Charity received positive feedback from schools and other organisations, including y Gaer (Brecknock Museum & Art Gallery), involved in working in partnership with the Cathedral. Indeed, in a recent report (2018), y Gaer called their relationship with the Cathedral “one of our closest partnerships”.
- The Charity received non-Covid-19 related grant funding from external bodies in 2020 amounting to £62,045, representing independent positive endorsements of the Charity and its running by the Trustees. The grants obtained as a result of Covid-19 restrictions

set criteria for the good governance and financial management of organisations to be eligible for help, providing a validation of the Cathedral's efforts through the pandemic.

- Visitor numbers were significantly reduced by Covid-19 restrictions (down from an average of 110,000 to 40,000) but those that did visit commented on the welcome and the thought behind the Covid-19 restricted visitor experience.
- As part of the Charity's second NLHF bid in 2019, 30 letters of support for the project and the Cathedral in general were received from individuals and organisations including the Archbishop of Wales, the local Member of Parliament, Member of the Senedd, and Lord Lieutenant of Powys, Christ College, Brecknock Sinfonia, Brecon Access Group, the Probation Service, Brecon Beacons National Park Authority, the Brecknock Society, the Brecknock Museum & Art Gallery, Dementia Matters, the Regiment of the Royal Welsh, PAVO, Theatr Brycheiniog, Keep Wales Tidy, and local funeral directors.

### 3. FINANCIAL REVIEW

#### 3.1 Review of the Charity's Financial Position

The Cathedral Accounts for 2021 consist of a Statement of Financial Activities and a Balance Sheet. They were prepared by Dr Mike Williams, the Chapter Treasurer, and approved by Mr Brian Turner FCCA, an independent examiner, on 21 October 2022.

To provide more transparency in the accounts (and building on the policy adopted in 2017), netting off has been further reduced in 2021, showing the true expenditure and income under various headings. In some instances, this has resulted in further divisions of income and expenditure and, where this has happened, the corresponding figure for 2020 is included for the prior year figures where this is retrievable. This provides Trustees (and external funding partners through this report) with more clarity with which to make decisions. Management Accounts, in a simpler format but with the same division headings, are presented to the Charity Trustees every quarter and are tracked against the annual budget on income and expenditure.

##### 3.1.1 Expenditure

The total expenditure for 2021 excluding amounts carried forward to 2022 (with comparisons from 2020) can be divided among:

	2021	2020
<b>Raising Funds</b>	£ 911	£ 1,760
<b>Charitable Activities</b>		
• Maintaining the ministry of the Cathedral	£ 69,833	£ 69,661
• Delivering the services of a Cathedral	£ 57,983	£ 43,066
• Maintaining the Cathedral and grounds	£ 73,482	£ 63,221
• Office staffing and costs	£ 43,747	£ 70,138
• People   Passion   Priory project	£ 0	£ 2,221
• Covid Reopening Reports	£ 35,340	£ 3,360
• Convivium Expenditure	<u>£ 180</u>	<u>£ 1,197</u>
<b>Total</b>	<b>£281,296</b>	<b>£254,624</b>

(The Ministry Share figure for 2020 contained an element of double-counting and has been reduced by £1,760 to £67,915).

## **Raising Funds**

The cost of raising funds comprised prizes for the Cathedral 200 Club (£207), a marked reduction from 2020 and 2019 due to several prize-winners donating back their prizes into Cathedral funds. All prizes and the license fee came from unrestricted funds. £704 was spent on two collection plates with contactless donation units built in to enable cash-free donations from congregational collections. This was paid for by a Welsh Government Covid-19 Cultural Recovery Fund grant. Since Covid-19 restrictions still prohibit collecting from the congregation, these are not yet operational.

## **Maintaining the Ministry of the Cathedral**

The cost of maintaining the ministry of the Cathedral was almost the same as for 2020 due to similar Covid-19 restrictions applying. Only £1,799 (compared to £1,746 in 2020) was expended on services. This is well down from £5,440 in 2019.

The Ministry Share payment increased by £119 from 2020 once the brought forward credit of £4,510 was applied. This was offset by grants from the Diocesan Board of Finance to help with Covid-19 limitations, which are shown under income.

All expenditure comprised unrestricted funds except for £576 on the verger's salary, paid for from a grant from the Representative Body, £268 on altar requisites paid for from expendable endowment income, and £220 on altar requisites, paid for from restricted investment income.

## **Delivering the Services of a Cathedral**

The cost of delivering the services of the Cathedral included an exceptional purchase of a piano for the choir song room for £12,000. Without this, the expenditure totals £45,983, which is far more commensurate with the 2020 figure of £43,066.

Organ tuning doubled in 2021 from 2020 due to work required after the closure of the Cathedral (£4,307 to £2,322) and periods of infrequent use. Moreover, 2021 saw a series of online organ concerts for which the instrument needed to be in peak condition. Minimal event expenditure and miscellaneous music costs were all commensurate with 2020 as were salary payments. The Director of Music was furloughed from January until end August, and the Assistant Organist was also furloughed for the same period, but his salary was topped up by the Charity from the 80 percent furlough level to 100 percent usual level to avoid hardship. Music license costs remained reasonably static as they were still needed for the minimal music performances that were possible.

Clergy expenses show a small reduction from 2020, mostly in travelling expenses due to the Covid-19 restrictions on travelling and most meetings being online. Property costs were slightly lower than for 2020.

All expenditure bar a small amount of clergy expenses (£1,003) comprised restricted funds, including £37,911 against music salaries, which was from grants received under the Coronavirus Job Support Scheme (£16,058), from the Cathedral Choirs Emergency Grant fund (£16,527), from the Cathedral Choir Trust (£4,775), and St Mary's Church, Brecon (£550). The cost of the piano was covered by a Cathedral Choirs Emergency Grant fund of



£6,000 and a Choir Trust grant of £6,000. There was a contribution of £1,122 towards the telephone costs borne by clergy whilst home working from the Welsh Government Covid-19 Cultural Recovery Fund grant (Phase 2 for 2021). The music licenses were paid for from the Cathedral Choirs Emergency Grant fund, as was hospitality, expenses for the organ scholar, and miscellaneous expenses. The Welsh Government Covid-19 Cultural Recovery Fund grant (Phase 2 for 2021) contributed £405 towards clergy property expenses.

### **Maintaining the Cathedral and Grounds**

The cost of maintaining the Cathedral and grounds increased from 2020 from £63,221 to £73,482, mostly due to emergency expenditure to repair and patch failed areas of the roof in the chancel and transepts. When this amount (£12,411) is deducted, the sum is commensurate with 2020 whilst showing some marked fluctuations within that figure.

Gas costs were well down on 2020 figures, mostly due to the erratic billing by British Gas through 2020 and 2021. A new contract has been agreed from April 2022 with Total Gas, which should resolve the difficulties experienced with the current supplier. The amount expended in 2021, although low, will not leave a large deficit remaining to take into 2022. Electricity, by contrast, increased more markedly, partly as a result of the Cathedral being open more and the requirement for lighting. A gradual replacement of non-LED bulbs will counter these costs.

The Facilities Manager was furloughed during 2020, leading to a reduction in salary costs against contracted levels. However, the overall sum is larger due to a replacement overlapping with the current incumbent for a period. Similarly, the two Cathedral cleaners were also furloughed for the time that the Cathedral was closed to visitors but restarted when the Cathedral was allowed to open. Their costs are commensurate with 2020. Insurance also went back to usual levels (£16,616) after an exceptionally low figure for 2020 (£14,239).

There were some decreases, such as regular building maintenance, grounds maintenance, and cleaning costs. There were also some increases including signage for Covid-19 secure opening, increased internet costs, and increased maintenance fees, almost all due to the Cathedral being open more than in 2020.

Expenditure comprised a mixture of unrestricted funds (£35,896) and restricted funds (£37,585). Of the restricted funds, the following came from the Welsh Government Covid-19 Cultural Recovery Fund grants (Phase 1 for 2021 given in 2020 and Phase 2 for 2021):

<b>Expenditure</b>	<b>Phase 1</b>	<b>Phase 2</b>
Water Rates	£ 0	£ 540
Electricity	£ 0	£ 1,300
Gas	£ 0	£ 2,000
Insurance & Security	£ 0	£ 3,800
Building Maintenance	£ 0	£ 1,500
Equipment Maintenance	£ 1,130	£ 1,140
Grounds Maintenance	£ 0	£ 1,677
Cleaning	<u>£ 480</u>	<u>£ 52</u>
Total	£ 1,610	£12,009

Of the remainder, £10,020 of salary costs were paid for by a Representative Body grant, £5,853 for salary costs was funded by the Coronavirus Job Support Scheme, £3,854 from a NHLF grant for signage, the MIND garden project and grounds maintenance, £2,806 came from restricted investment income for the emergency roof repairs, £731 from the Tithebarn as a recharge for insurance costs, and £702 donation from the South Wales Borderers Association was made towards security in the Havard Chapel.

### **Office staffing and costs**

Before analysing office staffing and costs, it is necessary to reduce the figure for 2020 by £25,000, which represents a grant received on behalf of and immediately paid to the Brecon Cathedral Tithebarn Company Ltd. This occurred since a technical reason made the Tithebarn's own account unsuitable for accepting the funds directly. In 2021, £5,000 was passed to the Brecon Cathedral Tithebarn Company Ltd for the same reason.

After those deductions, office staffing and costs reduced in 2021 (£45,138 in 2020 and £38,747 in 2021, a decrease of £6,391). The reasons for this are explored in detail below but a reduction of £5,197 on gas for non-Cathedral buildings accounts for most of the reduction.

The cost of office accommodation remained constant but, as noted above, due to the erratic billing of British Gas (a situation also noted for the main Cathedral account) gas expenditure fell from £9,204 to £4,007. However, the gas recharge (income) also fell from £7,174 in 2020 to £1,993 in 2021. The net effect is that net gas expenditure on non-Cathedral buildings was £2,203 in 2020 and £2,014 in 2021, which is reasonably constant. Likewise, the net use of electricity for non-Cathedral buildings was £87 in 2020 and £432 in 2021, an increase explained by a greater use of the office in 2021 compared to 2020.

Equipment hire charges are now zero since the photocopier lease has expired and, instead of renewal, the Charity office now pays for the use of the Diocesan photocopier. The cost for this in 2021 (£1,256) was commensurate with 2020 (£1,297). Some equipment needed maintenance this year (as for 2020). Postage and stationery, telephone use, internet and website fees, were all commensurate but slightly lower than 2020.

Gross wages remained constant but there was a larger element of professional fees in 2021 (£2,600 compared to £1,000 in 2020). This was due to a payment made to Brecon and District Mind and was paid for by the National Lottery Heritage Fund grant received in 2020.

A new arrangement was agreed with the car park management company whereby the Charity pays an annual fee of £840 (2020 included costs for 2019 and 2020) but keeps all the parking revenue (excluding fines). This arrangement was agreed before Covid-19 struck and, in hindsight, it might have been better to have left the old arrangement of paying a percentage of revenue (which dropped significantly during lockdown) in place. However, in future years, this new arrangement should maximise revenue.

Accounting fees, audit fees, and miscellaneous administrative costs were all identical or commensurate with 2020 and there were no consecration costs to be repaid in 2021.

All expenditure comprised unrestricted funds except £18,344 grant from the Representative Body of the Church in Wales towards salary costs, £3,796 from the Welsh

Government Covid Recovery Scheme Phase 1 for printing and publications, internet and website fees, and accountancy fees, £3,077 from the Welsh Government Covid Recovery Scheme Phase 2 for office accommodation, gas for non-Cathedral buildings, telephone, internet and website fees, and computer and software, £2,600 from the National Lottery Heritage Fund for professional fees, £2,318 for utility recharges, and £460 of donations passed over to other charities (for which the collection was taken).

The Charity administrator was not furloughed, and no money was received for this position under the Covid-19 Job Retention Scheme.

### **Convivium**

With the Covid-19 restrictions in place for 2021, none of the planned Convivium activities could take place during the year. This meant cancelling the (already rearranged) conference planned for the spring. Although costs expended were reclaimed as much as contractually possible, £180 was expended towards the conference that was not recoverable. This accounts for the only expenditure made by Convivium in 2021 and was restricted.

### **People | Passion | Priory Project**

Work continued on this project, primarily with DCA Consultants. The Expression of Interest to the National Lottery submitted in 2021 was accepted and work will commence in 2022 towards making an application. Much of the architectural and structural plans were drawn up in 2018 and 2019, which means costs relating to these areas did not need further expenditure in 2021.

The Trustees have already allocated £101,000 of investment funds to pay for these project development costs in 2016, 2017, and 2018. During 2019, an additional £25,000 was added from investment reserves and £2,200 from an unrestricted donation. No further sum was added in 2020 or 2021 since enough remained to cover costs arising. The project funds are maintained in a separate bank account and are internally categorised as designated funds, reserved for project expenditure only. A Chapter resolution governs their use.

### **Covid Reopening Reports**

Funding was obtained from the Welsh Government Covid-19 Recovery grant to pay for several reports relating to reopening the Cathedral whilst Covid-19 restrictions apply, and then being in a solid and sustainable position to reopen fully once restrictions are lifted. In 2020, £3,360 was expended on consultant fees and an architect's plan for temporary Covid-19 reordering. A further £28,340 was carried forward into 2021 and was expended in 2021 (as the grant required) plus an additional £7,000 received from the Welsh Government Covid Recovery Scheme Phase 2. All expenditure was restricted.

### **Arwain Project and Brecon Heritage and Culture Network**

Income and expenditure relating to the Arwain project has been categorised as Extraordinary Items in Note 7 since the project is entirely self-contained, funded by grants, and ended in September 2020. A full breakdown of expenditure is provided in Note 7. All expenditure comprised restricted funds from grants and donations. In 2021 this amounted

to £36 for an existing contract, paid for by Brecon Heritage and Culture Network (see below).

During October 2020, a new organisation was established with the same aims of the Arwain project, named the Brecon Heritage and Culture Network. With the permission of funders and the Charity Commission, the residual amount of £7,458 was passed to the Brecon Heritage and Culture Network account retaining its restricted status. This account was £10,470 in surplus at the end of 2020, and this was brought forward into 2021.

In 2021, the Brecon Heritage and Culture Network received £14,250 in restricted grants and expended £12,463 and carried forward £1,787 to 2022.

### 3.1.2 Income

The sources of income can be divided among:

	2021	2020
<b>Donations and Legacies</b>		
• Public donations	£ 71,960	£ 54,063
• Grant funding	£ 125,502	£ 63,097
• Covid-19 specific grant funding	£ 116,945	£ 149,490
• Job Retention Scheme Grant	£ 21,912	£ 28,988
• Legacies	£ 15,067	£ 1,000
• Choir Trust and St Mary's Grant	<u>£ 32,926</u>	<u>£ 26,600</u>
• Sub-total	£ 351,386	£ 323,238
<b>Charitable Activities</b>	£ 5,829	£ 1,898
<b>Other Trading Activities</b>	£ 16,384	£ 30,450
<b>Income from Investments</b>	<u>£ 8,651</u>	<u>£ 7,956</u>
<b>Total</b>	<b>£ 382,250</b>	<b>£ 363,542</b>

The financial year was again dominated by Covid-19 and its many restrictions on opening. This is reflected in reductions in expenditure but also reductions in congregational and visitor giving (compared to non-Covid effected years). However, this reduction was mitigated and reversed by a series of grants available to the Cathedral to weather the downturn and unpredictability in regular revenue. Some grants were for expenditure either solely or partially in 2021 and these are shown in the accounts.

### Public Donations

The first drop in income arises from service collections, which fell from £21,984 in 2020 to £20,614 in 2021 (a drop of £1,370). This is disappointing since the Cathedral was open more in 2021 than 2020 but no collection plates could be passed around and the shortfall may have been compensated for by many existing congregational members dividing their regular cash giving into Direct Debits and, as such, direct giving has increased to £14,587 in 2021 compared to £11,194 in 2020. Similarly, the cash received in the collection box increased (£7,576 in 2021 compared to £4,220 in 2020), and the Goodbox card reader also showed a very substantial increase (£36 in 2020, when it was in use for just a solitary month, to £3,813 in 2021). In addition, £929 was raised by a PayPal gift giving scheme left functional from the campaign in 2020 but not actively promoted during 2021. Gift aid reclaimed also showed a significant increase but as this is a factor of the money received, this was expected. £1,507 was received through our online giving schemes.

Donations reduced marginally from £5,504 in 2020 to £4,786 in 2021. Due to the nature of these occasional gifts, they are extremely difficult to predict and manage, and such fluctuations are to be expected. Specific collections for the Organ Repair Fund (£8,815) and collections for others (£459) added to the total income in this category.

All giving and donations were unrestricted apart from the specific collections identified above, which were restricted.

### **Legacies**

There were legacies of £15,067 given to the Charity in 2021, which were unexpected.

All legacy income was unrestricted.

### **Non-Covid-19 Grant Funding**

Non-Covid-19 related grant funding was much higher in 2021 (£125,502) compared to 2020 (£63,097). This increase is analysed below.

The usual grant from the Diocesan Board of Finance was received at the same amount for 2020 of £41,190. No Cathedral Friends' grant was forthcoming in 2020 due to their own difficulties with fundraising activities during Covid-19 restrictions but we received £1,349 in 2021.

A grant of £11,031 was received from the All Churches Trust at an identical value to that received in 2020. This was unrestricted but a detailed report of expenditure will be forwarded to the All Churches Trust as in other years.

A grant of £702 towards the alarm systems in the Havard Chapel was received by the South Wales Borderers Association (SWB, who manage the Chapel) and shows a small increase to that received in 2020.

Brecon Beacons National Park made a grant of £1,250 in 2021, and £6,455 was released from the unspent and brought forward National Lottery Heritage Fund grant from 2020.

All grants were unrestricted except for the released amount (£6,455) from the National Lottery Heritage Fund grant from 2020, and the SWB grant of £702. This is reflected in Note 6 of the Accounts.

In addition, £550 was received as a restricted grant towards Convivium by a member of the public.

### **Covid-19 Related Grant Income**

In addition to the usual grant, the Diocesan Board of Finance gave further grants related to the effects of Covid-19 of £23,132. This sum reflects the loss of income to the Charity and as a result of various online initiatives that had been taken by the Charity to increase income (including promotion of the Direct Giving scheme).

A major grant was awarded by the Welsh Government under their Covid-19 Cultural Recovery Fund Phase 2 of £25,816, split between operations (£16,612 and reopening £9,204). A similar grant in 2020 (Welsh Government Covid-19 Cultural Recovery Fund Phase 1) allowed for £32,247 to be brought forward and spent in 2021.

A grant of £5,000 was awarded from Powys County Council and was unrestricted.

A grant of £5,000 was received from the Welsh Government Economic Recovery Fund and was unrestricted.

A grant from the Cathedral Choirs Emergency Fund for £25,800 was received in December 2020 for expenditure in 2021 and the full amount was brought forward and spent in 2021.

Except for £10,000 awarded from Powys County Council and the Welsh Government Economic Recovery Fund noted above, all grants for Covid-19 recovery were restricted and have been treated accordingly in Note 6 of the Accounts.

### **Coronavirus Job Retention Scheme**

Five staff were furloughed during 2021 on a variable working scheme where the Charity covered worked hours and the scheme paid for non-worked hours on a sliding scale of between 60 and 80 percent. The Charity made up amounts to 80 percent of salary (as required by the rules) except in one case where salary was topped up to 100 percent.

The total furlough payments for 2021 are as follows:

Director of Music	£ 11,301
Assistant Organist	£ 4,758
Facilities Manager	£ 4,873
Cleaner	£ 490
Cleaner	<u>£ 490</u>
<b>Total</b>	<b>£ 21,912</b>

### **Choir Trust Grant Towards Salaries**

The Choir Trust made grants of £32,376 in 2021 covering the salary recharge (partly divided into the purchase of a piano with permission of the Trust since the salary expenditure was covered by other grants), Garth Cottage works (granted in respect of work carried out previously and, therefore, unrestricted), and a contribution towards organ costs. St Mary's Church paid a salary recharge for the Assistant Organist of £550.

All grants were restricted except for the Choir Trust grant towards Garth Cottage, which was for work previously undertaken in other financial years (£3,776).

### **Charitable Activities**

There was a rise in income from charitable activities of £1,898 in 2020 to £5,829 in 2021. This is accountable to the Cathedral being open for more services, including weddings and funerals, and a small increase in candle sales, also due to the Cathedral being open for longer than in 2020.

All fees received for charitable activities were unrestricted.

### **Other Trading Activities**

There was anticipated decrease in other trading activities undertaken by the Charity of £30,450 in 2020 to £16,854 in 2021, almost all accountable to the exceptional events in 2020 of filming of Songs of Praise for Remembrance Day and Advent Sunday in the Cathedral, and the filming of a performance by the stars of the Metropolitan Opera Company. Between them, they amounted to £9,012 income for the Charity in 2020, which was not repeated in 2021. Other event income fell from £4,477 in 2020 to £1,173 in 2021. It is anticipated that these declines will be reversed in 2022 without Covid-19 restrictions applying.

Car park revenue rose in 2021 to £7,519 (£4,461 in 2020) as the Cathedral was open more and total lockdown was not as long as in 2020

Other income in this category was commensurate with 2020 except for the utilities recharges, which have been explained above under expenditure. A £731 recharge was received from the Brecon Cathedral Tithebarn Company Ltd. in respect of insurance costs covered by the Cathedral.

All income received through trading activities was unrestricted except for recharges of £3,018 and costs taken from the 200 Club revenue to cover prizes and fees of £207.

### **Investment Income**

Poor trading conditions in 2020 continued into 2021 although investment income rose marginally in 2021 by £695 from £7,956 in 2020 to £8,651 in 2021 (including bank interest payments of £13 in 2021 and £29 in 2020). There was some variability between funds held with the Diocesan Board of Finance and the Representative Body and these are highlighted in Note 27.1 of the Accounts. Overall, considering the circumstances prevailing through the year, a return of 2.37 percent was considered reasonable, albeit down from 2.43 percent in 2020 (accounted for by a stronger than expected growth in investment values through the year).

Investment income was divided among unrestricted (£5,133), restricted (£3,250), and expendable endowments (£268), all commensurate with 2020 since units held did not change in 2021. This is reflected in Note 6 of the Accounts. A table showing the conditions regarding restrictions pertaining to each investment fund is contained in Note 27.1 of the Accounts.

### **Conclusion**

The Charity accounts showed an operating surplus of £77,404 for 2021, up from a surplus of £26,318 in 2020. Whilst this is extremely welcome, the Covid-19 related grants received accounted for £116,945 income, and the Coronavirus Job Retention scheme accounted for £21,912. Some of the grant amounts were brought forward from 2020 while some were unidentified at the start of the year. In all cases, these grants are exceptional. The operating position would have otherwise been a deficit of £61,453 without exceptional expenditure being considered.

Expenditure included £35,340 spent on reopening reports due to the Covid-19 restrictions. Some other costs increased due to Covid-19 measures, such as cleaning costs roughly doubling, additional signage, and abortive Convivium conference costs, adding an additional £2,997 to the total. In addition, £12,000 was expended on the purchase of a new piano for the Choir Song Room, which was exceptional and took advantage of grants received.

Reducing the exceptional expenditure from the true operating deficit provides a true net operating surplus of £11,116. This would have been well above the average operating deficit recorded by the Charity and, in any other year, greatly welcomed.

Investment capital rose by £38,667 during 2021, which, considering the volatility of the markets, is considered very impressive. Note 27.1 of the Accounts provides a full breakdown. No drawdowns were necessary in 2021; therefore, all gains are unrealised.

The net addition to Cathedral funds throughout 2021, including investment gains, was £116,071. This increased total funds from £1,040,225 brought forward from 2020 to £1,156,296 carried forward to 2022.

Since the budget for 2021 was set in September 2020 with so much uncertainty prevailing it did not consider the exceptional conditions relating to Covid-19, which lasted for many more months than expected. Detailed analysis and comparison with actual figures therefore seem futile. However, the projected deficit was £43,878, which was emphatically not the case. Most of the difference can be accounted to the £30,000 RB grant for salaries, which was not known about when the budget was written. Indeed, even without the Covid-19 grants spent in 2021, the deficit would have been wiped out and a surplus of £11,116 made.

Although conditions in 2021 were exceptional, the Charity is maintaining its policy of reducing operating deficits by making savings on expenditure where possible, and, most significantly, through increasing income. As in previous years, the aim is for the Charity to balance its accounts without recourse to investments. This has been achieved in 2019, 2020, and now in 2021, albeit with exceptional circumstances in both latter years.

## **3.2 TANGIBLE FIXED ASSETS**

The Charity holds tangible assets amounting to £481,000 (Note 14 of the Accounts). These comprise Garth Cottage (£235,000), which is occupied by the Director of Music, St John's Centre (£64,000), which is under lease to Faith in Families, the car park (£160,000), which earns revenue for the Charity, Priory Field (£10,000), which earns a nominal rent for the Charity and is situated to the north-west of the Cathedral, Bishop Williamson's Garden (£10,000), which is open space to the south-east of the Cathedral, and a toilet block adjoining Bishop Williamson's Garden, which is under offer to Western Power for £2,000.

It was intended to revalue these assets in 2020 and then in 2021 but this proved impossible due to the Covid-19 restrictions. The intention is to complete the revaluation in 2022.

## **3.3 HERITAGE ASSETS**

The Charity holds heritage assets amounting to £94,500 (Note 16 of the Accounts). These comprise paintings and other artworks (£78,000), the finest being 'Peace', 1896, by William



Strutt (1825 – 1915), and a sixteenth-century Spanish crucifix in the style of Spanish artist Olaso Cano (1601 –1667), reputedly brought back by a serving soldier at the Battle of Vittoria in 1813 (£16,500).

It was intended to revalue these assets in 2020 (five years after the original valuation) and then in 2021 but this proved impossible due to the Covid-19 restrictions. The intention is to complete the revaluation in 2022.

### 3.4 RESERVES

The Charity holds the following reserves:

	<b>2021</b>	<b>2020</b>
• Investment value	£364,753	£326,086
• Other (including net creditors)	<u>£210,843</u>	<u>£138,639</u>
	<b>£575,596</b>	<b>£464,725</b>

The rise in other reserves includes £65,580 deferred income to be carried forward into 2021.

The Charity holds reserves against deficits sustained on operating income, unexpected and substantial repairs or maintenance, special projects, such as the amount committed to the People | Passion | Priory project, and to allow for match funding against grant applications.

Our reserves policy seeks to hold cash reserves equivalent to nine months operating costs at all times (increased from six months previously due to the recent experience of Covid uncertainty). For 2022, this equates to £201,200.

Of the reserves not held as cash or in current accounts, and not accounted for by net creditors, the following applies:

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowed</b>
Funds Held at the Diocesan Trust	£136,267	£113,149	£ 5,504
Funds Held by the Representative Body	<u>£ 94,673</u>	<u>£ 6,949</u>	<u>£ 8,211</u>
	<b>£230,940</b>	<b>£120,099</b>	<b>£ 13,715</b>

The policy behind investment strategy is governed by the Diocesan Trust and Representative Body to accord with protocols set by the Church in Wales. The Charity are satisfied that these protocols are adhered to by the respective body and match those decisions that would be taken independently by the Charity.

### 3.5 UNCERTAINTIES

A major risk to the Cathedral is failing fabric as identified in the Parish Return for 2020 (see Section 2.4 above) and this is being addressed through the People | Passion | Priory project. This will tackle major structural work including reroofing (in two phases) and also the other items of concern. These have been identified and costed in the Quinquennial Report prepared in 2021. It is anticipated that, after a successful Expression of Interest will to the National Lottery Heritage Fund in 2021, a Round 1 application will follow in 2022.

Another major risk is the underlying operating deficit (despite exceptional circumstances resulting in a surplus in 2019, 2020, and 2021). This is being addressed by the Charity and at

a Provincial level within the Church in Wales. Results of discussions with the Church in Wales resulted in a grant towards salaries of £30,000 in 2021 with £52,000 slated for 2022. This will go some considerable way in giving the Charity financial security. In addition, the Province paid for the Quinquennial Report in 2021.

The remaining risk concerns personnel in that one individual carries out the role of Chapter Clerk and Chapter Treasurer with no pay or expenses. Timesheets kept by the individual show an average of three days per week spent on Cathedral work. Due to the responsibilities of the role (that were not there for the previous incumbent), there is a risk that volunteer(s) would not be willing to take over the role, at least not in its entirety. Three days commitment amounts to c. £35,000 salary, pro-rata compared to comparable full-time appointments in other cathedrals. Expenses would amount to c. £500 per annum. This would potentially leave the Cathedral with a significant shortfall. This risk will be addressed and resolved in 2022.

## **4. STRUCTURE, GOVERNANCE, AND MANAGEMENT**

### **4.1 Structure**

The Charity is constituted by the Welsh Church Act 1914 and The Welsh Church (Temporalities) Act 1991 and the Constitution and Regulations of the Cathedral Church of St John the Evangelist Brecon adopted on 27 May 2020 as amended on 22 September 2021.

### **4.2 Governance**

In 2021, the Charity was part governed by the Constitution of the Church in Wales and, from September 2022 by the Constitution and Regulations of the Cathedral Church of St John the Evangelist Brecon (adopted in May 2020 but not adopted sooner due to Covid-19 and the unwillingness to appoint a new Board of Trustees (Chapter) during such an uncertain time.

### **4.3 Trustees**

According to the scheme in place for part of 2021 in the Constitution of the Church in Wales, the Charity Trustees comprise the Dean of the Cathedral, the Archdeacon of Brecon, the Archdeacon of Gower, and up to ten Canons, drawn from clergy in the Swansea and Brecon Diocese including the Canon Residentiary.

According to the Constitution and Regulations of the Cathedral Church of St John the Evangelist Brecon, the Charity Trustees comprise:

1. The Dean
2. The Residentiary Canon and / or any other Canon appointed to such office.
3. The Archdeacons holding office in the Diocese of Swansea and Brecon.
4. Additional Clerics appointed by the Dean after consultation with the Bishop.
5. The Dean may, after consultation with the Bishop and persons as appropriate, appoint lay members of Chapter.

Appointment of Trustees is made via by the Dean after consultation with the Bishop under a policy of providing a broad range geographical location, skillsets, and experience. The

Dean is conscious of the historic gender and minority imbalance that currently occurs on Chapter and is working for this to be corrected.

## **5. REFERENCE AND ADMINISTRATIVE DETAILS**

5.1. Registered name:	The Dean and Chapter of Brecon Cathedral
5.2. Charity registration number:	1160017
5.3. Jurisdiction:	England and Wales
5.4. Principal office of the Charity:	Cathedral Office, Cathedral Close, Brecon, LD3 9DP
5.5. Registered office:	Cathedral Office, Cathedral Close, Brecon, LD3 9DP
5.6. Administrator:	Ms Karen Schiebe
5.7. Accountants:	Dr Mike Williams, Chapter Treasurer Accounts examined by Mr Brian Turner FCCA
5.8. Solicitors:	Legal services provided by the Church in Wales
5.9. Charity Secretary:	Dr Mike Williams, Chapter Clerk
5.10 Changes to Trustees/Canons:	Reverend Canon Ian Rees (resigned 19 May 2021) Reverend Canon Rowland Edwards (resigned 22 September 2021) Reverend Canon Keith Evans (resigned 22 September 2021) Reverend Canon Dewi Roberts (resigned 22 September 2021) Reverend Canon Timothy Hewitt (resigned 22 September 2021) Reverend Canon Hugh Lervy (resigned 22 September 2021)

## **6. EXEMPTIONS FROM DISCLOSURE**

The Charity has not relied on any exemptions from disclosure.

## **7. FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Charity does not hold funds as custodian on behalf of others.

The Annual Report was approved by the Trustees at a meeting held on 17 May 2022 and signed on their behalf after Independent Examination on 21 October 2022 by the Chair of Trustees, Dean Paul Shackerley.

Signed by..........(Trustee)

# **INDEPENDENT EXAMINER'S REPORT TO THE DEAN AND CHAPTER OF BRECON CATHEDRAL**

**Registered Charity 1160017**

I report to the trustees (the Dean and Chapter) on my examination of the accounts of Brecon Cathedral for the year ended 31 December 2021 (Statement of Financial Activities, Balance Sheet and Notes 1 - 27)

## **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 Trust's accounts carried out under section 145 of the 2011 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**

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the Association of Chartered Certified Accountants.

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

1. the accounting records were not kept in accordance with section 130 of the Charities Act; or
2. the accounts did not accord with the accounting records; or
3. the accounts did 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.



**BRIAN R TURNER FCCA**  
61 Gabalfa Road Sketty Swansea SA2 8NA

**21 October 2022**

**The Dean and Chapter of Brecon Cathedral**  
**Annual Accounts**  
**For the Year Ended 31 December 2021**



**From:** 01-Jan-21  
**To:** 31-Dec-21

**SECTION A STATEMENT OF FINANCIAL ACTIVITIES**

		2021			2020
	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Prior Year Funds
<b>Income and Endowments From:</b>	<b>3</b>				
Donations and Legacies		169,480	181,907	0	323,238
Charitable Activities		5,829	0	0	1,898
Other Trading Activities		13,128	3,255	0	30,450
Investments		5,133	3,250	268	7,956
<b>Total Income</b>		<b>193,570</b>	<b>188,412</b>	<b>268</b>	<b>363,542</b>
<b>Expenditure On:</b>	<b>6</b>				
Raising Funds		0	911	0	1,760
Charitable Activities		116,167	187,500	268	335,567
<b>Total Expenditure</b>		<b>116,167</b>	<b>188,412</b>	<b>268</b>	<b>337,327</b>
<b>Net income/expenditure before investment gains/losses</b>		<b>77,404</b>	<b>0</b>	<b>0</b>	<b>26,215</b>
<b>Gains/Losses on Investments</b>	<b>27.1</b>				
Realised Gains/Losses on Investments		0	0	0	0
Unrealised Gains/Losses on Investments		24,107	13,168	1,393	503
<b>Total Gains/Losses on Investments</b>		<b>24,107</b>	<b>13,168</b>	<b>1,393</b>	<b>503</b>
<b>Net income/expenditure after investment gains/losses</b>		<b>101,510</b>	<b>13,168</b>	<b>1,393</b>	<b>26,718</b>
<b>Extraordinary Items</b>	<b>7</b>	0	0	0	0
<b>Transfers between funds</b>	<b>27.3</b>	0	0	0	0
<b>Gains/Losses on Revaluation</b>	<b>14/16</b>	0	0	0	0
<b>Other Gains/Losses</b>		0	0	0	0
<b>Net movement in funds</b>		<b>101,510</b>	<b>13,168</b>	<b>1,393</b>	<b>26,718</b>
Total Funds Brought Forward		920,972	106,931	12,322	1,013,907
<b>Total Funds Carried Forward</b>		<b>1,022,482</b>	<b>120,099</b>	<b>13,715</b>	<b>1,040,225</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**SECTION B****BALANCE SHEET**

	Notes	2021			2020
		Unrestricted Funds	Restricted Funds	Endowment Funds	Prior Year Funds
<b>Fixed Assets</b>					
Tangible Assets	14	481,000	0	0	481,000
Heritage Assets	16	94,500	0	0	94,500
Investments	27.1	230,940	120,099	13,715	326,086
<b>Total Fixed Assets</b>		<b>806,440</b>	<b>120,099</b>	<b>13,715</b>	<b>940,253</b>
<b>Current Assets</b>					
Debtors	19	8,859	0	0	16,825
Cash at Bank and in Hand	24	255,157	13,946	0	244,958
<b>Total Current Assets</b>		<b>264,016</b>	<b>13,946</b>	<b>0</b>	<b>261,783</b>
<b>Less Current Liabilities</b>					
Creditors (Amounts falling due in one year)	20	635	0	0	24,263
Provisions for Liabilities		0	0	0	0
Deferred Income	20	0	60,380	0	97,926
PAYE Control	20	905	0	0	955
<b>Total Current Liabilities</b>		<b>1,539</b>	<b>60,380</b>	<b>0</b>	<b>123,144</b>
<b>Total Assets Less Total Liabilities</b>		<b>1,068,916</b>	<b>73,664</b>	<b>13,715</b>	<b>1,156,296</b>
<b>Funds of the Charity</b>					
Unrestricted Funds					
Funds available	27.3	433,955	0	0	332,445
Funds in property or heritage assets	14/16	575,500	0	0	575,500
Designated funds (for NLHF project)	24	9,855	0	0	9,855
Designated funds (for Choir Scholarship)	24	3,172	0	0	3,172
Restricted Funds	27.3	0	120,099	0	106,931
Endowment Funds	27.3	0	0	13,715	12,322
<b>Total Funds of the Charity</b>		<b>1,022,482</b>	<b>120,099</b>	<b>13,715</b>	<b>1,156,296</b>
<b>Represented by:</b>					
<b>Unrestricted Funds</b>					
<b>General Fund</b> balance as at 1 January 2021	27.3	145,477	0	0	119,662
Transferred from Investment Fund	27.3	0	0	0	0
Net movement in fund		77,404	0	0	25,815
<b>Total</b>		<b>222,881</b>	<b>0</b>	<b>0</b>	<b>145,477</b>
<b>Investment Fund</b> balance as at 1 January 2021	27.3	199,995	0	0	197,864
Transferred to General Fund	27.3	0	0	0	0
Net movement in fund		24,107	0	0	2,131
<b>Total</b>		<b>224,102</b>	<b>0</b>	<b>0</b>	<b>199,995</b>
<b>Property and Heritage Asset Fund</b> balance as at 1 January 2021	14/16	575,500	0	0	575,500
Net movement in fund	14/16	0	0	0	0
<b>Total</b>		<b>575,500</b>	<b>0</b>	<b>0</b>	<b>575,500</b>
<b>Total Unrestricted Funds</b>		<b>1,022,482</b>	<b>0</b>	<b>0</b>	<b>920,972</b>
<b>Restricted Funds</b>					
<b>Investment Fund</b> balance as at 1 January 2021	27.3	0	106,876	0	108,817
Transferred to General Fund	27.3	0	0	0	0
Net movement in fund		0	13,160	0	-1,941
<b>Total</b>		<b>0</b>	<b>120,036</b>	<b>0</b>	<b>106,876</b>

<b>Appeal Fund</b> balance as at 1 January 2021	<b>27.3</b>	0	55	0	55	55
Net movement in fund	<b>27.3</b>	0	8	0	8	0
Total		0	63	0	63	55
<b>Total Restricted Funds</b>		<b>0</b>	<b>120,099</b>	<b>0</b>	<b>120,099</b>	<b>106,931</b>
<b>Expendable Endowment Funds</b>						
<b>Investment Fund</b> balance as at 1 January 2021	<b>27.3</b>	0	0	12,322	12,322	12,009
Net movement in fund		0	0	1,393	1,393	313
Total		0	0	13,715	13,715	12,322
<b>Total Expendable Endowment Funds</b>		<b>0</b>	<b>0</b>	<b>13,715</b>	<b>13,715</b>	<b>12,322</b>
<b>Total Funds</b>	<b>27.3</b>	<b>1,022,482</b>	<b>120,099</b>	<b>13,715</b>	<b>1,156,296</b>	<b>1,040,225</b>

Signed by  (Trustee)

The Financial Statements were approved by the Trustees at a meeting held on 17 May 2022 and signed on their behalf after Independent Examination on 21 October 2022 by Chair of Trustees, Dean Paul Shackerley.



**NOTE 1: BASIS OF PREPARATION****Charity Information**

The Dean and Chapter of Brecon Cathedral is a charity registered with the Charities Commission with the constitution being adopted on the 14 August 2014.

**1.1 Basis of Accounting**

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011, and "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)" (Second edition, October 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going Concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Therefore, the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**1.3 Change to Accounting Policy**

No changes to accounting policy have occurred in the reporting period.

**1.4 Changes to Accounting Estimates**

No changes to accounting estimates have occurred in the reporting period.

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**1.5 Material Prior Year Errors**

No material prior year error have been identified in the reporting period.

**NOTE 2: ACCOUNTING POLICIES****2.2 Income****Recognition of Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be

**Offsetting**

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

**Grants and Donations**

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised on receipt.

**Legacies**

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**Government Grants**

The charity has received the following government grants in the reporting period:

Welsh Government Covid-19 Grant for 2021 (Operations)	16,612
Welsh Government Covid-19 Grant for 2021 (Reopening)	9,204
Coronavirus Job Retention Scheme	21,912
Welsh Government Economic Recovery Fund	5,000
Powys County Council Grant (Cathedral)	5,000
Total	<u>57,728</u>

**Tax Reclaims on Donations and Gifts**

Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

**Contractual Income and Performance Related Grants**

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

**Donated Goods**

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so. There were none in the accounting period.

**Donated Services and Facilities**

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably. There were none in the accounting period.

**Support Costs**

The charity has not incurred expenditure on support costs.

**Volunteer Help**

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**Income from Interest, Royalties and Dividends**

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

**Settlement of Insurance Claims**

Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.

**Investment Gains and Losses**

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

**2.3 Expenditure and Liabilities****Liability Recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

**Governance and Support Costs**

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

**Grants Payable (with performance conditions)**

The charity made no grants with performance conditions during the reporting period.

**Grants Payable (without performance conditions)**

Liability for the full funding obligation is recognised.

**Redundancy Costs**

The charity made no redundancy payments during the reporting period.

**Deferred Income**

Deferred income has been included in the Balance Sheet where grants have been received for expenditure in future years or restricted funds have not been expended in the current year.

**Creditors**

The charity has creditors which are measured at settlement amounts less any trade discounts.

**Provisions for Liabilities**

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

**Basic Financial Instruments**

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

**Derecognition of Financial Liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**2.4 Assets****Tangible fixed assets for use by charity**

These are capitalised if they can be used for more than one year. As all tangible assets are held as land and buildings, a policy of revaluation is adopted.

**Intangible fixed assets**

There were no intangible fixed assets identified in the recording period.

**Heritage assets**

The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. A policy of revaluation is adopted.

**Investments**

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

**Stocks and work in progress**

None were held or identified in the recording period.

**Debtors**

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Current Asset Investments**

The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due. They are valued at fair value except where they qualify as basic financial instruments.

**Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**Charitable Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors as to how they may be used and that the capital must be maintained by the charity.

# SECTION C

# NOTES TO THE ACCOUNTS

## NOTE 3: ANALYSIS OF INCOME

	Unrestricted Funds	2021 Restricted Funds	2021 Endowment Funds	Total Funds	2020 Prior Year Funds
<b>Donations and Legacies</b>					
Service Collections	20,614	0	0	20,614	21,984
Direct Giving	14,587	0	0	14,587	11,194
Collection Boxes	7,576	0	0	7,576	4,220
PayPal Giving Scheme	929	0	0	929	3,875
Gift Aid Reclaimed	8,873	0	0	8,873	5,005
GoodBox Donations	3,813	0	0	3,813	36
Donations	4,786	0	0	4,786	5,504
Legacies	15,067	0	0	15,067	1,000
Organ Scholarship	0	0	0	0	2,165
Friends' Grant	1,349	0	0	1,349	0
DBF Grant	41,190	0	0	41,190	41,190
DBF Covid-19 Grant	23,132	0	0	23,132	23,533
CiW Administrative Grant for Salaries	0	30,000	0	30,000	0
Welsh Government Covid-19 Grant for 2020 (Operatic	0	0	0	0	32,050
Welsh Government Covid-19 Grant for 2020 (Reopeni	0	0	0	0	3,360
Welsh Government Covid-19 Grant for 2021 (Operatic	0	16,612	0	16,612	3,907
Welsh Government Covid-19 Grant for 2021 (Reopeni	0	9,204	0	9,204	28,340
Welsh Government Covid-19 Grant for 2021 (Operations) Released from 2020	0	3,907	0	3,907	0
Welsh Government Covid-19 Grant for 2021 (Reopening) Released from 2020	0	28,340	0	28,340	0
Welsh Government Economic Recovery Fund	5,000	0	0	5,000	0
Powys County Council Grant (Cathedral)	5,000	0	0	5,000	5,000
Powys County Council Grant (Tithebarn)	0	0	0	0	25,000
Brecon Beacons National Park Grant	1,250	0	0	1,250	0
Cathedral Choirs Emergency Grant (Initial for 2020)	0	0	0	0	2,500
Cathedral Choirs Emergency Grant (Second for 2021)	0	0	0	0	25,800
Cathedral Choirs Emergency Grant (Second for 2021) Released from 2020	0	25,800	0	25,800	0
National Lottery Heritage Grant	0	0	0	0	9,000
National Lottery Heritage Grant Released from 2020	0	6,455	0	6,455	0
All Churches Trust Grant	11,031	0	0	11,031	11,031
Convivium Grants	0	0	0	0	0
Convivium Deferred Income Released from 2019	0	0	0	0	997
Convivium Donations	0	550	0	550	200
SWB Grant (for Havard Chapel Security)	0	702	0	702	679
Choir Fund Grant: Garth Cottage Works	3,776	0	0	3,776	0
Choir Fund Grant: Salary Recharge	0	19,600	0	19,600	25,600
Choir Fund Grant: Purchase of Piano (for 2022)	0	6,000	0	6,000	0
Choir Fund Grant: Organ	0	3,000	0	3,000	0
St Mary's Recharge: Salary	0	550	0	550	1,000
Organ Repair Fund	0	8,815	0	8,815	0
Coronavirus Job Retention Scheme	0	21,912	0	21,912	28,988
Collections for Others	0	459	0	459	0
Just Giving	1,490	0	0	1,490	0
Give as you Live Online Giving	17	0	0	17	80
<b>Total</b>	<b>169,480</b>	<b>181,907</b>	<b>0</b>	<b>351,386</b>	<b>323,238</b>
<b>Charitable Activities</b>					
Marriage & Banns Fees	1,395	0	0	1,395	40

Service Fees	0	0	0	0	60
Funeral & Memorial Fees	2,800	0	0	2,800	643
Candle Sales	1,634	0	0	1,634	1,155
<b>Total</b>	<b>5,829</b>	<b>0</b>	<b>0</b>	<b>5,829</b>	<b>1,898</b>

#### Other Trading Activities

Cathedral and Tower Tours	0	0	0	0	0
Rent Received	543	0	0	543	500
Events	1,173	0	0	1,173	4,477
Songs of Praise	0	0	0	0	2,857
Bryn Terfel Concert	0	0	0	0	6,155
Wine Sales	0	0	0	0	44
Car Park Income Received	7,519	0	0	7,519	4,461
Reprographics Recharge	0	0	0	0	339
VAT Reclaimed	0	0	0	0	0
200 Club	1,931	207	0	2,138	2,281
Gas Recharge (DBF and Clergy)	0	1,993	0	1,993	7,174
Electricity Recharge (DBF and Clergy)	0	324	0	324	0
Tithebarn Recharge	0	731	0	731	0
Miscellaneous Income	1,963	0	0	1,963	2,162
<b>Total</b>	<b>13,128</b>	<b>3,255</b>	<b>0</b>	<b>16,384</b>	<b>30,450</b>

#### Income from Investments

Bank Interest	13	0	0	13	29
DBF Investment Income	3,796	3,153	153	7,102	6,201
RB Investment Income	1,324	97	115	1,536	1,726
<b>Total</b>	<b>5,133</b>	<b>3,250</b>	<b>268</b>	<b>8,651</b>	<b>7,956</b>

<b>Total Income</b>	<b>193,570</b>	<b>188,412</b>	<b>268</b>	<b>382,250</b>	<b>363,542</b>
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All income in the prior year (2020) was unrestricted except for:

	Restricted Funds	Endowment Funds	Total Funds
Donations	1,205	0	1,205
Organ Scholarship	2,165	0	2,165
Welsh Government Covid-19 Grant for 2020 (Operations)	32,050	0	32,050
Welsh Government Covid-19 Grant for 2020 (Reopening)	3,360	0	3,360
Welsh Government Covid-19 Grant for 2021 (Operations)	3,907	0	3,907
Welsh Government Covid-19 Grant for 2021 (Reopening)	28,340	0	28,340
Powys County Council Grant (Tithebarn)	25,000	0	25,000
Cathedral Choirs Emergency Grant (Initial for 2020)	2,500	0	2,500
Cathedral Choirs Emergency Grant (Second for 2020)	25,800	0	25,800
National Lottery Heritage Grant	9,000	0	9,000
Convivium Deferred Income Released from 2019	997	0	997
Convivium Donations	200	0	200
SWB Grant (for Havard Chapel Security)	679	0	679
Choir Fund Grant: Salary Recharge	25,600	0	25,600
St Mary's Recharge: Salary	1,000	0	1,000
Coronavirus Job Retention Scheme	28,988	0	28,988
DBF Investment Income	2,752	134	2,886
RB Investment Income	109	129	238
<b>Total</b>	<b>193,652</b>	<b>263</b>	<b>193,915</b>

# SECTION C

# NOTES TO THE ACCOUNTS

## NOTE 6: ANALYSIS OF EXPENDITURE

		2021			Total Funds	2020 Prior Year Funds
		Unrestricted Funds	Restricted Funds	Endowment Funds		
<b>Raising Funds</b>						
200 Club Admin and Prizes		0	207	0	207	505
Contactless Donation Unit		0	704	0	704	1,255
<b>Total</b>		<b>0</b>	<b>911</b>	<b>0</b>	<b>911</b>	<b>1,760</b>
<b>Charitable Activities</b>						
Ministry Share		68,034	0	0	68,034	67,915
Clergy Expenses:	Property Expenses	232	405	0	637	665
	Travelling Expenses	0	0	0	0	103
	Telephone/Internet	0	1,122	0	1,122	1,292
	Stationery	0	0	0	0	366
	Hospitality	0	0	0	0	0
	Conference Fees	0	0	0	0	156
	Subscriptions	224	0	0	224	0
	Resources	547	0	0	547	0
	Miscellaneous Expenses	0	0	0	0	541
	Ministry: Verger Salary	0	576	0	576	0
	Verger Expenses	0	0	0	0	467
	Altar Requisites	0	220	268	488	580
	Flowers	242	0	0	242	85
	Votive Candles	35	224	0	260	400
	Miscellaneous Ministry	233	0	0	233	214
	Music: Organ Tuning & Repairs	0	4,307	0	4,307	2,322
	Gross Wages	0	37,911	0	37,911	37,605
Cathedral Maintenance:	Organ Scholarship	0	300	0	300	0
	Garth Cottage	0	0	0	0	0
	Music Events	0	0	0	0	50
	Hospitality	0	375	0	375	10
	Licenses	0	630	0	630	873
	Crane Music (Piano)	0	12,000	0	12,000	0
	Miscellaneous Music	0	661	0	661	460
	Water Rates	471	540	0	1,011	978
	Electricity	5,444	1,300	0	6,744	4,961
	Gas	5,547	2,000	0	7,547	17,973
	Internet	1,269	0	0	1,269	874
	Insurance & Security	11,382	5,234	0	16,616	14,239
	Building Maintenance	852	1,500	0	2,352	4,202
	Emergency Roof Repairs	9,662	2,749	0	12,411	0
	Gardening Project (MIND)	0	869	0	869	0
	Equipment Maintenance and Hire	1,169	2,270	0	3,439	2,748
	Grounds Maintenance	0	2,152	0	2,152	2,930
Administration:	Gross Wages (Facilities)	0	12,072	0	12,072	9,944
	Cleaning	0	532	0	532	695
	Gross Wages (Cleaning)	0	3,801	0	3,801	3,479
	Signage	0	2,567	0	2,567	198
	Miscellaneous Maintenance	100	0	0	100	0
	Office Accommodation	438	510	0	948	940
	Gas for non-Cathedral Buildings	1,004	3,003	0	4,007	9,204
	Electricity for Office	431	325	0	756	87
	Equipment Hire	0	0	0	0	1,418
	Equipment Maintenance	525	0	0	525	509
	Security (Chubb Call Out)	0	0	0	0	1,200
	Hospitality	725	0	0	725	650
	Advertising & PR	0	0	0	0	191
	Printing & Publications	0	1,256	0	1,256	1,297
	Postage and Stationary	79	0	0	79	270
	Telephone	0	731	0	731	975

	Internet and Website Fees	0	1,243	0	1,243	1,874
	Computer and Software	0	40	0	40	0
	Gross Wages	0	18,244	0	18,244	18,456
	Legal & Professional Fees	0	2,600	0	2,600	1,000
	Car Park Management Fee	390	450	0	840	1,680
	Accountancy Fees	1,007	1,633	0	2,640	2,640
	Audit Fee	500	0	0	500	500
	Collections Passed Over / Donation	0	460	0	460	0
	Powys County Council Grant to Tithebarn	5,000	0	0	5,000	25,000
	Consecration Costs	0	0	0	0	1,745
	Miscellaneous Administration	624	0	0	624	502
Convivium:	Music costs	0	0	0	0	0
	Brochures	0	0	0	0	0
	Set-up/materials	0	0	0	0	0
	Speaker Expenses	0	0	0	0	0
	Website	0	0	0	0	0
	Flowers	0	0	0	0	0
	Hire of Cathedral	0	0	0	0	0
	Refreshments	0	0	0	0	0
	Collections Passed Over	0	0	0	0	0
	Abortive Conference Fees	0	180	0	180	1,197
	Miscellaneous Convivium	0		0	0	0
NLHF Project:	Consultants	0	0	0	0	1,440
	Architect	0	0	0	0	0
	Miscellaneous Project Costs	0	0	0	0	781
Covid Reopening Reports	Consultants	0	30,060	0	30,060	2,760
	Architect	0	5,280	0	5,280	600
Carried Forward to 2022 (See Note 20)				0	0	0
	CiW Administrative Grant for Salaries	0	1,159	0	1,159	0
	Choir Fund Grant: Salary Recharge	0	14,825	0	14,825	0
	Organ Repair Fund	0	8,815	0	8,815	0
	Convivium Donations	0	370	0	370	0
	Welsh Government Covid-19 Grant for 2021 (Operations)	0	0	0	0	3,907
	Welsh Government Covid-19 Grant for 2021 (Reopening)	0	0	0	0	28,340
	Cathedral Choirs Emergency Grant (Second for 2020)	0	0	0	0	25,800
	National Lottery Heritage Grant	0	0	0	0	9,000
	Choir Fund Grant: Salary Recharge	0	0	0	0	12,514
	Organ Scholarship	0	0	0	0	1,765
<b>Total</b>		<b>116,167</b>	<b>187,500</b>	<b>268</b>	<b>303,935</b>	<b>335,567</b>
<b>Total Expenditure</b>		<b>116,167</b>	<b>188,412</b>	<b>268</b>	<b>304,846</b>	<b>337,327</b>



**SECTION C****NOTES TO THE ACCOUNTS****NOTE 7: EXTRAORDINARY ITEMS****Item 1. Arwain Project****ANALYSIS OF INCOME**

	<b>Unrestricted Funds</b>	<b>2021 Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds</b>	<b>2020 Prior Year Funds</b>
<b>Donations and Legacies</b>					
Transferred from Brecon Heritage and Cultural Network	0	36	0	36	0
Arwain Grants	0	0	0	0	44,368
Deferred Income Released from 2014	0	0	0	0	18,629
Bank Interest	0	0	0	0	6
<b>Total</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>36</b>	<b>63,003</b>
<b>Total Income</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>36</b>	<b>63,003</b>

**ANALYSIS OF EXPENDITURE**

	<b>Unrestricted Funds</b>	<b>2021 Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds</b>	<b>2020 Prior Year Funds</b>
Project Delivery	0	0	0	0	35,600
Recruitment	0	0	0	0	0
Office Equipment	0	0	0	0	0
Computers	0	0	0	0	0
Telephones	0	0	0	0	0
Mobile Telephones	0	0	0	0	115
Hospitality	0	0	0	0	0
Subscriptions	0	0	0	0	0
Gross Wages	0	0	0	0	19,830
Legal & Professional Fees	0	36	0	36	0
Translation Fee	0	0	0	0	0
Transfer to Brecon Heritage and Culture Network	0	0	0	0	7,458
<b>Total</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>36</b>	<b>63,003</b>
<b>Total Expenditure</b>	<b>0</b>	<b>36</b>	<b>0</b>	<b>36</b>	<b>63,003</b>
<b>Net income/expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Item 2. Brecon Heritage and Culture Network

### ANALYSIS OF INCOME

	2021				2020
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Prior Year Funds
<b>Donations and Legacies</b>					
Transfer from Arwain	0	0	0	0	7,458
Grants	0	14,250	0	14,250	4,000
Donations	0	0	0	0	500
Bank Interest	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>14,250</b>	<b>0</b>	<b>14,250</b>	<b>11,958</b>
<b>Total Income</b>	<b>0</b>	<b>14,250</b>	<b>0</b>	<b>14,250</b>	<b>11,958</b>

### ANALYSIS OF EXPENDITURE

	2021				2020
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Prior Year Funds
Project Delivery	0	4,089	0	4,089	1,488
Gross Wages	0	8,338	0	8,338	0
Transfer to Arwain Project	0	36	0	36	0
Carried forward to 2022	0	1,787	0	1,787	10,470
<b>Total</b>	<b>0</b>	<b>14,250</b>	<b>0</b>	<b>14,250</b>	<b>11,958</b>
<b>Total Expenditure</b>	<b>0</b>	<b>14,250</b>	<b>0</b>	<b>14,250</b>	<b>11,958</b>
<b>Net income/expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**SECTION C****NOTES TO THE ACCOUNTS****NOTE 6: FEES FOR THE EXAMINATION OF ACCOUNTS**

	<b>2021</b>	<b>2020</b>
Independent examiner's fees	500	500
Assurance services other than audit or independent examination	0	0
Tax advisory fees	0	0
Other fees (for example: financial advice, consultancy, accountancy services)	0	0
<b>Total</b>	<b>500</b>	<b>500</b>

## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 11: PAID EMPLOYEES

#### 11.1 Staff Costs

	2021	2020
Salaries and wages	66,958	85,490
Social security costs	3,909	1,493
Pension costs (defined contribution scheme)	1,737	2,331
<b>Total staff costs</b>	<b>72,604</b>	<b>89,314</b>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

Key Management roles are undertaken by three Cathedral clergy, who are all employed and paid for by the Representative Body of the Church in Wales. The only costs borne relating to these persons is in respect of expenses and are as follows:

	2021			Total Funds	2020
	Unrestricted Funds	Restricted Funds	Endowment Funds		Prior Year Funds
Property Expenses	232	405	0	637	665
Travelling Expenses	0		0	0	103
Telephone/Internet	0	1,122	0	1,122	1,292
Stationery	0		0	0	366
Hospitality	0		0	0	0
Conference Fees	0		0	0	156
Subscriptions	224		0	224	0
Resources	547		0	547	0
Miscellaneous Expenses	0		0	0	541
<b>Total</b>	<b>1,003</b>	<b>1,527</b>	<b>0</b>	<b>2,530</b>	<b>2,355</b>

#### 11.2 Average Head Count in the Year

	2021	2020
	Number	Number
The parts of the charity in which the employees work	Fundraising	0
	Charitable	
	Activities	6
	Governance	0
	Other	2
	<b>Total</b>	<b>8</b>

#### 11.3 Ex-Gratia Payments to Employees and Others (Excluding Trustees)

No ex-gratia payments were made to employees in the accounting period.

#### 11.4 Redundancy Payments

No redundancy payments were made in the accounting period.

Redundancy benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide redundancy benefits.

**SECTION C****NOTES TO THE ACCOUNTS****NOTE 12: DEFINED CONTRIBUTION PENSION SCHEME**

## 12.1 Defined Contribution Pension Scheme

Amount of contributions recognised in the SOFA as an expense

	<b>2021</b>	<b>2020</b>
NEST (AE) Pension Scheme	1,105	1,481
One employee has an AVIVA Pension Scheme:		
Aviva Pension Scheme	632	850
<b>Total</b>	<b>1,737</b>	<b>2,331</b>

## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 14: TANGIBLE FIXED ASSETS

#### 14.1 Cost or Valuation

The proceeds of any sale would become unrestricted funds.

	<b>Garth Cottage</b>	<b>St John's Centre</b>	<b>Car Park</b>	<b>Priory Field</b>	<b>Bishop Williamson's Garden</b>	<b>Toilets</b>	<b>Fixtures and Fittings</b>	<b>Total</b>
	£	£				£	£	£
At the beginning of the year	235,000	64,000	160,000	10,000	10,000	2,000	0	481,000
Additions	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
At Year End	235,000	64,000	160,000	10,000	10,000	2,000	0	<b>481,000</b>

#### 14.5 Revaluation

The effective date of the revaluation

The name of independent valuer, if applicable

The methods applied and significant assumptions

The carrying amount that would have been recognised had the assets been carried under the cost model.

Garth Cottage and St John's Centre valued at 19 February 2019. The other valuations have been calculated in-house pending full revaluation in 2022.

David Price, Clee Tompkinson Francis, Brecon. The other valuations carried out by Cathedral Treasurer.

Follows RICS UKGN7 "Valuations for Charities". Garth Cottage is valued with vacant possession, St John's Centre is valued subject to lease.

N/A

## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 16: HERITAGE ASSETS

#### 16.1 General Disclosures for all charities holding heritage assets

(i) Explain the nature and scale of heritage assets held

Art comprises pictures decorating the Cathedral building. The Spanish Cross is used in services, otherwise is on occasional display.

(ii) Explain the policy for the acquisition, preservation, management, and disposal of heritage assets

Heritage assets are items owned by the charity, mostly resulting from historical donations. They are not considered investments. The proceeds of any sale would be unrestricted funds.

#### 16.2 Cost or Valuation

	<b>Art</b>	<b>Spanish Cross</b>	<b>Total</b>
	£	£	£
At the beginning of the year	78,000	16,500	94,500
Additions	0	0	0
Revaluations	0	0	0
Disposals	0	0	0
Transfers	0	0	0
At Year End	<b>78,000</b>	<b>16,500</b>	<b>94,500</b>

#### 16.6 Revaluation

The effective date of the revaluation:

The name of independent valuer, if applicable:

Qualifications of Independent Valuer:

The methods applied and significant assumptions:

Any significant limitations on the valuation:

15 December 2015

Emma Sykes, Bonhams, Bath

Regional Picture Specialist, Bonhams

Figures are midpoint auction values

The valuation needs updating in 2022.

**SECTION C****NOTES TO THE ACCOUNTS****NOTE 19: DEBTORS AND PREPAYMENTS**

## 19.1 Analysis of Debtors

	<b>2021</b>	<b>2020</b>
Trade Debtors	4,348	12,315
Prepayments and Accrued Income	4,510	4,510
Other Debtors	0	0
<b>Total</b>	<b>8,859</b>	<b>16,825</b>

## 19.2. Analysis of debtors recoverable in more than 1 year (included in debtors above)

	<b>2021</b>	<b>2020</b>
Trade Debtors	0	0
Prepayments and Accrued Income	0	0
Other Debtors	0	0
<b>Total</b>	<b>0</b>	<b>0</b>



## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 20: CREDITORS AND ACCRUALS

#### 20.1 Analysis of Creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	2021 £	2020 £	2021 £	2020 £
Accruals for grants payable	0	0	0	0
Bank loans and overdrafts	0	0	0	0
Trade creditors	135	135	0	0
Payments received on account for contracts or performance-related grants	0	0	0	0
Accruals	500	24,128	0	0
Taxation and social security	0	0	0	0
Other creditors	0	0	0	0
<b>Total</b>	<b>635</b>	<b>24,263</b>	<b>0</b>	<b>0</b>
PAYE Control	<b>905</b>	955	<b>0</b>	0

#### 20.2 Deferred Income

Grants were received in 2021 related to the Brecon Heritage and Culture Network, Organ Repair Fund, and Convivium expenditure.

Grants and donations were received from the Church in Wales, and the Brecon Cathedral Choir Trust. Only part of those grants were spent in 2021. The residuary income has been deferred into 2022.

Movement in deferred income account

	2021 £	2020 £
Balance at the start of the reporting period	97,926	25,756
Amounts added in current period	26,956	91,796
Amounts released to income from previous periods	64,502	19,626
<b>Balance at the end of the reporting period*</b>	<b>60,380</b>	<b>97,926</b>

#### \*Comprising:

##### Amounts added in current period

CiW Administrative Grant for Salaries	1,159	0
Choir Fund Grant: Salary Recharge	14,825	0
Organ Repair Fund	8,815	0
Convivium Donations	370	0
Brecon Heritage and Culture Network	1,787	10,470
Arwain	0	0
Welsh Government Covid-19 Grant for 2021 (Operations)	0	3,907
Welsh Government Covid-19 Grant for 2021 (Reopening)	0	28,340
Cathedral Choirs Emergency Grant (Second for 2021)	0	25,800
National Lottery Heritage Grant	0	9,000

Choir Fund Grant: Salary Recharge	0	12,514
Organ Scholarship	0	1,765
Convivium	0	0
<b>Sub-Total</b>	<b>26,956</b>	<b>91,796</b>

**Amounts Brought Forward from previous period**

Convivium	6,130	6,130
Brecon Heritage and Culture Network	10,470	0
Welsh Government Covid-19 Grant for 2021 (Operations)	0	0
Welsh Government Covid-19 Grant for 2021 (Reopening)	0	0
Cathedral Choirs Emergency Grant (Second for 2021)	0	0
National Lottery Heritage Grant	2,545	0
Choir Fund Grant: Salary Recharge	12,514	0
Organ Scholarship	1,765	0
<b>Sub-Total</b>	<b>33,424</b>	<b>6,130</b>

<b>Balance at the end of the reporting period</b>	<b>60,380</b>	<b>97,926</b>
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**SECTION C****NOTES TO THE ACCOUNTS****NOTE 24: CASH AT BANK AND IN HAND**

		<b>2021</b>		<b>2020</b>	
		Unrestricted	Restricted	Unrestricted	Restricted
		£	£	£	£
<b>Short term cash investments (less than 3 months maturity date)</b>		0	0	0	0
<b>Short term deposits</b>		0	0	0	0
<b>Cash at Bank and On Hand</b>	Lloyds Current Account	162,051		126,874	5,530
	Lloyds Bus Bank Instant* Appeal Account	92,335		9,623	57,350
	(Restricted/Designated Funds)	0	2,857	9,855	28,340
	Churchyard Account	569		569	0
	Arwain/Brecon Heritage and Cultural Network	0	11,089	0	6,706
	Petty Cash	203		111	0
<b>Other</b>		0	0	0	0
<b>Total</b>		<b>255,157</b>	<b>13,946</b>	<b>147,032</b>	<b>97,926</b>
<b>Annual Total</b>		<b>269,103</b>		<b>244,958</b>	

\* Of which, £3,171.96 comprises restricted/designated funds for the Organ Scholarship Fund

## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 27 CHARITY INVESTMENTS

#### 27.1 Details of Material Funds Held and Movements during the Current Reporting Period (2021)

File Number	Title	Investment Balances Brought Forward	Income	Expenditure	Transfers	Gains and Losses	Investment Balances Carried Forward
<b>Unrestricted Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M66</b>	Enoch Miles Legacy	113,084	3,542	-3,542	0	14,047	127,131
<b>M81</b>	Sale of 25 High Street (Ethel Gane Legacy)	8,126	255	-255	0	1,010	9,136
<b>Totals</b>		121,210	3,796	-3,796	0	15,057	136,267
<b>Funds Held at RBCW</b>							
<b>3088</b>	Sales of Land	85,623	1,324	-1,324	0	9,050	94,673
<b>Totals</b>		85,623	1,324	-1,324	0	9,050	94,673
<b>Unrestricted Investment Values</b>		206,833	5,120	-5,120	0	24,107	230,940
<b>Restricted Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M13</b>	Elizabeth Williams Benefaction	1,808	57	-57	0	224	2,032
<b>M16</b>	Bishop Bevan Trust Fund	14,194	445	-445	0	1,763	15,957
<b>M18</b>	Bishop Bevan Fabric Fund	45,396	1,422	-1,422	0	5,640	51,036
<b>M41</b>	Bishop Williamson Bequest	18,565	582	-582	0	2,307	20,872
<b>M54</b>	Miss MC Bowen Fabric Trust	9,045	283	-283	0	1,124	10,169
<b>M67</b>	Margaret Greaves Smith Legacy	11,638	365	-365	0	1,446	13,084
<b>Totals</b>		100,646	3,153	-3,153	0	12,503	113,149
<b>Funds Held at RBCW</b>							
<b>3974</b>	J Crichton Parry de Winton Bequest	6,285	97	-97	0	664	6,949
<b>Totals</b>		6,285	97	-97	0	664	6,949
<b>Restricted Investment Values</b>		106,931	3,250	-3,250	0	13,168	120,099
<b>Expendable Endowment Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M10</b>	AM Games	4,896	153	-153	0	608	5,504
<b>Totals</b>		4,896	153	-153	0	608	5,504
<b>Funds Held at RBCW</b>							
<b>4318</b>	Cathedral Endowment Fund	7,426	115	-115	0	785	8,211
<b>Totals</b>		7,426	115	-115	0	785	8,211
<b>Expendable Endowment Investment</b>		12,322	268	-268	0	1,393	13,715
							0
<b>Total Investment Funds</b>		326,086	8,638	-8,638	0	38,667	364,753

## INVESTMENT PURPOSE AND RESTRICTIONS

Fund names	Units Held	Type PE, EE, R, or UR *	Purpose and Restrictions
<b>Funds Held at Diocesan Trust</b>			
<b>M10</b> AM Games	2,887	EE	Services provided by the Cathedral
<b>M13</b> Elizabeth Williams Benefaction	1,066	R	Cathedral grounds
<b>M16</b> Bishop Bevan Trust Fund	8,370	R	Any except fabric
<b>M18</b> Bishop Bevan Fabric Fund	26,770	R	Repair or restoration of fabric
<b>M41</b> Bishop Williamson Bequest	10,948	R	Fabric
<b>M54</b> Miss MC Bowen Fabric Trust	5,334	R	Repair of fabric
<b>M66</b> Enoch Miles Legacy	66,685	UR	No restriction
<b>M67</b> Margaret Greaves Smith Legacy	6,863	R	Maintenance of Cathedral
<b>M81</b> Sale of 25 High Street (Ethel Gane Legacy)	4,792	UR	No restriction
<b>Funds Held at RBCW</b>			
<b>3088</b> Sales of Land	40,436	UR	No restriction
<b>3974</b> J Crichton Parry de Winton	2,968	R	Maintenance, decoration, or improvement
<b>4318</b> Cathedral Endowment Fund	3,507	EE	Maintenance and service

\* Key: PE - permanent endowment funds; EE - expendable endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

## SECTION C

## NOTES TO THE ACCOUNTS

### NOTE 27 CHARITY INVESTMENTS

#### 27.2 Details of Material Funds Held and Movements during the Previous Reporting Period (2020)

File Number	Title	Investment Balances Brought Forward	Income	Expenditure	Transfers	Gains and Losses	Investment Balances Carried Forward
<b>Unrestricted Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M66</b>	Enoch Miles Legacy	115,668	3,093	-3,093	0	-2,584	113,084
<b>M81</b>	Sale of 25 High Street (Ethel Gane Legacy)	8,312	222	-222	0	-186	8,126
<b>Totals</b>		123,980	3,315	-3,315	0	-2,770	121,210
<b>Funds Held at RBCW</b>							
<b>N/A</b>	Sales of Land	80,722	1,488	-1,488	0	4,901	85,623
<b>Totals</b>		80,722	1,488	-1,488	0	4,901	85,623
<b>Unrestricted Investment Values</b>		204,702	4,803	-4,803	0	2,131	206,833
<b>Restricted Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M13</b>	Elizabeth Williams Benefaction	1,849	49	-49	0	-41	1,808
<b>M16</b>	Bishop Bevan Trust Fund	14,518	388	-388	0	-324	14,194
<b>M18</b>	Bishop Bevan Fabric Fund	46,434	1,242	-1,242	0	-1,038	45,396
<b>M41</b>	Bishop Williamson Bequest	18,990	508	-508	0	-425	18,565
<b>M54</b>	Miss MC Bowen Fabric Trust	9,252	247	-247	0	-207	9,045
<b>M67</b>	Margaret Greaves Smith Legacy	11,904	318	-318	0	-266	11,638
<b>Totals</b>		102,947	2,752	-2,752	0	-2,301	100,646
<b>Funds Held at RBCW</b>							
<b>N/A</b>	J Crichton Parry de Winton Bequest	5,925	109	-109	0	360	6,285
<b>Totals</b>		5,925	109	-109	0	360	6,285
<b>Restricted Investment Values</b>		108,872	2,861	-2,861	0	-1,941	106,931
<b>Expendable Endowment Investments</b>							
<b>Funds Held at Diocesan Trust</b>							
<b>M10</b>	AM Games	5,008	134	-134	0	-112	4,896
<b>Totals</b>		5,008	134	-134	0	-112	4,896
<b>Funds Held at RBCW</b>							
<b>N/A</b>	Cathedral Endowment Fund	7,001	129	-129	0	425	7,426
<b>Totals</b>		7,001	129	-129	0	425	7,426
<b>Expendable Endowment Investment Values</b>		12,009	263	-263	0	313	12,322
<b>Total Investment Funds</b>		325,583	7,927	-7,927	0	503	326,086

## INVESTMENT PURPOSE AND RESTRICTIONS

Fund names	Units Held	Type PE, EE, R, or UR *	Purpose and Restrictions
<b>Funds Held at Diocesan Trust</b>			
<b>M10</b> AM Games	2,887	EE	Services provided by the Cathedral
<b>M13</b> Elizabeth Williams Benefaction	1,066	R	Cathedral grounds
<b>M16</b> Bishop Bevan Trust Fund	8,370	R	Any except fabric
<b>M18</b> Bishop Bevan Fabric Fund	26,770	R	Repair or restoration of fabric
<b>M41</b> Bishop Williamson Bequest	10,948	R	Fabric
<b>M54</b> Miss MC Bowen Fabric Trust	5,334	R	Repair of fabric
<b>M66</b> Enoch Miles Legacy	66,685	UR	No restriction
<b>M67</b> Margaret Greaves Smith Legacy	6,863	R	Maintenance of Cathedral
<b>M81</b> Sale of 25 High Street (Ethel Gane Legacy)	4,792	UR	No restriction
<b>Funds Held at RBCW</b>			
Sales of Land	40,436	UR	No restriction
J Crichton Parry de Winton	2,968	R	Maintenance, decoration, or improvement
Cathedral Endowment Fund	3,507	EE	Maintenance and service

\* Key: PE - permanent endowment funds; EE - expendable endowment funds; R - restricted income funds, including special trusts, of the charity; and UR - unrestricted funds

**SECTION C****NOTES TO THE ACCOUNTS****NOTE 27.3 TRANSFERS BETWEEN RESERVES****Current Year (2021) Figures**

	<b>Accumulated Fund Balances at 31 December 2020</b>	<b>Transfer Between Funds</b>	<b>Net Incoming/ Outgoing Resources</b>	<b>Gains/Losses on Revaluations</b>	<b>Accumulated Fund Balances at 31 December 2021</b>
<b>Unrestricted Funds</b>					
General Fund	145,477	0	77,404	0	222,881
Investment Fund	199,995	0	0	24,107	224,102
Total	345,472	0	77,404	24,107	446,982
<b>Restricted Funds</b>					
Investment Fund	106,876	0	0	13,160	120,036
Appeal Fund	55	0	0	8	63
Total	106,931	0	0	13,168	120,099
<b>Expendable Endowment Funds</b>					
Investment Fund	12,322	0	0	1,393	13,715
Total	12,322	0	0	1,393	13,715
Total	<b>464,725</b>	<b>0</b>	<b>77,404</b>	<b>38,667</b>	<b>580,796</b>

**Prior Year (2020) Figures**

	<b>Accumulated Fund Balances at 31 December 2020</b>	<b>Transfer Between Funds</b>	<b>Net Outgoing Resources</b>	<b>Gains/Losses on Revaluations</b>	<b>Accumulated Fund Balances at 31 December 2021</b>
<b>Unrestricted Funds</b>					
General Fund	119,662	0	25,815	0	145,477
Investment Fund	197,864	0	0	2,131	199,995
Total	317,526	0	25,815	2,131	345,472
<b>Restricted Funds</b>					
Investment Fund	108,817	0	0	-1,941	106,876
Appeal Fund	55	0	0	0	55
Total	108,872	0	0	-1,941	106,931
<b>Expendable Endowment Funds</b>					
Investment Fund	12,009	0	0	313	12,322
Total	12,009	0	0	0	12,322
Total	<b>438,407</b>	<b>0</b>	<b>25,815</b>	<b>190</b>	<b>464,725</b>



**NOTE 28: TRANSACTIONS WITH TRUSTEES AND RELATED PARTIES**

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity excluding management expenses paid to clergy who are also trustees (See Note 11).