

CATHEDRAL MUSIC TRUST

England & Wales · Charity number 1187769

Details

| | |
|-------------|---|
| Other names | FRIENDS OF CATHEDRAL MUSIC |
| Status | Registered |
| Legal form | CIO |
| Registered | 2020-02-05 |
| Register | View on the Charity Commission register |

Contact

| | |
|---------|--|
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| Website | http://www.cathedralmusictrust.org.uk/ |

Activities

Objects: The object of the CIO is to advance the art of music and the education of the public in the same, with special reference to sustaining sacred music and the cultural heritage of Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship.

Activities: To advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship.

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Ireland
- Isle Of Man
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-12-31 | £1,112,448 | £1,025,215 | £8,409,713 | 7 |
| 2023-12-31 | £1,712,025 | £853,949 | £8,201,796 | 6 |
| 2022-12-31 | £604,266 | £770,373 | £6,873,278 | 5 |
| 2021-12-31 | £843,469 | £744,195 | £7,818,855 | 5 |
| 2020-12-31 | £1,799,863 | £1,227,838 | £6,890,462 | 1 |

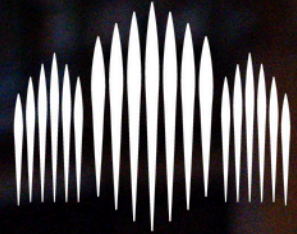
Trustees

| Name | Role | Appointed |
|----------------------------------|-------|------------|
| Jonathan Angus Macdonald | Chair | 2020-10-31 |
| Daniel Mark Benton | | 2025-11-22 |
| Dr David Hill MA FRCO | | 2024-04-20 |
| Dr Isobel Rachel Pinder | | 2020-02-05 |
| GAVIN DOUGLAS LEWIS RALSTON | | 2020-10-31 |
| Giverny Eloise Colleen McAndry | | 2022-09-09 |
| Graham Timothy Robinson | | 2025-11-22 |
| Heather Morgan | | 2025-05-06 |
| James Christopher Gurling OBE | | 2024-11-23 |
| John Stuart Laing | | 2022-09-09 |
| Rev Canon Rosemary Helen Woodall | | 2026-02-14 |
| Simon Giles Toyne | | 2023-11-16 |

CATHEDRAL MUSIC TRUST

England & Wales - Charity number 1187769

Accounts



CATHEDRAL
MUSIC TRUST

ANNUAL REPORT 2024

The Chair on behalf of the Board of Trustees of Cathedral Music Trust (the “Trust”, the “Charity”) presents this Annual Report together with the audited financial statements of the Charity for the year 1 January 2024 to 31 December 2024 (the “Financial Year”).

The Trustees confirm that the Annual Report and financial statements comply with the statutory requirements set out in the Charities Act 2011, the requirements of the Charity’s constitution, and the provisions of the Statement of Recommended Practice (the “SORP”) 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).



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CHAIR'S FOREWORD

In 2023 the Trust launched its first strategic plan outlining the aims and objectives of our work over the following 5 years. The principal goals we set ourselves were not only to steadily increase the financial support the Trust provides to the sector but also to create education partnerships that open up pathways to involvement in cathedral music for people from all backgrounds.

In parallel, we have committed to grow awareness of the issues facing the sector through increasing advocacy with policy makers and the general public. We firmly believe that, by investing our financial and human resources in this way, our work will support excellence, encourage increased participation and help ensure a thriving future for cathedral music for generations to come.

I am happy to report that the Trust made strong headway with these goals during the course of 2024. Our annual grant giving reached £500,000, the highest level of support provided to date. We were delighted to be asked to join the Association of English Cathedrals in co-hosting an inaugural conference - "Championing Cathedral Music" - which brought together Deans, Precentors, COO/CFOs,

Directors of Music and Fundraisers to debate the most pressing issues facing cathedral chapters and their music departments and help all those involved find ways to address such challenges.

The fact that this conference was oversubscribed - with 150 delegates in attendance - sent a clear signal that all involved understand the essential role that cathedral music departments play in performing beautiful music in beautiful settings across the country, every day of the week. It also underlined that the work of the Trust is highly valued by those it seeks to support.

On behalf of all of us at the Trust, I take this opportunity to thank all our Friends, Patrons and partners for everything you do to support cathedral music.



JONATHAN MACDONALD
Chair, Cathedral Music Trust



CEO'S FOREWORD

During my first months in post, I have been struck by the ambition and quality demonstrated in all of the work undertaken at Cathedral Music Trust. 2024 marks the first full year of delivery against the Trust's five-year strategy and it is notable how much headway is already being made across multiple areas: we have sustained and increased investment through our funding programmes; the first Education & Research partnership (Small Sounds) has begun in earnest across five pilot locations; planning is under way for the new programmes that support teenage singers and provide training for choral leaders; our fundraising has grown year on year; our role in advocating for the sector has been supported through our publications, relationships with media outlets and an updated website; we have successfully recruited to key new roles in the team; and we have refined the role and expectations for the many wonderful volunteers who support the Trust's work.

Our vision for the next four years is clearly mapped in our strategic plan, with increased investment in and support for the sector through sustained growth in income. We know that delivering on this vision isn't without challenges for us and for our partners, especially within a turbulent economic, political and social climate. However, leading this organisation gives a privileged insight into the incredible resilience and resourcefulness in cathedrals and churches across the UK, where outstanding music-making continues to flourish on a daily basis. I am in awe of the many musicians, clergy, administrators and volunteers that uphold our unique and vibrant cathedral music tradition. That vitality is the lifeblood that inspires all of us at the Trust and, alongside the skill and dedication of everyone in this organisation, is what sustains my confidence in realising our ambitions.



JONATHAN MAYES
CEO, Cathedral Music Trust

OBJECTIVES

The Charity was incorporated on 5 February 2020. Its charitable objects (the “Objects”), as stated in its constitution, are “to advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship”.

The Charity continues to pursue the activities of its predecessor charity, Friends of Cathedral Music.

MISSION

To transform lives through the power of cathedral music

OBJECTIVES

- To support excellence
- To broaden participation
- To increase the long-term sustainability of the cathedral music sector

VISION

A world where people from all walks of life have the opportunity to benefit from a high-quality, well-resourced and valued cathedral music scene which enriches our choral tradition for years to come.

PUBLIC BENEFIT

The Trustees understand that the Charity must operate at all times in furtherance of its Objects and that its Objects are for the public benefit. The Trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

The Charity’s four main activities which provide public benefit are:

- the provision of financial and non-financial support to those engaged in making cathedral music in cathedrals and other relevant places of worship;
- the delivery of education and research programmes;
- its publications, which are sent to Friends and Patrons and are available to the general public through the Charity’s website; and
- its events, both online and in person, which are open to everyone.

Almost all services at which cathedral music is offered are free for anyone to attend. The Trustees consider that by providing support to those who are engaged in making cathedral music, they are ensuring its continued availability for all without charge. On this basis, the Trustees are satisfied that the Charity provides a benefit to the public.



ACTIVITIES

In order to achieve its objectives, the Charity's strategy is to pursue the following main areas of activity:

Financial and non-financial support for those engaged in making cathedral music. The Charity provides financial support to cathedrals, churches and other relevant places of worship to assist with the costs they incur in making cathedral music. In 2024, as in 2023, the Charity provided revenue support via the Cathedral Music Support Programme to help fund the current costs of cathedral music. The remainder of the Charity's financial support consisted of the Church Choir Award and the Crisis Relief Fund. The Charity also actively provides advice and non-financial support to departments of music of choral foundations in need of assistance.

Education. The Charity seeks to advance the education of the public in cathedral music through its events, its publications and its education and research programmes. In-person events normally take place in one or more cathedrals and involve members of the choral foundations in those places. The Charity's magazine Cathedral Music is published twice each year. It is circulated to all supporters, provided free of charge to cathedrals, and is available to read on the Charity's website.

Public relations and marketing programmes. The Charity publicises its activities regularly and maintains a website

(www.cathedralmusictrust.org.uk), which provides information about the Charity's purpose and activities and about cathedral music more generally. The Charity advocates for the cathedral music sector and engages in public debate on important issues by convening conferences and producing engaging and relevant content through a range of channels. Its public relations work is vital for broadening the charity's reach, introducing cathedral music, and the Trust, to new audiences and growing its supporter base and income. The charity also seeks to understand and meet the needs of its subscribers and potential supporters and engages in fundraising activities to solicit grants, donations and legacies.

Diversity, Equity and Inclusion. The Trustees stress their commitment to diversity, equity and inclusion both within the Charity and in cathedral music more generally. The Charity believes that everyone has the right to benefit from learning, experiencing and making cathedral music. It is committed to playing its part in ensuring that everyone can access opportunities to fulfil their potential on a fair and equitable basis.

ACHIEVEMENTS & PERFORMANCE IN 2024

CATHEDRAL MUSIC SUPPORT PROGRAMME

Awarded £410,000 to 19 choral foundations

CHURCH CHOIR AWARD

Awarded £30,000 to seven parish churches

DISCRETIONARY FUNDING

Awarded £60,000 to two choral foundations

FUNDRAISING

2024 saw continued growth in income through fundraising, exceeding £350,000 in donations, appeals and grants for the first time

SMALL SOUNDS

Launched pilot programme to establish music groups for children aged 0 to 5 and their care-givers in five cathedrals

ACADEMIC CONFERENCE

'*Cathedral Music: New Generation Perspectives*', the Charity's first in-person Academic Conference, took place at Old Sarum College, Salisbury in September

CATHEDRALS CONFERENCE

Partnered with the Association of English Cathedrals (AEC) to deliver a one-day conference entitled '*Championing Cathedral Music*' in November



TRUSTEES' REVIEW

The Charity has continued to support the need for revenue funding for music departments through the Cathedral Music Support Programme, Church Choir Award and discretionary funding. Our financial assistance supported 28 places of worship. This included funding for administrative support for cathedral music departments, freeing the other staff to spend more time on music-making. Grants also helped support a new keyboard programme at Derby Cathedral, giving young people the opportunity to learn the organ, supported school engagement programmes in Lincoln, Tewkesbury and Guildford, facilitated an increase in hours of lay clerk positions in Bangor and supported chorister training in Ripon and Carlisle.

2024 was the third year of the Church Choir Award, a partnership with the Royal School of Church Music. Funded by the Charity, the Award provided project funding for seven choirs which would not normally qualify for our main programme of financial support. Awards included support for a primary school singing programme, a Saturday morning choir club, a vocal coaching programme to increase the diversity of choir members and support for teenage choral scholars.

2024 also saw the launch of Small Sounds, the pilot year of an initiative to establish music groups for children aged 0 to 5 and their care-givers in five cathedrals. The programme includes training for cathedral musicians, enabling them to develop their skills as music leaders for the very young.

In Spring, the Trust took part in the Big Give Arts for Impact Appeal to raise funds for Small Sounds. The appeal ran for one week in March and raised over £11,000 from 99 donors and match funding from the Big Give. The proceeds from the appeal have helped to fund the first year of our exciting Small Sounds project.

The Charity's wider fundraising continued the trend of year-on-year growth. Significant new funds in excess of £60,000 were raised from trusts and foundations in support of the Small Sounds project. Meanwhile, support from our loyal Friends and Patrons continued to grow, seeing the Charity exceed £200,000 of support from regular individual giving for the first time.

The Charity held 18 events for supporters during the year, of which two were virtual, and welcomed over 700 participants. In-person events included eleven gatherings held at Chester Cathedral, Southwark Cathedral, Gloucester Cathedral, York Minster, Brecon Cathedral, Tower of London, St Edmundsbury Cathedral, Salisbury Cathedral, St Paul's Cathedral, Manchester Cathedral and St Bartholomew the Great in London. Other events included our annual Patrons' Evensong attended by our Royal Patron H.R.H. The Duchess of Gloucester, and a highly entertaining online Christmas quiz hosted by Cathedral Music Trust's Ambassador Alexander Armstrong. Celebration Sunday was held at choral services at churches and cathedrals across the country on 17 November to celebrate the 28 award recipients in 2024.

A choral tour with Alexander Armstrong saw our Ambassador visit five choral foundations (four cathedrals and a Cambridge college), shining a spotlight on fabulous choirs across the country. We were delighted with the success of the project. Working in partnership with Classic FM, the tour raised awareness of choral music to Classic FM listeners and over 1 million people on social media.

In September, the Charity's first in-person Academic Conference took place at Old Sarum College, Salisbury. Titled '*Cathedral Music: New Generation Perspectives*', the programme focused on themes of education and participation, diversity and inclusivity, the intersection of theology and music, the chorister experience, and liturgical music in the 21st century. Leading academics, practitioners, and musicians presented as part of the sold-out conference, alongside post-graduate researchers, including many of the Trust's Future Leaders. The event provided opportunities to explore fresh insights, promoting interdisciplinary collaboration and facilitating the exchange of innovative ideas, attracting over 100 delegates from the UK, the US and The Netherlands.

In November, the Charity partnered with the Association of English Cathedrals (AEC) to deliver a one-day conference entitled '*Championing Cathedral Music*'. Every English Anglican Cathedral was represented, alongside representation from a number of the AEC's associate members and key sector stakeholders. Discussions focused on building understanding between those with differing responsibilities in relation to music-making in cathedrals and how to collectively build a sustainable future.

The Charity undertook a survey of singing opportunities for teenagers within the cathedral music sector. We learned that, while opportunities exist both for experienced singers and those new to cathedral music, numbers are relatively small. 86% of respondents indicated a desire to increase their offer for teenagers, either by growing numbers or widening opportunities. The Trust aims to develop work to support the sector in these aims during 2025/6.

Trustees and staff have continued to foster open and long-term relationships with key stakeholders in the cathedral music world:

The Charity continues to work closely with the Royal School of Church Music (RSCM), specifically as partners in the Church Choir Award which the Charity funds.

With the objective of building closer understanding and ties with leading bodies in the sector, the Charity also convened meetings with, amongst others, the Cathedral Organists' Association, the AEC, the Church Commissioners, the Cathedrals Administration and Finance Association (CAFA), the Prayer Book Society, the Choir Schools' Association and the Royal College of Organists (RCO). Discussions have been warmly welcomed and have helped to strengthen key relationships which are proving vital in collectively addressing the key issues faced by cathedral music departments.

Our Local Ambassadors play a vital role in ensuring that cathedral music is well-supported locally, by organising events in their local cathedrals and churches, and promoting the work of the Trust. This year, the Charity has produced a new handbook to support the work of the Local Ambassadors as well as launching an updated SharePoint site to facilitate easier access to guidance and information. We were pleased to welcome a number of new Local Ambassadors and two new Regional Coordinators during the year.

Members of The Future Leaders Network met for an Away Day in May to explore development of the Network, conceive bespoke events and help design the programme for the Trust's Academic Conference. Our Future Leaders play a key role in influencing the output and strategic direction of Cathedral Music Trust and engaging the next generation of supporters and we are excited about their potential over the coming years.

Two editions of Cathedral Music were published in the year and our flagship magazine continues to be widely read and appreciated by Friends and Patrons. The Trustees thank editor Adrian Horsewood, who stepped down in November 2024, for his contribution to the magazine. Cathedral Music's new editor will be appointed in 2025. Cathedral Voice, the Charity's bi-annual printed newsletter - comprising primarily of articles taken from the website news section - is posted to c. 650 supporters who do not access information online.

The Charity's new website launched in June, enhancing the user experience and significantly improving the Content Management System (CMS) utilised by the staff team. The flexibility of the new CMS has enabled the team to create new, engaging content and driving increasing traffic to the website through Google Ads. Analytics demonstrate a 44% increase in website session duration and increased level of conversions:

GOOGLE AD COMPARISON

| | Clicks | Conversions |
|-------------|--------|-------------|
| Old website | 3,912 | 0 |
| New website | 6,038 | 30 |

The Charity's monthly e-newsletters and other email communications are distributed to over 5,000 contacts and continue to be well received. Our social media presence continues to grow, with 2024 seeing an increase in followers and engagement across all channels:

INCREASE ON 2023

| | Followers | Engagement |
|-----------|-----------|-------------|
| Facebook | 68% | 435% |
| Instagram | 42% | 222% |
| LinkedIn | 2% | unavailable |



THE IMPACT OF OUR SUPPORT

“

We are delighted to receive an award of £20,500 from Cathedral Music Trust. This will support our successful organ and choral scholarship programme alongside planning a sustainable future for music at Hereford Cathedral.

Hereford Cathedral

This award will offer much-needed support to our musicians, enabling them to focus on nurturing our young singers and expanding our Chorister Outreach programme. Exeter Cathedral is striving to reach every young person in Devon. This grant will enable us to fly the flag for Cathedral Music across the County.

Exeter Cathedral

This funding will enable us to continue developing our schools outreach programme, increasing access to singing for those children who might otherwise never encounter it.

Liverpool Metropolitan Cathedral

This generous award from the Cathedral Music Trust enables Lincoln Cathedral to create a Singing Partnership Lead. This role will focus on developing singing and musicality in school children, growing enjoyment of and passion for singing, as well as opening up new routes into the Cathedral choir for young singers.

Lincoln Cathedral

This award will transform Leeds Cathedral's scholarship offer, enabling us to add singing and keyboard lessons to further support the choral achievements our diverse choirs enjoy.

Leeds Cathedral

”

FUTURE PLANS

The Charity's plans for the future include:

- Continuing to offer financial support for the sector through the Cathedral Music Support Programme and the Church Choir Award
- Expanding the Small Sounds programme to include a further seven locations
- Supporting the provision of opportunities for teenagers to participate in cathedral music, including opportunities for experienced singers and entry points to those new to the sector
- Undertaking research into Continuing Professional Development (CPD) needs for cathedral music professionals, including an audit/mapping exercise of current CPD provision relevant to the sector
- Creating a series of online case studies and toolkits to disseminate learning (e.g. on chorister recruitment and project evaluation)
- Extending our donor base through events and recruitment campaigns
- Further developing the 'Discover' section of our website
- Building our advocacy role with key stakeholders, including with national statutory bodies, key political decision-makers and high-profile sector champions





FINANCIAL REVIEW, OPERATING MODEL AND RISKS

The Charity increased its direct financial support for cathedral music by 7% to £500,000 in 2024 (£467,550 in 2023). In addition, £25,000 was invested in the Small Sounds pilot project.

Total income was £1,112,448 (2023: £1,712,025); £599,577 lower than 2023 due to a reduction in legacy income. Income from Friends and Patrons has increased by 12% to £221,467 (2023: £198,509), due to a steady increase in the number of Patrons (those giving £120 or more each year) and increased giving from existing supporters. Investment income increased by 5% to £270,979 (2023: £257,972).

The Charity's net movement in unrestricted funds resulted in a surplus of £47,907 (2023: £125,626). The reduction compared with 2023 reflects Trustees' strategic decision to maintain financial support to beneficiaries whilst investing in resources to deliver charitable programmes.

£18,813 legacy income has been added to the Endowment Fund (2023: £868,259) to fund future charitable activity and this fund also bears the full investment gain of £120,684 (2023: £470,442).

The Charity held £150,808 in general funds at 31 December 2024 (2023: £229,869). This excludes endowment funds, which are held to ensure the future sustainability of the Charity, restricted funds and designated funds.

Principal funding

The Charity earns its income from three principal sources: investment income £270,979 (2023: £257,972); donations from Friends and Patrons £221,467 (2023: £198,509); and other unrestricted donations £92,602 (2023: £90,279). The Charity's activities were supported by £126,193 of restricted funds (2023: £33,755).

Legacy policy

The Charity's unrestricted legacy policy provides that, unless a will states otherwise, legacies received from wills written in 2013 or earlier will be treated as capital and will be added to the Endowment Fund, whereas legacies received from wills written after 1 January 2014 will be treated either as revenue or capital at the discretion of the Trustees.

Investment policy and performance

Investments are held in the CBF Church of England Funds managed by CCLA and with Ruffer. The amounts invested have been built up from legacy receipts and other surpluses.

The Charity's financial objective is to generate a stream of income rising in line with inflation, and to balance the needs of current and future beneficiaries. The investment objective of these assets is inflation (CPI) plus 4% per annum. This objective allows for annual distributions of income representing up to 4% of capital and the preservation of the real value of the endowment.

The total return on the Charity's investments was 5.8% (2023: 11%), which falls short of the investment objective by 0.7%. The Trustees have noted this shortfall and will be monitoring performance carefully in 2025.

Principal risks and uncertainties

The Trustees keep under regular review the principal risks to which the Charity is exposed and has established appropriate systems to manage them. The oversight of risk management lies with the Finance and Audit Committee which reports to the Board. The risk register identifies the following key strategic risks to the Charity and summarises action being taken to mitigate them:

1. Non-compliance with relevant regulatory requirements: key policies have been written, checked by lawyers, agreed, and are reviewed regularly.
2. Cyber security and technology risk: IT and data protection policies are in place. Security patches and updates are implemented when required. The database is stored in a secure cloud CRM with IT support contract and backup. Multi-factor authentication has been implemented.
3. Expenditure exceeding income: Budget projections for the Charity's Strategic Plan seek to move into surplus, excluding legacy income, by 2029. The budget, quarterly management accounts and cash flow projections are reviewed by the Finance and Audit Committee and Board. Grants are not committed unless funds are available.

4. Reputational and/or financial risk, including from fundraising: Ethical Fundraising and Anti-Money Laundering Policies are in place. The Charity is registered with the Fundraising Regulator and the Fundraising Preference Service.

Reserves policy

The Charity maintains an expendable Endowment Fund, which comprises investments and bank deposits. Legacies have been allocated to this fund in line with the legacy policy together with the gains or losses on the associated investments in accordance with its stated policy. The income generated by these investments is used to finance the activities of the Charity.

The designated funds exist to ensure that the Charity can maintain its ability to provide financial support at a reasonably consistent level from year to year.

Beyond these funds, the Trustees regard it as necessary to maintain free reserves at least equivalent to six months' operating expenditure. This level of reserve will enable the Charity to maintain its operations in the event of an unexpected shortfall in one or more sources of income. For 2025, the minimum level of free reserves needed for this purpose is £286,000. At 31 December 2024, the Charity's general funds amounted to £277,776 (2023: £229,869), which is in line with the current policy.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they

continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.



GOVERNANCE AND MANAGEMENT

Cathedral Music Trust was registered with the Charity Commission as a Charitable Incorporated Organisation on 5 February 2020 (charity number 1187769). The governing document of the Charity is its constitution.

The constitution of the Charity provides for a maximum of 12 Trustees (15 until February 2023). At 31 December 2024, the Charity had 12 Trustees (2023: 11). During 2024, the Trustees met five times.

Under the constitution, new Trustees are appointed by resolution passed at a properly convened meeting of the Charity's trustees. The Trustees regularly review the composition of the Board to ensure an appropriate balance of knowledge and experience. New Trustees are provided with an induction pack in line with Charity Commission guidance.

During the year, Trustees undertook to make updates to the Trust's constitution in relation to Trustee term limits and await ratification from the Charity Commission.

During 2024, the Charity appointed David Hill and James Gurling as new Trustees. Jason Groves stepped down as a Trustee.

The Charity has the following committees: Finance and Audit Committee; Development Committee; and Programmes Committee. The Board is also supported by a Grants Assessment Panel and an Events Working Group. On average, each committee meets four times a year. The Trustees receive reports of committee meetings and consider their recommendations.

At 31 December 2024, the Charity had seven employees: CEO; Development Director; Programmes Director; Director of Finance and Resources (0.5 FTE); Marketing and Communications Manager; Development Officer (0.75 FTE); and Finance Officer (0.7 FTE). The Charity's first CEO was appointed in July 2024, in line with the five-year Strategic Plan.

The Charity relies heavily on the commitment of its many volunteers, who give generously of their time and energy and complement the work of paid staff. Volunteers play a significant role in the governance, financial and organisational life of the Charity, including as Local Ambassadors, Regional Coordinators, Future Leaders, Committee Members, and Grants Assessors. At 31 December 2024, 72 individuals served the Charity as official volunteers, generously contributing over 5,000 hours of work during the year. The Trustees are grateful to all its volunteers.

Relations with other organisations

The Charity continues to work closely with organisations which seek to promote cathedral music.

Fundraising

The Charity has a professional in-house development team and its Development Director is a member of the Chartered Institute of Fundraising. The Charity has not received any complaints about fundraising activity during the year. Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Jonathan Macdonald (Chair)
Giverny McAndry (Honorary Secretary)
Gavin Ralston (Chair, Finance & Audit Committee; Lead Safeguarding Trustee)
Isobel Pinder (Chair, Programmes Committee)
Sue Hind Woodward (Chair, Development Committee)
Stuart Laing
James Lancelot
Heather Morgan
James Mustard
Jason Groves (until 23 November 2024)
Simon Toyne
David Hill (from 20 April 2024)
James Gurling (from 23 November 2024)

CEO

Jonathan Mayes (from 8 July 2024)

Charity registered number

1187769 (Cathedral Music Trust)

Principal office

27 Old Gloucester Street
London WC1N 3AX

Independent auditors

Peters Elworthy & Moore
Salisbury House, Station Road, Cambridge
CB1 2LA

Bankers

CAF Bank Limited
25 Kings Hill Avenue, Kings Hill,
West Malling, Kent ME19 4JQ

Investment Managers

CCLA Investment Management Limited, 80
Cheapside, London EC2V 6DZ

Ruffer LLP

80 Victoria Street, London SW1E 5JL

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 6 May 2025 and signed on their behalf by



.....
Jonathan Macdonald

Chair

Date: 13 May 2025



.....
Gavin Ralston

Chair, Finance and Audit Committee

Date: 13 May 2025

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OPINION

We have audited the financial statements of Cathedral Music Trust (the 'Charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

Peters, Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Cambridge
CB1 2LA

Date: 3 June 2025

CATHEDRAL MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ | |
|---|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|------------------|
| Note | | | | | | |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 618,623 | 146,706 | 18,813 | 784,142 | 1,417,186 |
| Charitable activities | 3 | 48,832 | - | - | 48,832 | 26,708 |
| Other trading activities | 4 | 8,495 | - | - | 8,495 | 10,159 |
| Investments | 5 | 270,979 | - | - | 270,979 | 257,972 |
| TOTAL INCOME | | 946,929 | 146,706 | 18,813 | 1,112,448 | 1,712,025 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 201,519 | - | - | 201,519 | 141,020 |
| Charitable activities | 7 | 697,503 | 126,193 | - | 823,696 | 712,929 |
| TOTAL EXPENDITURE | | 899,022 | 126,193 | - | 1,025,215 | 853,949 |
| NET INCOME BEFORE INVESTMENT GAINS | | 47,907 | 20,513 | 18,813 | 87,233 | 858,076 |
| Net gains on investments | 13 | - | - | 120,684 | 120,684 | 470,442 |
| NET INCOME | | 47,907 | 20,513 | 139,497 | 207,917 | 1,328,518 |
| Transfers between funds | 16 | - | - | - | - | - |
| NET MOVEMENT IN FUNDS | | 47,907 | 20,513 | 139,497 | 207,917 | 1,328,518 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 729,869 | 166,109 | 7,305,818 | 8,201,796 | 6,873,278 |
| TOTAL FUNDS CARRIED FORWARD | | 777,776 | 186,622 | 7,445,315 | 8,409,713 | 8,201,796 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 37 form part of these financial statements.

CATHEDRAL MUSIC TRUST

REGISTERED NUMBER 1187769

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

| | Note | £ | 2024 £ | £ | 2023 £ |
|--|------|------------------|------------------|-----------|-----------|
| FIXED ASSETS | | | | | |
| Investments | 13 | | 6,732,540 | | 6,210,814 |
| | | | <hr/> | | <hr/> |
| | | | 6,732,540 | | 6,210,814 |
| CURRENT ASSETS | | | | | |
| Stocks | | 824 | | 1,198 | |
| Debtors | 14 | 267,887 | | 161,009 | |
| Cash at bank and in hand | 19 | 1,669,900 | | 1,874,559 | |
| | | | <hr/> | <hr/> | |
| | | 1,938,611 | | 2,036,766 | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 15a | 242,038 | | 45,784 | |
| | | | <hr/> | <hr/> | |
| NET CURRENT ASSETS | | | 1,696,573 | | 1,990,982 |
| | | | <hr/> | | <hr/> |
| CREDITORS: amounts falling due after more than one year | | | | | |
| | 15b | 19,400 | | - | |
| | | | <hr/> | <hr/> | |
| TOTAL NET ASSETS | | | 8,409,713 | | 8,201,796 |
| | | | <hr/> | | <hr/> |
| CHARITY FUNDS | | | | | |
| Endowment funds | 16 | | 7,445,315 | | 7,305,818 |
| Restricted funds | 16 | | 186,622 | | 166,109 |
| Unrestricted funds | 16 | | 777,776 | | 729,869 |
| | | | <hr/> | | <hr/> |
| TOTAL FUNDS | | | 8,409,713 | | 8,201,796 |
| | | | <hr/> | | <hr/> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf, by:



Jonathan Macdonald
Chair
Date: 13 May 2025



Gavin Ralston
Chair, Finance and Audit Committee
Date: 13 May 2025

The notes on pages 25 to 37 form part of these financial statements.

CATHEDRAL MUSIC TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

| | Note | 2024 £ | 2023 £ |
|---|------|-------------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) / from operating activities | 18 | <u>(74,596)</u> | <u>581,262</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends and interest from investments | | 270,979 | 257,972 |
| Net proceeds from sale of investments | | (401,042) | 385,449 |
| NET CASH USED IN INVESTING ACTIVITIES | | <u>(130,063)</u> | <u>643,421</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | | |
| Cash and cash equivalents at the beginning of the year | | 1,874,559 | 1,224,683 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 19 | <u>1,669,900</u> | <u>1,874,559</u> |

The notes on pages 25 to 37 form part of these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the Charity to April 2026 and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements will continue to be prepared on a going concern basis.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing the amount. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Voluntary subscriptions are recognised when received, whilst publication and event income is recognised at the date of publication or when the event takes place.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1.5 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. As the Charity is not registered for VAT, all VAT incurred is charged against the relevant category of expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. This consists of the purchase and distribution of items for resale, publicity and servicing supporters.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. This includes grants awarded and the costs associated with gatherings, other events and publications. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. These are unconditional grant offers and are accrued once the recipients have been notified of the grant awards.

1.6 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs comprise governance costs and other administrative costs which cannot easily be allocated to a specific charitable activity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the statutory audit and legal fees as well as the costs of Trustee and Committee meetings. Support costs comprise travel expenses, administration and legal costs and are apportioned as set out in note 10. Support costs relating to charitable activities have been apportioned based on the estimated staff time involved with each category of expenditure.

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting estimates and assumptions have been made by management in preparing these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2 INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Friends and Patrons | 221,467 | - | - | 221,467 | 198,509 |
| Legacies | 304,554 | 100,000 | 18,813 | 423,367 | 1,094,760 |
| Other donations | 92,602 | 46,706 | - | 139,308 | 123,917 |
| | <u>618,623</u> | <u>146,706</u> | <u>18,813</u> | <u>784,142</u> | <u>1,417,186</u> |
| Total 2023 | <u>399,729</u> | <u>149,198</u> | <u>868,259</u> | <u>1,417,186</u> | |

3 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Events | 47,047 | - | - | 47,047 | 25,758 |
| Publications | 1,785 | - | - | 1,785 | 950 |
| | <u>48,832</u> | <u>-</u> | <u>-</u> | <u>48,832</u> | <u>26,708</u> |
| Total 2023 | <u>26,708</u> | <u>-</u> | <u>-</u> | <u>26,708</u> | |

4 FUNDRAISING INCOME

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|-----------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Christmas cards | 8,495 | - | - | 8,495 | 10,159 |
| | <u>8,495</u> | <u>-</u> | <u>-</u> | <u>8,495</u> | <u>10,159</u> |
| Total 2023 | <u>10,159</u> | <u>-</u> | <u>-</u> | <u>10,159</u> | |

5 INVESTMENT INCOME

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Dividends and interest | 270,652 | - | - | 270,652 | 257,516 |
| Bank interest | 327 | - | - | 327 | 456 |
| | <u>270,979</u> | <u>-</u> | <u>-</u> | <u>270,979</u> | <u>257,972</u> |
| Total 2023 | <u>257,972</u> | <u>-</u> | <u>-</u> | <u>257,972</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6 FUNDRAISING EXPENDITURE

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|------------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Campaigns and donor communications | 22,113 | - | - | 22,113 | 36,222 |
| General communications | 4,908 | - | - | 4,908 | 5,277 |
| Christmas cards | 4,146 | - | - | 4,146 | 4,761 |
| Support costs | 170,352 | - | - | 170,352 | 94,760 |
| | <u>201,519</u> | <u>-</u> | <u>-</u> | <u>201,519</u> | <u>141,020</u> |
| Total 2023 | <u>130,740</u> | <u>10,280</u> | <u>-</u> | <u>141,020</u> | |

Restricted support costs in 2023 included staff costs funded by Genesis Foundation.

7 CHARITABLE EXPENDITURE

| | Activities undertaken 2024 £ | Grant funding 2024 £ | Support costs 2024 £ | Total 2024 £ | Total 2023 £ |
|--------------|---------------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| Programmes | 29,137 | 500,000 | 136,282 | 665,419 | 576,794 |
| Events | 50,184 | - | 56,785 | 106,969 | 74,207 |
| Publications | 36,166 | - | 15,142 | 51,308 | 61,928 |
| | <u>115,487</u> | <u>500,000</u> | <u>208,209</u> | <u>823,696</u> | <u>712,929</u> |
| Total 2023 | <u>68,450</u> | <u>467,550</u> | <u>176,929</u> | <u>712,929</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8 GRANTS

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|------------------------|--|--|---------------------------------------|-----------------------------|
| Grants to institutions | 398,386 | 101,614 | 500,000 | 467,550 |
| | <u>398,386</u> | <u>101,614</u> | <u>500,000</u> | <u>467,550</u> |
| Total 2023 | <u>444,550</u> | <u>23,000</u> | <u>467,550</u> | |

During the year, grants were awarded to five choral foundations from restricted funds and to 25 choral foundations from unrestricted funds. All 28 institutions are shown below:

| Recipient | 2024 £ |
|---|------------------------------|
| Bangor, St Deiniol's Cathedral | 29,500 |
| Blackburn Cathedral | 30,000 |
| Bradford Cathedral | 15,000 |
| Carlisle Cathedral | 12,000 |
| Chesterfield, St Mary and All Saints | 700 |
| Coventry Cathedral | 28,900 |
| Crediton Parish Church | 7,000 |
| Derby Cathedral | 29,500 |
| Exeter Cathedral | 30,000 |
| Guildford Cathedral | 6,600 |
| Hereford Cathedral | 20,500 |
| Ipswich, Church of St Mary le Tower | 5,000 |
| Kingston upon Thames, All Saints Church | 5,000 |
| Leeds Cathedral | 29,500 |
| Lincoln Cathedral | 20,000 |
| Liverpool Cathedral | 15,000 |
| Manchester, St Ann's Church | 5,500 |
| Newcastle Cathedral | 28,000 |
| Peterborough Cathedral | 30,000 |
| Ripon Cathedral | 30,000 |
| Rochester Cathedral | 29,500 |
| Salisbury Cathedral | 5,500 |
| St Davids Cathedral | 15,000 |
| St Mary's, Edinburgh | 20,500 |
| Tewkesbury Abbey | 15,000 |
| Truro Cathedral | 30,000 |
| Withington, St Paul's Church | 3,500 |
| York, St Lawrence | 3,300 |
| Total | <u><u>500,000</u></u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

9 SUPPORT AND GOVERNANCE COSTS

| | Support £ | Governance £ | Total 2024 £ | Total 2023 £ |
|-----------------------------|----------------|-----------------|--------------------|--------------------|
| Staff costs (note 11) | 283,775 | - | 283,775 | 194,099 |
| Administration | 72,068 | - | 72,068 | 54,904 |
| Legal and professional fees | - | 2,850 | 2,850 | 489 |
| Board meeting costs | - | 7,181 | 7,181 | 8,469 |
| Audit and accountancy fees | - | 12,688 | 12,688 | 12,781 |
| | 355,843 | 22,719 | 378,562 | 270,742 |
| Total 2023 | 249,003 | 21,739 | 270,742 | |

Allocation

All costs are allocated as far as possible directly to the category of expenditure to which they relate. All governance costs and support costs which cannot be allocated directly to a category of expenditure are allocated as follows: 36% to programmes (2023: 40%), 15% to events (2023: 15%), 4% to publications (2023: 10%), 33% to fundraising (2023: 25%) and 12% to communications (2023: 10%). In line with our strategic plan, 2024 has seen growth in staff, including the appointment of a CEO. The revised allocation reflects 40% of CEO time dedicated to fundraising and the proportion of time the Programmes Director spent supporting the upgrade of the CRM.

| | | 2024 | 2023 |
|-----------------------|----------------|----------------|---------|
| Raising funds | Fundraising | 124,925 | 67,686 |
| | Communications | 45,427 | 27,074 |
| | | 170,352 | 94,760 |
| Charitable activities | Programmes | 136,282 | 108,297 |
| | Events | 56,785 | 40,611 |
| | Publications | 15,142 | 27,074 |
| | | 208,209 | 175,982 |
| | 378,561 | 270,742 | |

10 AUDITORS' REMUNERATION

| | 2024 £ | 2023 £ |
|---|---------------|---------------|
| Auditors' remuneration - audit (excluding VAT) | 9,975 | 10,150 |
| Auditors' remuneration - other services (excluding VAT) | 632 | 601 |
| | 10,607 | 10,751 |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11 STAFF COSTS

| | 2024 £ | 2023 £ |
|-----------------------|----------------|-----------|
| Wages and salaries | 255,101 | 177,224 |
| Social security costs | 20,847 | 12,530 |
| Pension costs | 7,827 | 4,345 |
| | 283,775 | 194,099 |

The number of staff employed by the charity during the year was as follows:

| | Average head count basis | | Full-time equivalent basis | |
|-----------------------|--------------------------|-------------|----------------------------|-------------|
| | 2024 No. | 2023 No. | 2024 No. | 2023 No. |
| Fundraising | 1.7 | 1.5 | 1.5 | 1.3 |
| Communications | 0.8 | 0.6 | 0.8 | 0.6 |
| Programmes | 2.0 | 1.5 | 1.9 | 1.5 |
| Events | 0.8 | 0.7 | 0.7 | 0.6 |
| Finance and Resources | 2.2 | 1.3 | 1.3 | 0.8 |
| | 7.4 | 5.6 | 6.3 | 4.8 |

No employee received remuneration amounting to more than £60,000 in either year.

12 KEY MANAGEMENT AND TRUSTEES' EXPENSES

The Trustees and CEO are considered to be the key management personnel of the Charity. The total employment benefits including employer pensions contributions and national insurance of key management personnel were £35,722 (2023: £nil). All Trustees gave their time and expertise freely without any form of remuneration or other benefit in cash or kind in 2024 or 2023.

Travel and subsistence expenses totalling £5,111 were reimbursed to seven Trustees (2023: £6,420 to seven Trustees).

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

13 FIXED ASSET INVESTMENTS

| | Total £ |
|----------------------------|-------------------------|
| MARKET VALUE | |
| At 1 January 2024 | 6,210,814 |
| Additions | 401,042 |
| Revaluations | 120,684 |
| At 31 December 2024 | <u><u>6,732,540</u></u> |

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in collective investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield. Total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14 DEBTORS

| | 2024 | 2023 |
|----------------|----------------|----------------|
| | £ | £ |
| Trade debtors | - | 150 |
| Accrued income | 264,244 | 159,481 |
| Prepayments | 3,643 | 1,378 |
| | 267,887 | 161,009 |
| | 267,887 | 161,009 |

15a CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2024 | 2023 |
|------------------------------------|----------------|---------------|
| | £ | £ |
| Trade creditors | 7,045 | 436 |
| Other taxation and social security | 6,773 | 6,669 |
| Grants payable | 189,300 | 15,000 |
| Other creditors | 38,920 | 23,679 |
| | 242,038 | 45,784 |
| | 242,038 | 45,784 |

15b CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 2024 | 2023 |
|----------------|---------------|----------|
| | £ | £ |
| Grants payable | 19,400 | - |
| | 19,400 | - |
| | 19,400 | - |

RECONCILIATION OF GRANT MOVEMENTS

| | 2024 | 2023 |
|------------------------------|----------------|---------------|
| | £ | £ |
| Creditors brought forward | 15,000 | 5,000 |
| Commitments made in the year | 500,000 | 467,550 |
| Grants paid | (306,300) | (457,550) |
| | 208,700 | 15,000 |
| | 208,700 | 15,000 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

16 STATEMENT OF FUNDS

CURRENT YEAR

| | Balance at 1 January 2024 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains/ (Losses) £ | Balance at 31 December 2024 £ |
|-----------------------------------|--------------------------------------|------------------|--------------------|------------------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Cathedral Music Support Programme | 440,000 | - | (333,386) | 303,386 | - | 410,000 |
| Crisis Relief Fund | 60,000 | - | (35,000) | 35,000 | - | 60,000 |
| Church Choir Award | - | - | (30,000) | 60,000 | - | 30,000 |
| | <u>500,000</u> | <u>-</u> | <u>(398,386)</u> | <u>398,386</u> | <u>-</u> | <u>500,000</u> |
| General funds | 229,869 | 946,929 | (500,636) | (398,386) | - | 277,776 |
| | <u>729,869</u> | <u>946,929</u> | <u>(899,022)</u> | <u>-</u> | <u>-</u> | <u>777,776</u> |
| ENDOWMENT FUNDS | 7,305,818 | 18,813 | - | - | 120,684 | 7,445,315 |
| | <u>7,305,818</u> | <u>18,813</u> | <u>-</u> | <u>-</u> | <u>120,684</u> | <u>7,445,315</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for Choristers | 24,549 | 4,177 | (15,000) | - | - | 13,726 |
| Thiselton legacy | 115,560 | - | (58,614) | - | - | 56,946 |
| Sims legacy | - | 100,000 | - | - | - | 100,000 |
| Tanner Trust | - | 25,000 | (25,000) | - | - | - |
| Early Years project: Small Sounds | 26,000 | 14,529 | (24,579) | - | - | 15,950 |
| Other restricted funding | - | 3,000 | (3,000) | - | - | - |
| | <u>166,109</u> | <u>146,706</u> | <u>(126,193)</u> | <u>-</u> | <u>-</u> | <u>186,622</u> |
| Total of funds | <u>8,201,796</u> | <u>1,112,448</u> | <u>(1,025,215)</u> | <u>-</u> | <u>120,684</u> | <u>8,409,713</u> |

PURPOSE OF FUNDS

| | |
|--|--|
| Diamond Fund for Choristers | To support cathedral choristers |
| Thiselton legacy | To support choristers in English cathedrals |
| Sims legacy | To benefit three specified cathedrals equally |
| Tanner Trust | To fund essential staff and extend access to cathedral music for children and families at Truro Cathedral Choir |
| Early Years project: Small Sounds | To run a 3-year pilot project establishing music groups for children aged 0-5 and their care-givers in 12 cathedrals |
| Other restricted funding | Edington Festival Award |

Designated funds and transfers

A designated fund is held for each of our grant programmes to ringfence the funds available to distribute for this programme in the subsequent financial year. The Reserve Assistance Fund has been renamed to Crisis Relief Fund in 2024.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16 STATEMENT OF FUNDS (CONTINUED)

PRIOR YEAR

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains / (Losses) £ | Balance at 31 December 2023 £ |
|-----------------------------|--------------------------------------|-------------------------|---------------------------|------------------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 430,000 | - | (414,550) | 424,550 | - | 440,000 |
| Reserve Assistance Fund | 60,000 | - | (30,000) | 30,000 | - | 60,000 |
| CRM System | 2,415 | - | (10,274) | 7,859 | - | - |
| | <u>492,415</u> | <u>-</u> | <u>(454,824)</u> | <u>462,409</u> | <u>-</u> | <u>500,000</u> |
| General funds | 363,080 | 694,568 | (365,370) | (462,409) | - | 229,869 |
| | <u>855,495</u> | <u>694,568</u> | <u>(820,194)</u> | <u>-</u> | <u>-</u> | <u>729,869</u> |
| ENDOWMENT FUND | 5,967,117 | 868,259 | - | - | 470,442 | 7,305,818 |
| | <u>5,967,117</u> | <u>868,259</u> | <u>-</u> | <u>-</u> | <u>470,442</u> | <u>7,305,818</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for Choristers | 39,911 | 4,638 | (20,000) | - | - | 24,549 |
| Thiselton legacy | - | 115,560 | - | - | - | 115,560 |
| Tanner Trust | 475 | - | (475) | - | - | - |
| Genesis Foundation | 10,280 | - | (10,280) | - | - | - |
| Early Years project | - | 26,000 | - | - | - | 26,000 |
| Other restricted funding | - | 3,000 | (3,000) | - | - | - |
| | <u>50,666</u> | <u>149,198</u> | <u>(33,755)</u> | <u>-</u> | <u>-</u> | <u>166,109</u> |
| Total of funds | <u><u>6,873,278</u></u> | <u><u>1,712,025</u></u> | <u><u>(1,308,773)</u></u> | <u><u>462,409</u></u> | <u><u>470,442</u></u> | <u><u>8,201,796</u></u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17 ANALYSIS OF NET ASSETS

CURRENT YEAR

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Endowment funds 2024 £ | Total funds 2024 £ |
|--|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 6,732,540 | 6,732,540 |
| Current assets | 988,407 | 237,429 | 712,775 | 1,938,611 |
| Creditors due within one year | (191,231) | (50,807) | - | (242,038) |
| Creditors due after more than one year | (19,400) | - | - | (19,400) |
| | <u>777,776</u> | <u>186,622</u> | <u>7,445,315</u> | <u>8,409,713</u> |

PRIOR YEAR

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 6,210,814 | 6,210,814 |
| Current assets | 775,653 | 166,109 | 1,095,004 | 2,036,766 |
| Creditors due within one year | (45,784) | - | - | (45,784) |
| | <u>729,869</u> | <u>166,109</u> | <u>7,305,818</u> | <u>8,201,796</u> |

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2024 £ | 2023 £ |
|---|-----------------|----------------|
| Net expenditure for the year (as per Statement of Financial Activities) | 207,917 | 1,328,518 |
| Adjustment for: | | |
| Losses / (gains) on investments | (120,684) | (470,442) |
| Dividends and interest from investments | (270,979) | (257,972) |
| Decrease/(increase) in stocks | 374 | (504) |
| Decrease/(increase) in debtors | (106,878) | (37,225) |
| (Decrease)/increase in creditors | 215,654 | 18,887 |
| Net cash used in operating activities | <u>(74,596)</u> | <u>581,262</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Cash at bank | 133,056 | 100,400 |
| Cash held on deposit as part of investment portfolio | 1,536,844 | 1,774,160 |
| Total | <u>1,669,900</u> | <u>1,874,560</u> |

20 ANALYSIS OF CHANGES IN NET DEBT

| | Balance at 1 January 2024 £ | Cash flows £ | Balance at 31 December 2024 £ |
|--------------------------|--------------------------------------|------------------|-------------------------------------|
| Cash at bank and in hand | 1,874,560 | (204,660) | 1,669,900 |
| | <u>1,874,560</u> | <u>(204,660)</u> | <u>1,669,900</u> |

21 RELATED PARTY TRANSACTIONS

Four Trustees are connected to three of this year's grant recipients (Peterborough Cathedral, Exeter Cathedral and Tewkesbury Abbey) but were not involved in decision-making regarding the award of their respective grants.

CATHEDRAL MUSIC TRUST

England & Wales - Charity number 1187769

Accounts



CATHEDRAL
MUSIC TRUST

ANNUAL REPORT 2023

The Chair on behalf of the Board of Trustees of Cathedral Music Trust (the “Trust”, the “Charity”) presents this Annual Report together with the audited financial statements of the Charity for the year 1 January 2023 to 31 December 2023 (the “Financial Year”).

The Trustees confirm that the Annual Report and financial statements comply with the statutory requirements set out in the Charities Act 2011, the requirements of the Charity’s constitution, and the provisions of the Statement of Recommended Practice (the “SORP”) 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).



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CHAIR'S FOREWORD

There's nothing quite like a coronation to remind people around the world what this nation's directors of music, organists and choirs are capable of. What was perhaps lost on the many millions tuning in was that cathedral music is performed to the same high standards across the UK almost daily, albeit without a full orchestra crammed into the organ loft! The musical banquet served up by Westminster Abbey last May was a timely showcase of what this country does like no other; yet our nation's leadership in cathedral music can never be taken for granted.

The three key objectives of our ongoing work, now embedded in the Trust's inaugural 5-year Strategic Plan, are to promote excellence, broaden participation and increase sustainability for cathedral music. To drive these objectives forward we will not only provide increasing financial support but, crucially, increase our advocacy to inform decision makers, opinion leaders, donors and the public, mobilising them to take action to support cathedral music.

2023 was another busy year for Cathedral Music Trust with many achievements to celebrate thanks to the hard work of our wonderful staff, trustees and volunteers. As the fundraising efforts continue to bear fruit, we are investing an ever increasing amount in supporting cathedral music across the UK and Ireland.

During the year we provided direct financial support of £467,550 - our highest figure to date - to 23 cathedrals and 7 parish churches, held 14 events across the country, attended by over 1,500 supporters and recruited a second cohort of brilliant young people to our Future Leaders Group. We also conducted important research into the issues facing chorister recruitment which will inform our future work.

We have continued to grow and deepen our partnerships with key stakeholders in the cathedral music world and now hold regular meetings with the Cathedral Organists Association, the Association of English Cathedrals, the Royal School of Church Music and others as we seek to unify and strengthen the messaging needed to attract further funding for the sector.

On behalf of all of us at the Trust, I take this opportunity to thank all our Friends, Patrons and partners for everything you do to support our important work.



JONATHAN MACDONALD
Chair of Cathedral Music Trust

OBJECTIVES

The Charity was incorporated on 5 February 2020. Its charitable objects (the “Objects”), as stated in its constitution, are “to advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship”.

The Charity continues to pursue the activities of its predecessor charity, Friends of Cathedral Music, which has the same charitable objects.

MISSION

To transform lives through the power of cathedral music

OBJECTIVES

- To support excellence
- To broaden participation
- To increase the long-term sustainability of the cathedral music sector

VISION

A world where people from all walks of life have the opportunity to benefit from a high-quality, well-resourced and valued cathedral music scene which enriches our choral tradition for years to come.

PUBLIC BENEFIT

The Trustees understand that the Charity must operate at all times in furtherance of its Objects and that its Objects are for the public benefit. The Trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

The Charity’s three main activities which provide public benefit are:

- the provision of financial and non-financial support to those engaged in making cathedral music in cathedrals and other relevant places of worship;
- its publications, which are sent to Friends and Patrons and are available to the general public through the Charity’s website; and
- its events, both online and in person, which are open to everyone.

Almost all services at which cathedral music is offered are free for anyone to attend. The Trustees consider that by providing support to those who are engaged in making cathedral music, they are ensuring its continued availability for all without charge. On this basis, the Trustees are satisfied that the Charity provides a benefit to the public.



ACTIVITIES

In order to achieve its objectives, the Charity's strategy is to pursue the following main areas of activity:

Financial and non-financial support for those engaged in making cathedral music. The Charity provides financial support to cathedrals, churches and other relevant places of worship to assist with the costs they incur in making cathedral music. In 2023, as in 2022, the Charity provided revenue support to help fund the current costs of cathedral music. The remainder of the Charity's financial support consisted of the Church Choir Award and the Crisis Relief Fund. The Charity also actively provides advice and non-financial support to departments of music of choral foundations in need of assistance.

Education. The Charity seeks to advance the education of the public in cathedral music through two main activities: its events and its publications. In-person events are normally centred on one or more cathedrals and involve members of the choral foundations in those places. The Charity's magazine *Cathedral Music* is published twice each year. It is circulated to all supporters, provided free of charge to cathedrals, and available to read on the Charity's website.

Public relations and marketing programmes. The Charity publicises its activities regularly and maintains a website

(www.cathedralmusictrust.org.uk), which provides information about the Charity's purpose and activities and about cathedral music more generally. The Charity engages in public debate on important issues relating to cathedral music, including through social media and online events. Its public relations work through these activities is vital for increasing public awareness and growing its supporter base and income. It also seeks to understand and satisfy the needs of its subscribers and potential supporters and to solicit grants, donations and legacies.

Diversity, Equity and Inclusion. The Trustees stress their commitment to diversity, equity and inclusion both within the Charity and in cathedral music more generally. The Charity believes that everyone has the right to benefit from learning, experiencing and making cathedral music. It is committed to playing its part in ensuring that everyone can access opportunities to fulfil their potential on a fair and equitable basis.

ACHIEVEMENTS & PERFORMANCE IN 2023

CATHEDRAL MUSIC SUPPORT PROGRAMME

Awarded £407,550 in grants to 25 choral foundations

CHURCH CHOIR AWARD

Awarded £30,000 to seven parish churches

CHORISTER SURVEY

Undertook a major survey of the demographic background of choristers singing in the UK's cathedrals and churches with over 90 responses

EVENTS

Held an inaugural Future Leaders Event, welcoming 70 singers for a scratch Evensong conducted by our Ambassador Anna Lapwood

STRATEGIC PLAN

Launched a five-year strategic plan for 2024–29, *Transforming Lives through the Power of Cathedral Music*, a blueprint for addressing the challenges that face this sector now and into the future



TRUSTEES' REVIEW

The Charity has continued to support the need for revenue funding for music departments in 2023. Our financial assistance supported 50 professional posts, enriching over 250 weekly choral services and benefiting over 1,000 young choristers. This included support for school engagement programmes in Newcastle and Bradford, lay clerk positions in Bangor and helping Liverpool Metropolitan Cathedral to develop a new choral and organ studentship pathway for teenagers.

2023 was the second year of the Church Choir Award, a grant-making partnership with the Royal School of Church Music. Funded by the Trust, the Award provided project funding for seven choirs which would not normally qualify for the main grant programme. Awards included support for a junior choir, access to singing lessons for choristers and support for teenage choral scholars.

Trustees and staff have continued to foster open and long-term relationships with key stakeholders in the cathedral music world:

- The Charity held its first joint meeting with the Executive of the Cathedral Organists Association (COA). The Chair presented the Charity's new strategic plan and the benefits of the plan were widely welcomed by the COA. It has since been agreed by both parties that these meetings will take place every six months;

- The Charity continues to work closely with the Royal School of Church Music (RSCM), specifically as partners in the Church Choir Award which the Charity funds;
- During 2023, with the objective of building closer understanding and ties with leading bodies in the sector, the Charity also convened meetings with, amongst others, the Association of English Cathedrals (AEC), the Church Commissioners, the Cathedrals Administration and Finance Association (CAFA) and the Royal College of Organists (RCO). Discussions have been warmly welcomed and have helped to strengthen key relationships which are proving vital in collectively addressing the key issues faced by cathedral music departments.

The Charity undertook a major survey of the demographic background of choristers singing in the UK's cathedrals and churches, which we believe to be the most comprehensive survey of its kind undertaken in recent years. Almost 80% of the 118 choral foundations invited to take part submitted a response. We noted that over 3,000 choristers contribute to music-making in the UK's choral foundations, demonstrating great commitment to their activity. But we also discovered that many choirs need help recruiting more choristers. Affordability is a key issue in widening access, particularly to fee-paying choir schools. Choral foundations remain under considerable financial pressure and most are insufficiently resourced to offer the level of musical education they feel their choristers need and deserve.

The Charity held 14 events for supporters during 2023, of which three were virtual, and welcomed over 1,500 participants. In-person events were held at Bradford Cathedral, Salisbury Cathedral, Chelmsford Cathedral, Windsor Chapel, Temple Church, Blackburn Cathedral, St Mary the Virgin, Harby, Wells Cathedral, Ripon Cathedral and Westminster Abbey. A highly entertaining online Christmas quiz was hosted by our Ambassador Alexander Armstrong in December, raising £2,000 and attracting over 400 attendees. The Charity also attended 33 Grant Celebrations.

The Future Leaders group ran a successful event in October 2023 at St Andrew's Church, Holborn. 71 former choristers/choral scholars came together to sing Choral Evensong under the direction of our Ambassador, Anna Lapwood, with around 30 supporters of the Charity acting as a congregation. Post-Evensong drinks provided an excellent networking opportunity, and the Charity was able to spread the word about recruitment to the Future Leaders in addition to increasing the number of 'Next Generation' contacts on its mailing list.

The Charity's publication Cathedral Music was produced twice in 2023 and continues to be appreciated by its readers. The Trustees thank the Editors Maggie Hamilton and Adrian Horsewood, and the team at Choir & Organ who helped develop a new design.

The Charity's e-newsletters Cathedral Voice are distributed monthly and now has a regular readership of 6,500.

In 2023, the Charity sent a total of 48,364 emails in 35 different communications. The volume of emails has increased more than two-fold due to the introduction of the national monthly newsletter, replacing the less frequent local and regional newsletters. The increase in frequency allows the Charity to remain in more regular contact with supporters, and for news that is shared to be relevant. The increased frequency has not had a negative impact upon open and click rates, and therefore Cathedral Voice continues to be appreciated by readers around the UK and, indeed, across the world.

Our social media presence continues to grow, and 2023 saw an increase in followers and engagement across all channels, with the support of our Ambassadors.

INCREASE ON 2022

| | Followers | Engagement |
|-----------|-----------|------------|
| Facebook | 14% | 70% |
| Instagram | 22% | 220% |
| Twitter | 4% | 34% |

There were over 45,000 visits to our website in 2023, with the number of users peaking around important events and campaigns such as the Coronation of King Charles III and during the Charity's Christmas Appeal. The website remains the most popular platform for people to donate through, and a new events system has made the booking process easier for those wishing to attend gatherings.



THE IMPACT OF OUR GRANTS

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We could not sustain the high standard expected, nor include children from such a breadth of backgrounds, without your generous help. This grant will ensure that the choristers will build on their success both vocally and spiritually. **St Davids Cathedral**

We want to ensure that family income and background is not a barrier to young people in Merseyside encountering inspiring choral music. The Cathedral Music Trust's grant ensures that this can remain the case, through your support of our outreach choirs. **Liverpool Cathedral**

This funding will enable us to continue developing our schools outreach programme, increasing access to singing for those children who might otherwise never encounter it. **Liverpool Metropolitan Cathedral**

We are on a musical journey, taking singing into schools to re-invigorate local music making, and to develop cathedral choirs which truly represent the diverse communities we serve. Music-making helps children to build confidence and to thrive. We are delighted Cathedral Music Trust are supporting us on this journey. **Sheffield Cathedral**

This grant will enable us to continue to provide the highest quality singing tuition to all members of our choirs. **Worcester Cathedral**

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FUTURE PLANS

The Charity's plans for 2024 and beyond include:

The launch of the Cathedral Music Support Programme offering financial support for cathedral music in the form of partnership programmes. Alongside financial support, the Trust will offer guidance on programme design and monitoring and evaluation, as well as convene networks of choral foundations working in similar areas, facilitating shared learning

Education and Research Partnerships including: an Early Years programme in six UK cathedrals and a programme increasing teenagers' participation in cathedral music, enabling them to develop the skills required successfully to audition as choral scholars

An academic conference exploring new-generation perspectives on cathedral music that showcases the research of our Future Leaders and places it in the wider context of current research in cathedral music

Alexander Armstrong's Choral Adventure with Classic FM will see our Ambassador visit five choral foundations to meet the singers and encourage people to attend their services.

The launch of a Future Leaders Network, led by our Future Leaders Committee, to engage and involve the next generation in the work of the Charity promoting and advocating for the sector.

Recruitment of volunteer Local Ambassadors across the UK to advocate for sacred choral music locally, and help raise the profile of the Charity's work

Transition to a new CRM and new website to ensure greater efficiency and more effective campaigning and fundraising activity

Launch of a public fundraising campaign to support our early years programme 'Small Sounds' to enable us to begin delivering work in six cathedrals from September 2024



FINANCIAL REVIEW, OPERATING MODEL AND RISKS

The Charity increased its direct financial support for cathedral music by over 2% to £467,550 in 2023 (£457,950 in 2022).

Total income was £1,712,025 (2022: £604,266); the largest part of this increase was due to legacy income of £1,094,760 (2022: £73,614). Although the number of Friends and Patrons has decreased by 344 to 2,705, related income has increased by 28% to £198,509 (2022: £155,452). Investment income has increased by 25% bringing it to £257,972 (2022: £207,301).

The Charity's net movement in unrestricted funds resulted in a deficit of £125,626 (2022: £108,998) reflecting the Trustees' strategic decision to maintain financial support to beneficiaries whilst investing in the Charity's resources to deliver future charitable programmes.

The charity's activities were supported by £33,755 of restricted funds (2022: £110,211).

£868,259 legacy income has been added to the Endowment Fund (2022: £29,250) to fund future charitable activity and this fund also bears the full investment gain of £470,442 (2022: £779,470 loss).

Reserves at 31 December 2023 were £8,201,796 (2022: £6,873,278), split between endowment funds of £7,305,818 (2022: £5,967,117), restricted funds of £166,109 (2022: £50,666) and unrestricted funds of £729,869 (2022: £855,495) of which £440,000 (2022: £430,000) has been

designated for the Cathedral Music Support Programme and £60,000 as a Crisis Relief Fund (2022: £60,000).

Principal funding

The Charity earns its income from three principal sources: investment income £257,972 (2022: £207,301); donations from Friends and Patrons £198,509 (2022: £155,452); and other unrestricted donations £90,279 (2022: £101,086).

Legacy policy

The Charity's legacy policy provides that, unless a will states otherwise, legacies received from wills written in 2013 or earlier will be treated as capital and will be added to the Endowment Fund, whereas legacies received from wills written after 1 January 2014 will be treated either as revenue or capital at the discretion of the Trustees.

Investment policy and performance

Investments continued to be held in the CBF Church of England Funds managed by CCLA and with Schrodgers. The amounts invested have been built up from legacy receipts and other surpluses.

The Charity's financial objective is to generate a stream of income rising in line with inflation, and to balance the needs of current and future beneficiaries. The investment objective of these assets is inflation (CPI) plus 4% per annum.

This objective allows for annual distributions of income representing up to 4% of capital and the preservation of the real value of the endowment. The total return on the Charity's investments was 11% (2022: -9.5%), which exceeds the investment objective.

Principal risks and uncertainties

The Trustees keep under regular review the principal risks to which the Charity is exposed and has established appropriate systems to manage them. The oversight of risk management lies with the Finance and Audit Committee which reports to the Board. The risk register identifies the following key strategic risks to the Charity and summarises action being taken to mitigate them:

1. Non-compliance with relevant regulatory requirements: key policies have been written, checked by lawyers, agreed, and are reviewed regularly. All official volunteers are now required to sign a volunteers' agreement.
2. Cyber security and technology risk: IT and data protection policies are in place. Security patches and updates are implemented when required. The database is stored in a secure cloud CRM and the IT system has migrated to Microsoft, with IT support contract and backup. Multi-factor authentication has been implemented.
3. Expenditure exceeding income: Budget lines are allocated to budget holders; the budget is approved by the Finance and Audit Committee and Board. Quarterly management accounts and cash flow projections are circulated to the Finance and Audit Committee and Board. Grants are not committed unless funds are available.

4. Reputational and/or financial risk, including from fundraising: the Charity employs a professional Development Director to oversee and implement fundraising initiatives. All fundraising is undertaken through the Charity and regular communication is maintained with Friends and supporters. The Charity is registered with the Fundraising Regulator and the Fundraising Preference Service.

Reserves policy

The Charity maintains an expendable Endowment Fund, which comprises investments and bank deposits. Legacies have been allocated to this fund in line with the legacy policy together with the gains or losses on the associated investments in accordance with its stated policy. The income generated by these investments is used to finance the activities of the Charity.

The designated Cathedral Music Support Fund exists to ensure that the Charity can maintain its ability to provide financial support at a reasonably consistent level from year to year.

Beyond these funds, the Trustees regard it as necessary to maintain free reserves at least equivalent to six months' operating expenditure. This level of reserve will enable the Charity to maintain its operations in the event of an unexpected shortfall of one or more sources of income. For 2024, the minimum level of free reserves needed for this purpose is £246,000. At 31 December 2023, the Charity's general funds amounted to £229,869 (2022: £443,080), which is in line with the policy.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they

continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.



GOVERNANCE AND MANAGEMENT

Cathedral Music Trust was registered with the Charity Commission as a Charitable Incorporated Organisation on 5 February 2020 (charity number 1187769). The governing document of the Charity is its constitution.

The constitution of the Charity provides for a maximum of 12 Trustees (15 until February 2023). At 31 December 2023, the Charity had 11 Trustees (2022: 12). During 2023, the Trustees met five times, three times in person (with hybrid capabilities), and twice via videoconference.

Under the constitution, new Trustees are appointed by resolution passed at a properly convened meeting of the Charity's trustees. The Trustees regularly review the composition of the Board to ensure an appropriate balance of knowledge and experience. New Trustees are provided with an induction pack in line with Charity Commission guidance.

In November 2023, the Board unanimously appointed Simon Toyne as a Trustee of the Charity. A renowned music educator and choral conductor, Simon received his early musical training as a chorister at Exeter Cathedral, later becoming Organ Scholar of University College, Oxford. Since 2015, Simon has acted as Executive Director of Music at the David Ross Education Trust, where he has developed a music programme for 14,500+ children in 34 state schools in the East Midlands, including the award-winning Singing Schools initiative.

Jonathan Macdonald, Chair-Elect and Chair of the Development Committee, took over as Chair of the Charity on 3 February 2023 when Peter Allwood stepped down at the end of his second term in the role.

The Board of Trustees wishes to sincerely thank Peter for his vision in driving the incorporation of the Charity in 2020, having previously chaired the Board of its predecessor Friends of Cathedral Music.

We are hugely grateful for the leadership Peter demonstrated during this complex and challenging transition period and wish him the very best as he resumes his career as a conductor and composer.

The Charity has the following committees: Finance and Audit Committee; Development Committee; and Impact & Delivery Committee. The Board is also supported by a Grants Panel and an Events Working Group. On average, each committee meets four times a year. The Trustees receive reports of committee meetings and consider their recommendations.

At 31 December 2023, the Charity had seven employees: Development Director, Programmes Director, Director of Finance and Resources (0.5 FTE), Programmes Manager, Marketing and Communications Manager, Development Officer (0.75 FTE) and Finance Officer (0.5 FTE). Staff numbers were increased by two FTE during 2023, to increase capacity for delivering our charitable programmes.

The Charity relies heavily on the commitment of its many volunteers, who give generously of their time and energy. The Trustees are grateful to all its volunteers. At 31 December 2023, approximately 39 individuals served the Charity as official volunteers.

Relations with other organisations

The Charity continues to work closely with organisations which seek to promote cathedral music.

Fundraising

The Charity has a professional in-house development team and its Development Director is a member of the Chartered Institute of Fundraising. The Charity has not received any complaints about fundraising activity during the year. Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.



LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Jonathan Macdonald (Chair)
Giverny McAndry (Honorary Secretary)
Gavin Ralston (Chair, Finance & Audit Committee; Lead Safeguarding Trustee)
Isobel Pinder (Chair, Programmes Committee)
Sue Hind Woodward (Chair, Development Committee)
Stuart Laing
James Lancelot
Heather Morgan
James Mustard
Jason Groves
Simon Toyne (appointed 16 November 2023)
Peter Allwood (resigned 4 February 2023)

Charity registered number

1187769 (Cathedral Music Trust)
285121 (Friends of Cathedral Music)

Principal office

27 Old Gloucester Street, London, WC1N 3AX

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

Santander Commercial Bank plc, Customer Service Centre, Bootle, L30 4GB

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Lawyers

Veale Wasbrough Vizards LLP, Second Floor, 3 Brindley Place, Birmingham, B1 2JB

Investment Managers

CCLA Investment Management Limited, 80 Cheapside, London, EC2V 6DZ

Schroder Unit Trusts Limited, PO Box 1402, Sunderland, SR43 4AF

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 20 April 2024 and signed on their behalf by



.....

Jonathan Macdonald
Chair

Date: 20 April 2024



.....

Gavin Ralston
Chair, Finance and Audit Committee

Date: 20 April 2024

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OPINION

We have audited the financial statements of Cathedral Music Trust (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

Peters, Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Cambridge
CB1 2LA

Date: 24 April 2024

CATHEDRAL MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Note | | | | | |
| INCOME FROM: | | | | | |
| Donations and legacies | 2 | 399,729 | 149,198 | 868,259 | 1,417,186 |
| Charitable activities | 3 | 26,708 | - | - | 26,708 |
| Other trading activities | 4 | 10,159 | - | - | 10,159 |
| Investments | 5 | 257,972 | - | - | 257,972 |
| TOTAL INCOME | | 694,568 | 149,198 | 868,259 | 1,712,025 |
| EXPENDITURE ON: | | | | | |
| Raising funds | 6 | 130,740 | 10,280 | - | 141,020 |
| Charitable activities | 7 | 689,454 | 23,475 | - | 712,929 |
| TOTAL EXPENDITURE | | 820,194 | 33,755 | - | 853,949 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS / (LOSSES) | | (125,626) | 115,443 | 868,259 | 858,076 |
| Net gains / (losses) on investments | 13 | - | - | 470,442 | 470,442 |
| NET (EXPENDITURE) / INCOME | | (125,626) | 115,443 | 1,338,701 | 1,328,518 |
| NET MOVEMENT IN FUNDS | | (125,626) | 115,443 | 1,338,701 | 1,328,518 |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 855,495 | 50,666 | 5,967,117 | 6,873,278 |
| TOTAL FUNDS CARRIED FORWARD | | 729,869 | 166,109 | 7,305,818 | 8,201,796 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUSTREGISTERED NUMBER 1187769

**BALANCE SHEET
AS AT 31 DECEMBER 2023**

| | Note | £ | 2023 £ | £ | 2022 £ |
|--|------|------------------|------------------|---------|-----------|
| FIXED ASSETS | | | | | |
| Investments | 13 | | 6,210,814 | | 6,125,821 |
| | | | <hr/> | | <hr/> |
| | | | 6,210,814 | | 6,125,821 |
| CURRENT ASSETS | | | | | |
| Stocks | | 1,198 | | 694 | |
| Debtors | 14 | 161,009 | | 123,784 | |
| Cash at bank and in hand | 19 | 1,874,559 | | 649,876 | |
| | | | <hr/> | <hr/> | |
| | | 2,036,766 | | 774,354 | |
| CREDITORS: amounts falling due within one year | 15 | 45,784 | | 26,897 | |
| | | | <hr/> | <hr/> | |
| NET CURRENT ASSETS | | | 1,990,982 | | 747,457 |
| TOTAL NET ASSETS | | | <hr/> | <hr/> | |
| | | | 8,201,796 | | 6,873,278 |
| | | | <hr/> | <hr/> | |
| CHARITY FUNDS | | | | | |
| Endowment funds | 16 | | 7,305,818 | | 5,967,117 |
| Restricted funds | 16 | | 166,109 | | 50,666 |
| Unrestricted funds | 16 | | 729,869 | | 855,495 |
| | | | <hr/> | <hr/> | |
| TOTAL FUNDS | | | 8,201,796 | | 6,873,278 |
| | | | <hr/> | <hr/> | |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf, by:



Jonathan Macdonald
Chair
Date: 20 April 2024



Gavin Ralston
Chair, Finance and Audit Committee
Date: 20 April 2024

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) / from operating activities | 18 | <u>581,262</u> | <u>(371,235)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends and interest from investments | | 257,972 | 205,355 |
| Net proceeds from sale of investments | | 385,449 | - |
| | | <u>643,421</u> | <u>205,355</u> |
| NET CASH USED IN INVESTING ACTIVITIES | | | |
| | | <u>643,421</u> | <u>205,355</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | | |
| Cash and cash equivalents at the beginning of the year | | 1,224,683 | (165,880) |
| | | 649,876 | 815,756 |
| | | <u>1,874,559</u> | <u>649,876</u> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 19 | <u><u>1,874,559</u></u> | <u><u>649,876</u></u> |

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the Charity to April 2025 and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements will continue to be prepared on a going concern basis.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing the amount. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Voluntary subscriptions are recognised when received, whilst publication and event income is recognised at the date of publication or when the event takes place.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1.5 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. As the Charity is not registered for VAT, all VAT incurred is charged against the relevant category of expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. This consists of the purchase and distribution of items for resale, publicity and servicing supporters.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. This includes grants awarded and the costs associated with gatherings, other events and publications. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. These are unconditional grant offers and are accrued once the recipients have been notified of the grant awards.

1.6 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs comprise governance costs and other administrative costs which cannot easily be allocated to a specific charitable activity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the statutory audit and legal fees as well as the costs of Trustee and Committee meetings. Support costs comprise travel expenses, administration and legal costs and are apportioned as set out in note 10. Support costs relating to charitable activities have been apportioned based on the estimated staff time involved with each category of expenditure.

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting estimates and assumptions have been made by management in preparing these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

2 INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Friends and patrons | 198,509 | - | - | 198,509 | 155,452 |
| Legacies | 110,941 | 115,560 | 868,259 | 1,094,760 | 73,614 |
| Other donations | 90,279 | 33,638 | - | 123,917 | 124,938 |
| | <u>399,729</u> | <u>149,198</u> | <u>868,259</u> | <u>1,417,186</u> | <u>354,004</u> |
| Total 2022 | <u>300,902</u> | <u>23,852</u> | <u>29,250</u> | <u>354,004</u> | |

3 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Gatherings | 25,758 | - | - | 25,758 | 25,567 |
| Other events | - | - | - | - | 5,831 |
| Publications | 950 | - | - | 950 | 2,178 |
| | <u>26,708</u> | <u>-</u> | <u>-</u> | <u>26,708</u> | <u>33,576</u> |
| Total 2022 | <u>33,576</u> | <u>-</u> | <u>-</u> | <u>33,576</u> | |

4 FUNDRAISING INCOME

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Sale of Christmas cards | 10,159 | - | - | 10,159 | 9,186 |
| Sale of other merchandise | - | - | - | - | 199 |
| | <u>10,159</u> | <u>-</u> | <u>-</u> | <u>10,159</u> | <u>9,385</u> |
| Total 2022 | <u>9,385</u> | <u>-</u> | <u>-</u> | <u>9,385</u> | |

5 INVESTMENT INCOME

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Dividends and interest | 257,516 | - | - | 257,516 | 207,217 |
| Interest on cash deposits | 456 | - | - | 456 | 84 |
| | <u>257,972</u> | <u>-</u> | <u>-</u> | <u>257,972</u> | <u>207,301</u> |
| Total 2022 | <u>207,301</u> | <u>-</u> | <u>-</u> | <u>207,301</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

6 FUNDRAISING EXPENDITURE

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|-----------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Campaigns and donor communication | 36,222 | - | - | 36,222 | 23,200 |
| Marketing | 5,277 | - | - | 5,277 | 3,916 |
| Christmas cards | 4,761 | - | - | 4,761 | 4,094 |
| Support costs | 84,480 | 10,280 | - | 94,760 | 112,471 |
| | <u>130,740</u> | <u>10,280</u> | <u>-</u> | <u>141,020</u> | <u>143,681</u> |
| Total 2022 | <u>123,743</u> | <u>19,938</u> | <u>-</u> | <u>143,681</u> | |

Restricted support costs include staff costs funded by Genesis Foundation.

7 CHARITABLE EXPENDITURE

| | Activities undertaken 2023 £ | Grant funding 2023 £ | Support costs 2023 £ | Total 2023 £ | Total 2022 £ |
|---------------------------------------|---------------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| Financial support for cathedral music | - | 467,550 | 108,297 | 575,847 | 488,624 |
| Publications | 34,854 | - | 27,074 | 61,928 | 58,182 |
| Events | 33,596 | - | 40,611 | 74,207 | 79,886 |
| Direct programme costs | - | - | 947 | 947 | - |
| | <u>68,450</u> | <u>467,550</u> | <u>176,929</u> | <u>712,929</u> | <u>626,692</u> |
| Total 2022 | <u>76,720</u> | <u>457,950</u> | <u>92,022</u> | <u>626,692</u> | |

ATHEDRAL MUSI TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

8 GRANTS

| | Grants to institutions 2023 £ | Grants to individuals 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|--|---------------------------------------|-----------------------------|-----------------------------|
| Direct financial support for cathedral music | 467,550 | - | 467,550 | 457,950 |
| | <u>467,550</u> | <u>-</u> | <u>467,550</u> | <u>457,950</u> |
| Total 2022 | <u>457,950</u> | <u>-</u> | <u>457,950</u> | |

During the year, £23,000 of grants were awarded to two choral foundations from restricted funds and £444,550 to 32 choral foundations from unrestricted funds.

Grants were awarded to 33 institutions as shown below:

| | 2023 £ |
|----------------------------------|-----------------------|
| Recipient | |
| All Saints', Leamington Spa | 2,500 |
| Bath Abbey | 10,000 |
| Blackburn Cathedral | 25,000 |
| Bradford Cathedral | 15,000 |
| Carlisle Cathedral | 20,500 |
| Chester Cathedral | 25,000 |
| Coventry Cathedral | 3,200 |
| Derby Cathedral | 0,500 |
| Ely Cathedral | 20,000 |
| Hexham Abbey | 13,000 |
| Holy Trinity, Coventry | 4,000 |
| Inverness Cathedral | 4,500 |
| Liverpool Cathedral | 17,500 |
| Liverpool Metropolitan Cathedral | 25,000 |
| Newcastle Cathedral | 21,500 |
| Newport Cathedral | 28,500 |
| Peterborough Cathedral | 16,850 |
| Portsmouth Cathedral | 13,500 |
| Ripon Cathedral | 12,500 |
| Southwark Cathedral | 10,000 |
| Southwell Cathedral | 18,500 |
| Sheffield Cathedral | 30,000 |
| St Alphege, Solihull | 6,000 |
| St Asaph Cathedral | 15,000 |
| St Davids Cathedral | 15,000 |
| St Deiniol's Cathedral, Bangor | 15,000 |
| St Fin Barre | 15,000 |
| St George's Cathedral, Southwark | 2,000 |
| St Thomas-on-The Bourne | 5,000 |
| St Mary's Cathedral, Aberdeen | 3,600 |
| St Patrick's, Huddersfield | 6,000 |
| Winchester Cathedral | 0,000 |
| Worcester Cathedral | 20,000 |
| Total | <u><u>467,550</u></u> |

ATHEDRAL MUSI TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

9 SUPPORT AND GOVERNANCE COSTS

| | Support £ | Governance £ | Total 2023 £ | Total 2022 £ |
|-----------------------------|----------------|-----------------|--------------------|--------------------|
| Staff costs (note 11) | 194,099 | - | 194,099 | 134,032 |
| Administration | 54,904 | - | 54,904 | 38,562 |
| Legal and professional fees | - | 489 | 489 | 11,783 |
| Board meeting costs | - | 8,469 | 8,469 | 8,140 |
| Audit and accountancy fees | - | 12,781 | 12,781 | 11,976 |
| | 249,003 | 21,739 | 270,742 | 204,493 |
| Total 2022 | 172,594 | 31,899 | 204,493 | |

Allocation

All costs are allocated as far as possible directly to the category of expenditure to which they relate. All governance costs and support costs which cannot be allocated directly to a category of expenditure are allocated as follows: 40% to programmes (2022: 15%), 25% to fundraising (2022: 45%), 15% to events (2022: 15%), 10% to publications (2022: 15%) and 10% to marketing (2022: 10%).

| | | 2023 | 2022 |
|-----------------------|--------------|----------------|---------|
| Raising funds | Fundraising | 67,686 | 92,022 |
| | Marketing | 27,074 | 20,449 |
| | | 94,760 | 112,471 |
| Charitable activities | Programmes | 108,297 | 30,674 |
| | Events | 40,611 | 30,674 |
| | Publications | 27,074 | 30,674 |
| | | 175,982 | 92,022 |
| | | 270,742 | 204,493 |

10 AUDITORS' REMUNERATION

| | 2023 £ | 2022 £ |
|---|---------------|-----------|
| Auditors' remuneration - audit | 10,150 | 9,500 |
| Auditors' remuneration - other services | 601 | 480 |
| | 10,751 | 10,000 |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11 STAFF COSTS

| | 2023 | 2022 |
|-----------------------|-----------------------|----------------|
| | £ | £ |
| Wages and salaries | 177,224 | 123,775 |
| Social security costs | 12,530 | 7,162 |
| Pension costs | 4,345 | 3,095 |
| | <u>194,099</u> | <u>134,032</u> |

The number of staff employed by the charity during the year was as follows:

| | Average head count basis | | Full-time equivalent basis | |
|----------------------------|--------------------------|------------|----------------------------|------------|
| | 2023 | 2022 | 2023 | 2022 |
| | No. | No. | No. | No. |
| Fundraising | 1.5 | 0.5 | 1.3 | 0.5 |
| Marketing | 1.3 | 1.3 | 1.3 | 1.0 |
| Programmes | 1.5 | 2.0 | 1.5 | 1.5 |
| Administration and Finance | 1.3 | 1.0 | 0.8 | 0.5 |
| | <u>5.6</u> | <u>4.8</u> | <u>4.8</u> | <u>3.5</u> |

No employee received remuneration amounting to more than £60,000 in either year.

12 KEY MANAGEMENT AND TRUSTEES' EXPENSES

The Trustees are considered to be the key management personnel of the Charity and all gave their time and expertise freely without any form of remuneration or other benefit in cash or kind in either 2023 or 2022.

Travel and subsistence expenses totalling £6,420 were reimbursed to seven Trustees (2022: £5,038 to seven Trustees).

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

13 FIXED ASSET INVESTMENTS

| | Total £ |
|----------------------------|------------------|
| MARKET VALUE | |
| At 1 January 2023 | 6,125,821 |
| Disposals | (385,449) |
| Revaluations | 470,442 |
| At 31 December 2023 | 6,210,814 |

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in collective investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield. Total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14 DEBTORS

| | 2023 | 2022 |
|----------------|----------------|----------------|
| | £ | £ |
| Trade debtors | 150 | - |
| Accrued income | 159,481 | 114,091 |
| Prepayments | 1,378 | 9,693 |
| | <u>161,009</u> | <u>123,784</u> |

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 436 | 6,454 |
| Other taxation and social security | 6,669 | - |
| Grants payable | 15,000 | 5,000 |
| Other creditors | 23,679 | 15,443 |
| | <u>45,784</u> | <u>26,897</u> |

RECONCILIATION OF GRANT MOVEMENTS

| | 2023 | 2022 |
|------------------------------|---------------|--------------|
| | £ | £ |
| Creditors brought forward | 5,000 | 3,750 |
| Commitments made in the year | 467,550 | 457,950 |
| Grants paid | (457,550) | (456,700) |
| Refunds | - | - |
| | <u>15,000</u> | <u>5,000</u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 STATEMENT OF FUNDS

CURRENT YEAR

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains/ (Losses) £ | Balance at 31 December 2023 £ |
|-----------------------------------|--------------------------------------|------------------|------------------|------------------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Cathedral Music Support Programme | 430,000 | - | (414,550) | 424,550 | - | 440,000 |
| Crisis Relief Fund | 60,000 | - | (30,000) | 30,000 | - | 60,000 |
| CRM System | 2,415 | - | (10,274) | 7,859 | - | - |
| | <u>492,415</u> | <u>-</u> | <u>(454,824)</u> | <u>462,409</u> | <u>-</u> | <u>500,000</u> |
| General funds | 363,080 | 694,568 | (365,370) | (462,409) | - | 229,869 |
| | <u>855,495</u> | <u>694,568</u> | <u>(820,194)</u> | <u>-</u> | <u>-</u> | <u>729,869</u> |
| ENDOWMENT FUND | 5,967,117 | 868,259 | - | - | 470,442 | 7,305,818 |
| | <u>5,967,117</u> | <u>868,259</u> | <u>-</u> | <u>-</u> | <u>470,442</u> | <u>7,305,818</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for Choristers | 39,911 | 4,638 | (20,000) | - | - | 24,549 |
| Thiselton legacy | - | 115,560 | - | - | - | 115,560 |
| Tanner Trust | 475 | - | (475) | - | - | - |
| Genesis Foundation | 10,280 | - | (10,280) | - | - | - |
| Early Years project | - | 26,000 | - | - | - | 26,000 |
| Other restricted funding | - | 3,000 | (3,000) | - | - | - |
| | <u>50,666</u> | <u>149,198</u> | <u>(33,755)</u> | <u>-</u> | <u>-</u> | <u>166,109</u> |
| Total of funds | <u>6,873,278</u> | <u>1,712,025</u> | <u>(853,949)</u> | <u>-</u> | <u>470,442</u> | <u>8,201,796</u> |

PURPOSE OF FUNDS

Diamond Fund for Choristers

To support cathedral choristers

Thiselton legacy

To support choristers in English cathedrals

Tanner Trust

Funds received in 2020 were for IT equipment for new staff.

Genesis Foundation

To fund the role of Marketing and Communications Officer

Early Years project

Funds from Scops Trust, Westminster Foundation and Hymns Ancient & Modern for project commencing in 2024.

Other restricted funding

Edington Festival Award

Designated funds and transfers

The Cathedral Music Support Programme fund ringfences the funds available to distribute for this programme in the subsequent financial year. The Crisis Relief Fund was set up to help secure the future of a music department within a cathedral.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16 STATEMENT OF FUNDS (CONTINUED)

PRIOR YEAR

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains / (Losses) £ | Balance at 31 December 2022 £ |
|-----------------------------|--------------------------------------|----------------|------------------|------------------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 350,000 | - | (331,676) | 411,676 | - | 430,000 |
| Reserve Assistance Fund | 60,000 | - | (25,000) | 25,000 | - | 60,000 |
| Organ Scholarship | 21,000 | - | (21,000) | - | - | - |
| CRM System | 10,328 | - | (7,913) | - | - | 2,415 |
| | <u>441,328</u> | <u>-</u> | <u>(385,589)</u> | <u>436,676</u> | <u>-</u> | <u>492,415</u> |
| General funds | 523,165 | 551,164 | (274,573) | (436,676) | - | 363,080 |
| | <u>964,493</u> | <u>551,164</u> | <u>(660,162)</u> | <u>-</u> | <u>-</u> | <u>855,495</u> |
| ENDOWMENT FUND | 6,717,337 | 29,250 | - | - | (779,470) | 5,967,117 |
| | <u>6,717,337</u> | <u>29,250</u> | <u>-</u> | <u>-</u> | <u>(779,470)</u> | <u>5,967,117</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for Choristers | 95,647 | 8,352 | (64,088) | - | - | 39,911 |
| Mosawi Foundation | 15,054 | - | (15,054) | - | - | - |
| Tony Harvey Scholarship | 5,404 | - | (5,404) | - | - | - |
| Tanner Trust | 5,475 | - | (5,000) | - | - | 475 |
| Genesis Foundation | 15,445 | 12,500 | (17,665) | - | - | 10,280 |
| Other restricted funding | - | 3,000 | (3,000) | - | - | - |
| | <u>137,025</u> | <u>23,852</u> | <u>(110,211)</u> | <u>-</u> | <u>-</u> | <u>50,666</u> |
| Total of funds | <u>7,818,855</u> | <u>604,266</u> | <u>(770,373)</u> | <u>-</u> | <u>(779,470)</u> | <u>6,873,278</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

17 ANALYSIS OF NET ASSETS

CURRENT YEAR

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Endowment funds 2023 £ | Total funds 2023 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 6,210,814 | 6,210,814 |
| Current assets | 775,653 | 166,109 | 1,095,004 | 2,036,766 |
| Creditors due within one year | (45,784) | - | - | (45,784) |
| | <u>729,869</u> | <u>166,109</u> | <u>7,305,818</u> | <u>8,201,796</u> |

PRIOR YEAR

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | (620,766) | - | 5,967,117 | 5,346,351 |
| Current assets | 721,688 | 52,666 | - | 774,354 |
| Creditors due within one year | (24,897) | (2,000) | - | (26,897) |
| | <u>76,025</u> | <u>50,666</u> | <u>5,967,117</u> | <u>6,093,808</u> |

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2023 £ | 2022 £ |
|---|----------------|------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | 1,328,518 | (945,577) |
| Adjustment for: | | |
| Losses / (gains) on investments | (470,442) | 779,470 |
| Dividends and interest from investments | (257,972) | (207,301) |
| Decrease/(increase) in stocks | (504) | (355) |
| Decrease/(increase) in debtors | (37,225) | 17,475 |
| (Decrease)/increase in creditors | 18,887 | (14,947) |
| Net cash used in operating activities | <u>581,262</u> | <u>(371,235)</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2023 £ | 2022 £ |
|--|------------------|----------------|
| Cash at bank | 100,400 | 81,041 |
| Cash held on deposit as part of investment portfolio | 1,774,160 | 568,835 |
| Total | <u>1,874,560</u> | <u>649,876</u> |

20 ANALYSIS OF CHANGES IN NET DEBT

| | Balance at 1 January 2023 £ | Cash flows £ | Balance at 31 December 2023 £ |
|--------------------------|--------------------------------------|------------------|-------------------------------------|
| Cash at bank and in hand | 649,876 | 1,224,684 | 1,874,560 |
| | <u>649,876</u> | <u>1,224,684</u> | <u>1,874,560</u> |

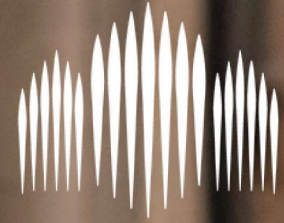
21 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or in the previous year.

CATHEDRAL MUSIC TRUST

England & Wales - Charity number 1187769

Accounts



CATHEDRAL
MUSIC TRUST



Annual Report 2022

The Chair on behalf of the Board of Trustees of Cathedral Music Trust (the “Trust”, the “Charity”) presents this Annual Report together with the audited financial statements of the Charity for the year 1 January 2022 to 31 December 2022 (the “Financial Year”).

The Trustees confirm that the Annual Report and financial statements comply with the statutory requirements set out in the Charities Act 2011, the requirements of the Charity’s constitution, and the provisions of the Statement of Recommended Practice (the “SORP”) 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).

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CHAIR'S FOREWORD

With the pandemic now well behind us it has been a joy to see and hear our cathedral choirs back at full strength and in wonderful voice. It is remarkable how musicians across the country adapted during this terrible and unexpected storm which caused not only massive disruption to music education but also put an added financial burden on so many choral foundations.

While performances of live music are flourishing once more, the funding challenges faced by so many cathedrals and churches are unfortunately continuing to threaten our nation's proud heritage of excellence in choral music. Several factors are at play here. At the time of writing, congregations have yet to return to their pre-Covid numbers. Combined with the spiralling cost of living, this has had a marked impact on collections across the country. The same inflationary pressure is squeezing the overall budgets of many choral foundations where, sadly, music is sometimes seen as an expendable luxury.

The world of cathedral music has always been, and should continue to be, a vital education ground for many of our country's finest musicians. More broadly, the UK's music scene is envied and admired across the world, yet government support for music education regrettably remains a low priority. Recent cuts to music funding by the Arts Council and the BBC send absolutely the wrong message about the importance of sustaining and developing our musical heritage.

On a more positive note, in the midst of such a challenging backdrop we are hugely encouraged by the increasing number of

privately-funded initiatives across the country which are providing young people from diverse backgrounds with the opportunity to join a choir and participate in music making. It is vital that such work is supported to nurture the next generation of young musicians and inspire a steady stream of future choristers.

2022 was another very busy year for all of us at the Trust. We awarded £457,950 in grants, commissioned and published "A Future for Cathedral Music", a major research project conducted by the More Partnership, and launched our Future Leaders Group, ensuring that the voices of young people are at the heart of what we do. We also announced the appointment of The Duchess of Gloucester as our Royal Patron and Anna Lapwood as our second Ambassador alongside Alexander Armstrong. Informed by the More Partnership research, we are developing a number of education projects, in partnership with other key stakeholders. One of the several aims of these projects is to strengthen pathways for young people, so more can experience the many benefits of a choral education.

On behalf of the trustees and staff, I take this opportunity to thank all our Friends, Patrons and partners for all they do to support this important work.



JONATHAN MACDONALD
Chair of Cathedral Music Trust

OBJECTIVES

The Charity was incorporated on 5 February 2020. Its charitable objects (the “Objects”), as stated in its constitution, are “to advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship”.

The Charity continues to pursue the activities of its predecessor charity, Friends of Cathedral Music, which has the same charitable objects.

The Charity's aim in fulfilling its Objects is to be a voice for cathedral music through advocacy, education, excellence and assistance.

The Charity's objectives are:

- To encourage the pursuit of excellence in choral and organ music
- To support cathedrals, choirs and choristers in need
- To campaign on behalf of cathedral music

The Charity works to achieve these objectives by increasing public awareness, knowledge and appreciation of cathedral music, and by supporting and encouraging all those involved in making cathedral music, including making grants to choirs and choral foundations.

The Charity is especially committed to enabling children from a diverse range of backgrounds to experience the many benefits that come from being a chorister.

Public Benefit

The Trustees understand that the Charity must operate at all times in furtherance of its Objects and that its Objects are for the public benefit. The Trustees confirm that they have had regard to the guidance issued by the Charity Commission on public benefit.

The Charity's three main activities which provide public benefit are:

- the provision of financial and non-financial support to those engaged in making cathedral music in cathedrals and other relevant places of worship;
- its publications, which are sent to Friends and Patrons and are available to the general public through the Charity's website; and
- its events, both online and in person, which are open to everyone.

Almost all services at which cathedral music is offered are free for anyone to attend. The Trustees consider that by providing support to those who are engaged in making cathedral music, they are ensuring its continued availability for all without charge. On this basis, the Trustees are satisfied that the Charity provides a benefit to the public.



ACTIVITIES

In order to achieve its objectives, the Charity's strategy is to pursue the following main areas of activity:

Financial and non-financial support for those engaged in making cathedral music. The Charity makes grants to cathedrals, churches and other relevant places of worship to assist with the costs they incur in making cathedral music. In 2022, as in 2021, the Charity provided financial support in the form of revenue grants only, to help fund the current costs of cathedral music at a time of extreme difficulty in the wake of the Covid-19 pandemic. The remainder of the Charity's financial support consisted of the Church Choir Award and the Reserve Assistance Fund (previously called the Discretionary Fund). The Charity also actively provides advice and non-financial support to choral foundations and departments of music in need of assistance.

Education. The Charity seeks to advance the education of the public in cathedral music through two main activities: its events and its publications. In 2022 the Charity held 18 events, of which three were virtual, attracting over 1,500 participants throughout the year. In-person events are normally centred on one or more cathedrals and involve members of the choral foundations in those places.

The Charity's magazine Cathedral Music is published twice each year. It is circulated to all supporters, provided free of charge to cathedrals, and available to read on the Charity's website.

Public relations and marketing programmes. The Charity publicises its activities regularly and maintains a website (www.cathedralmusictrust.org.uk), which gives information about the Charity's purpose and activities and about cathedral music more generally. The Charity engages in public debate on important issues relating to cathedral music, including through social media and online events. Its public relations work through these activities is vital for increasing its supporter base and its income. It also seeks to understand and satisfy the needs of its subscribers and potential supporters and to solicit grants, donations and legacies.

Diversity, Equity and Inclusion. The Trustees stress their commitment to diversity, equality and inclusion both within the Charity and in cathedral music more generally. The Charity believes that everyone has the right to benefit from learning, experiencing and making cathedral music. It is committed to playing its part in ensuring that everyone can access opportunities to fulfil their potential on a fair and equitable basis.

ACHIEVEMENTS AND PERFORMANCE IN 2022

in 2022, Cathedral Music Trust:

GRANTS

Awarded £457,950 in grants to 30 organisations in support of cathedral music

PARTNERSHIPS

Commissioned and published "The Future for Cathedral Music", a major piece of research conducted by More Partnership, reporting on the state of cathedral music in the UK and making recommendations for the Trust's future strategy

Announced the appointment of HRH The Duchess of Gloucester as the charity's Royal Patron at a special Evensong at St Paul's Cathedral

Appointed Anna Lapwood as the charity's Ambassador, joining Alexander Armstrong

Launched the Church Choir Award in Partnership with the Royal School of Church Music (RSCM) to recognise excellence in parish music

EVENTS AND EDUCATION

Hosted the Trust's inaugural education conference online 'Joining the dots', welcoming over 100 attendees, with sessions on effective learning environments for choristers, diversity and inclusion in the world of cathedral music, partnership working with music educators and cathedral music in the wake of the global pandemic

Held a service of Evensong attended by HRH The Duchess of Gloucester at St Paul's Cathedral to celebrate the work of the Trust's Diamond Fund for Choristers

Hosted 200 supporters for an evensong and panel discussion on the future of cathedral music chaired by Anna Lapwood at Southwark Cathedral, with performances from the choristers of Southwark Cathedral and an address from Alexander Armstrong

Welcomed 500 supporters to our Christmas virtual quiz challenge raising over £5,000

EMPOWERING FUTURE LEADERS

Launched its Future Leaders Group, a forum for young people with connections to or an interest in the world of cathedral music, with the objective of ensuring that the voices of the next generation are at the heart of what the Charity does. Members of this group are offered mentoring in leadership skills and many have since joined one or other of the Charity's committees and working groups

CAMPAIGNING AND ADVOCACY

Attended the House of Commons together with the RSCM to discuss the role cathedral and church choirs play in ensuring many thousands of young people experience high quality musical education.

Interviewed on BBC Radio 4 to discuss the future of cathedral music following the publication of the More Partnership report.

Led a workshop at the National Cathedrals Conference at Newcastle Cathedral on the importance of music in worship and communities.



TRUSTEES' REVIEW

The Charity has been heartened by the remarkable determination and resilience of choral foundations to weather the severe financial and musical challenges of the last few years and is encouraged by the number of cathedrals who have resumed their music-making as normal.

Having decided to provide financial assistance for the core costs of running music departments in 2021, the Charity has continued to support similar need in 2022. The Trust also encouraged applications for work that was additional or an enhancement to the ongoing work of music departments. This included support for Welsh-language choral scholars at Bangor Cathedral and a programme to develop choral leadership at Leeds Cathedral.

2022 saw the launch of the Church Choir Award, a grant-making partnership with the Royal School of Church Music. The Award provided project funding for six church choirs which would not normally qualify for the main grant programme. Awards included support for a school-based singing programmes, access to singing lessons for choristers and a bursary scheme for a summer residential singing course.

We were pleased to disburse £402,950 in revenue grants to 22 choral foundations, £30,000 to six recipients of our Church Choir Award and £25,000 from our Reserve Assistance Fund to two recipients.

Following the appointment of Alexander Armstrong in May 2021, the Charity was delighted to announce Anna Lapwood as another Ambassador for the Charity for a period of five years from October 2022. Anna Lapwood is an internationally-renowned concert organist, conductor, and presenter with a large reach on social media where she has been a leading voice in diversifying cathedral music, especially under her #playlikeagirl initiative. The Charity continues to be immensely grateful to both Ambassadors for the wide recognition and promotion they give to cathedral music and for championing its role in the nation's cultural heritage.

The Charity was pleased to develop a partnership with Gabrieli Roar, contributing to the 'In Dulci Jubilo' school-engagement programme, and were delighted to be joined by its director, Paul McCreesh, during the Joining the Dots education conference.

BB

For me, a highlight of the year was attending Gabrieli Roar's 'In Dulci Jubilo' at Ely Cathedral. It was wonderful to see the Cathedral filled with young singers, their families and supporters and to hear their excellent performance alongside professional members of the Gabrieli Consort. I found the evening inspirational, and am sure the young participants did as well.

Cathryn Dew, Operations Director

BB

I was thrilled to be appointed an Ambassador for the Cathedral Music Trust this year. I strongly believe in the transformative power of music and the importance of musical opportunities for all. In recent years, the Trust has positioned itself not just as a provider of financial aid to choirs in need, but also as integral to conversations around participation, education and excellence, and I am really excited to work with them to consider how we balance the need for innovation with the beauty of tradition.

Anna Lapwood, Ambassador

The Trust held several virtual and in-person events for supporters during 2022 and welcomed over 1,500 individuals to these. In-person events were held at St Paul's Cathedral, London, Selwyn College Chapel, Cambridge, Peterborough Cathedral, Canterbury Cathedral, Chelmsford Cathedral, St Edmundsbury Cathedral, Chichester Cathedral, Tewkesbury Abbey, Bath Abbey, Dublin and Cork, Beverley Minster, Southwark Cathedral and Christ Church Cathedral, Oxford. A highly entertaining online Christmas quiz was hosted by our Ambassador Alexander Armstrong in December, raising £5,000 and attracting over 500 attendees.

At the start of the year, the Trust held its inaugural education conference for those working in cathedral music, welcoming over 100 individuals to 7 seminars held over two days. The focus across the two days was on education in the broadest possible sense: from creating a successful learning environment for choristers, to providing equality of access, and building sustainable partnerships. This was closely followed by an Evensong and Reception at St Paul's Cathedral, held to thank retired volunteers and supporters of the Diamond Fund for Choristers Campaign which ran between 2016-2021. The evening was attended by 80 individuals, including Her Royal Highness the Duchess of Gloucester.

We also published research by the More Partnership commissioned by the Trust on the Future for Cathedral Music. This was followed by an event at Southwark Cathedral attended by 200 supporters, which featured an inspiring and challenging panel discussion on the way forward for the sector, and how the Trust can play an effective part in addressing challenges.

Our publication Cathedral Music was produced twice in 2022 and continues to be appreciated by its readers. The Trustees thank the Editors for their work on these publications, and record their gratitude to Sooty Asquith, who retired as Editor of Cathedral Music in 2022 after ten years of wonderful service.

Cathedral Voice is distributed digitally four times a year and now has a regular readership of just under 4,900. The Trustees were sad to learn of the death of Deborah Hooper in October 2022, former Editor of Cathedral Voice (until 2021).

Our supporter base remains steady, at around 3,000 in total. Our presence on social media continues to grow and 2022 saw increased investment in digital activities. At the end of 2022, the Charity's social media accounts reached the following levels:

- Facebook page: 3,049 followers (1,325 in 2021 and 739 in 2020)
- Facebook group (Friends of Cathedral Music): 10,182 (8,833 in 2021)
- Twitter: 3,918 (3,008 in 2021 and 2,269 in 2020)
- Instagram: 1,119 (793 in 2021 and none in 2020).

Social media was a crucial tool in running campaigns in 2022, with over 788,000 accounts reached via Twitter and 147,140 accounts reached via Facebook and Instagram. Our accounts can be accessed via linktr.ee/cathedralmusic.

Following the launch of the Charity's website in 2021, providing information about who we are and what we do, the site now enables Friends and supporters to engage with us online, for example by booking for events and making donations. In the course of the year, over 39,000 individuals used the website (25,500 in 2021).



THE IMPACT OF OUR GRANTS

“

In 2021 we became the first place of worship in Wales to hold regular choral services in the Welsh language. Our new choral scholars will help us to put Welsh on an equal footing with English in our music and better serve our community, where 80% are Welsh speakers. We are incredibly grateful to Cathedral Music Trust for making this a reality.

Joe Cooper, Director of Music at St Deiniol's Cathedral, Bangor

Salford Cathedral has undergone a musical renaissance since July 2020 and is now home to five choirs, offering a larger number of choral services. It is our ambition to establish a music department that becomes a centre of excellence for cathedral music in the North West. Cathedral Music Trust's grant will fund our choral scholars and enable an organ associate to join the team, as well as help us to buy much-needed sheet music. Thanks to this support, music at Salford will go from strength to strength.

Alex Patterson, Director of Music at Salford Cathedral

Individual time with an experienced vocal trainer gives our choristers and probationers the very best opportunity to realise their vocal potential as well as building confidence with repertoire and performance challenges and ultimately enables them to sing at their best. It is an investment in each child in return for the commitment they and their families make to music at the Cathedral. We could never have considered this provision without a grant from Cathedral Music Trust and we are so grateful for their continued support.

Dr Elizabeth Stratford, Director of Music at Arundel Cathedral

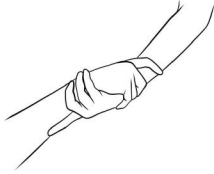
St Wulfram's offers a thriving week-round programme of choral activity. We are particularly proud to give teenage boys and girls opportunities to continue singing with us having 'graduated' as choristers. The Cathedral Music Trust's grant will help us fund additional members of the music department, including a voice coach, who will help train young musicians at our after-school singing clubs.

Dr Tim Williams, Director of Music at St Wulfram's, Grantham

”

FUTURE PLANS

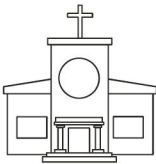
the Charity's plans for 2023 and beyond include:



The launch of an expanded Friends and Patrons scheme to encourage new donors to support the charity and further improve the way we thank all our supporters.



An inaugural event hosted by our Future Leaders Group for alumni cathedral, chapel and church choristers and choral scholars to join forces in the Autumn for a celebratory Evensong to raise awareness and funds for the Trust



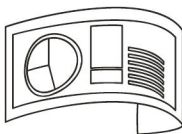
Friends and Patrons events across the UK, including national gatherings at Chelmsford in May and Wells in October, as well as a number of local events



Designing programmes and initiatives to support four priority groups within the world of cathedral music: Early Years children, young organists, teenaged singers and early career professional musicians.



Further research, including a nationwide survey of the issues facing chorister recruitment undertaken in partnership with the Hamish Ogston Foundation



Completion of a 5 year strategic plan, informed by findings from the recently released report into the Future for Cathedral Music by More Partnership



FINANCIAL REVIEW, OPERATING MODEL AND RISKS

The Trust increased its direct financial support for cathedral music by nearly 2% to £457,950 in 2022 (£450,530 in 2021) as well as hosting 18 events (2021: 5) leading to a 6% (£34,350) increase in charitable expenditure.

Total income of the charity was £604,266 (2021: £843,469); the largest part of this decline was accounted for by lower legacy income. Legacy income fell by 70% to £73,614 (2021: £247,671) and donations were £124,938 (2021: £212,275), 40% lower than in 2021, although unrestricted donations were only 10% lower at £101,086 (2021: £112,015). These reductions were partially offset by a 13% increase in investment income bringing it to £207,301 (2021: £182,787).

The charity's net movement in unrestricted funds is a deficit of £108,998 (2021: surplus of £32,655) reflecting the strategic decision to maintain its financial support to beneficiaries despite the current challenging fundraising environment.

The charity was able to use £110,211 of restricted funds to support its activities (2021: £189,364).

In addition, £29,250 legacy income has been added to the Endowment Fund (2021: £147,037) to fund future charitable activity although this fund also bears the full investment loss of £779,470 (2021: £829,119 gain).

Reserves at 31 December 2022 were £6,873,278 (2021: £7,818,855), split between endowment funds of £5,967,117 (2021: £6,717,337), restricted funds of £50,666 (2021: £137,025) and unrestricted funds of £855,495 (2021: £964,493) of which £430,000 (2021: £350,000) has been designated for the Grant Fund, £60,000 as a Reserve Assistance Fund (2021: £60,000) and £2,415 (2021: £10,328) for the CRM system introduced in 2020.

Principal funding

The Charity earns its income from three principal sources: investment income £207,301 (2021: £182,787); subscriptions £155,452 (2021: £175,192); and unrestricted donations £101,086 (2021: £112,015).

Legacy policy

The Charity's legacy policy provides that, unless a will states otherwise, legacies received from wills written in 2013 or earlier will be treated as capital and will be added to the Endowment Fund, whereas legacies received from wills written after 1 January 2014 will be treated either as revenue or capital at the discretion of the Trustees.

Investment policy and performance

Investments continued to be held in the CBF Church of England Funds managed by CCLA and with Schroders. The amounts invested have been built up from legacy receipts and other surpluses.

The Trust's financial objective is to generate a stream of income rising in line with inflation, and to balance the needs of current and future beneficiaries. The investment objective of these assets is inflation (CPI) plus 4% per annum. This objective allows for annual distributions of income representing up to 4% of capital and the preservation of the real value of the endowment.

The total return on the Trust's investments was -9.5% (2021: 18.2%), reflecting widespread falls in global stock markets. The Trustees are satisfied that this return is in line with prevailing market conditions.

Principal risks and uncertainties

The Trustees keep under regular review the principal risks to which the Charity is exposed and has established appropriate systems to manage them. The oversight of risk management lies with the Finance & Audit Committee which reports to the Board. The risk register identifies the following key strategic risks to the Charity and summarises action being taken to mitigate them:

1. Non-compliance with relevant regulatory requirements: key policies have been written, checked by lawyers, agreed, and are reviewed regularly. All official volunteers are now required to sign a volunteers' agreement.

2. Cyber security and technology risk: IT and data protection policies are in place. Security patches and updates are implemented when required. The database is stored in a secure cloud CRM and the IT system has migrated to Microsoft, with IT support contract and backup. Multi-factor authentication has been implemented.

3. Expenditure exceeding income: Budget lines are allocated to budget holders; the budget is approved by the Finance and Audit Committee and Board. Quarterly management accounts and cash flow projections are circulated to the Finance and Audit Committee and Board. Grants are not committed unless funds are available.

4. Reputational and/or financial risk, including from fundraising: The Charity employs a professional Development Director to oversee and implement fundraising initiatives. All fundraising is undertaken through the Charity and regular communication is maintained with Friends and supporters. The Charity is registered with the Fundraising Regulator and the Fundraising Preference Service.

Reserves policy

The Charity maintains an expendable Endowment Fund, which comprises investments and bank deposits. Legacies have been allocated to this fund in line with the legacy policy together with the gains or losses on the associated investments in accordance with its stated policy. The income generated by these investments is used to finance the activities of the Charity.

The designated Grant Fund exists to ensure that the Charity can maintain its ability to make revenue grants at a reasonably consistent level from year to year.

Beyond these funds, the Trustees regard it as necessary to maintain free reserves at least equivalent to six months' operating expenditure. This level of reserve will enable the Charity to maintain its operations in the event of an unexpected shortfall of one or more sources of income. For 2022, the minimum level of free reserves needed for this purpose is £217,950. At 31 December 2022, the Charity's general funds amounted to £363,080 (2021: £523,165). The Trustees are satisfied that, although higher than the minimum requirement, this level is appropriate while the charity implements and embeds its new five-year strategy.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they

continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.





GOVERNANCE AND MANAGEMENT

Cathedral Music Trust was registered with the Charity Commission as a Charitable Incorporated Organisation on 5 February 2020 (charity number 1187769). The governing document of the Charity is its constitution.

The constitution of the Charity provides for a maximum of 12 Trustees (15 until February 2023). At 31 December 2022, the Charity had 12 Trustees (12 Trustees in 2021). Under the constitution, new Trustees are appointed by resolution passed at a properly convened meeting of the Charity's trustees.

The committees that support the Board of Trustees underwent a small restructure in 2022. Previously, the Board had four committees: Finance & Audit Committee; Development Committee; Friends Committee and Grants Committee. After the restructure, which was undertaken to better reflect the Charity's growth and priorities, the Charity now has the following committees: Finance & Audit Committee; Development Committee; and Impact & Delivery Committee. The Board is also supported by a Grants Panel and an Events Working Group.

On average, each committee meets three times a year. The Trustees receive reports of committee meetings and consider their recommendations.

At 31 December 2022, the Charity had four paid employees: Development Director (full-time), Operations Director (0.75 FTE), Finance Director (0.5 FTE) and Administration Officer (0.75 FTE).

During 2022, the Charity benefitted from a partnership with the Genesis Foundation, which supported the position of Communications and Marketing Officer. The Charity also contracts the services of a freelance Finance Administrator. In 2022 the Charity provided an honorarium to the Editor of Cathedral Music.

The Charity relies heavily on the commitment of its many volunteers, who give generously of their time and energy. The Trustees are grateful to all its volunteers. At 31 December 2022, approximately 70 individuals served the Charity as official volunteers (40 in 2021).

Relations with other organisations

The Charity continues to work closely with organisations which seek to promote cathedral music.

Fundraising

The Charity has a professional in-house development team and its Development Director is a member of the Chartered Institute of Fundraising. The Charity has not received any complaints about fundraising activity during the year. Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.



LEGAL AND ADMINISTRATIVE INFORMATION

The Trustees serving at 31 December 2022 were:

Peter Allwood (Chair)
Jonathan Macdonald (Chair-Elect)
Giverny McAndry (Honorary Secretary)
Jason Groves
Sue Hind Woodward (Vice Chair, Development Committee)
Stuart Laing (Chair, Development Committee)
James Lancelot
Heather Morgan
James Mustard
Isobel Pinder (Chair, Impact & Delivery Committee)
Gavin Ralston (Chair, Finance & Audit Committee; Lead Safeguarding Trustee)
Peter Smith (resigned 31 December 2022)

Charity registered number
1187769 (Cathedral Music Trust); 285121 (Friends of Cathedral Music)

Principal office

27 Old Gloucester Street, London, WC1N 3AX

Independent auditors

Peters Elworthy & Moore, Salisbury House,
Station Road, Cambridge, CB1 2LA

Bankers

Santander Commercial Bank plc, Customer
Service Centre, Bootle, L30 4GB

CAF Bank Limited, 25 Kings Hill Avenue, Kings
Hill, West Malling, Kent, ME19 4JQ

Lawyers

Veale Wasbrough Vizards LLP, Second Floor, 3
Brindley Place, Birmingham, B1 2JB

Investment Managers

CCLA Investment Management Limited, 80
Cheapside, London, EC2V 6DZ

Schroder Unit Trusts Limited, PO Box 1402,
Sunderland, SR43 4AF

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 22 April 2023 and signed on their behalf by

Jonathan Macdonald

.....
Jonathan Macdonald
Chair
Date: 22 April 2023

Gavin Ralston

.....
Gavin Ralston
Chair, Finance and Audit Committee
Date: 22 April 2023

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OPINION

We have audited the financial statements of Cathedral Music Trust (the 'Charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

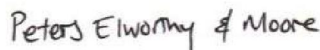
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Peters, Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Cambridge
CB1 2LA

Date: 23 May 2023

CATHEDRAL MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

| | Unrestricted funds 2022 | Restricted funds 2022 | Endowment funds 2022 | Total funds 2022 | Total funds 2021 | |
|--|-------------------------------|-----------------------------|----------------------------|------------------------|------------------------|------------------|
| Note | £ | £ | £ | £ | £ | |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 300,902 | 23,852 | 29,250 | 354,004 | 635,138 |
| Charitable activities | 3 | 33,576 | - | - | 33,576 | 17,004 |
| Other trading activities | 4 | 9,385 | - | - | 9,385 | 8,540 |
| Investments | 5 | 207,301 | - | - | 207,301 | 182,787 |
| TOTAL INCOME | | 551,164 | 23,852 | 29,250 | 604,266 | 843,469 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 123,743 | 19,938 | - | 143,681 | 151,854 |
| Charitable activities | 7 | 536,419 | 90,273 | - | 626,692 | 592,341 |
| TOTAL EXPENDITURE | | 660,162 | 110,211 | - | 770,373 | 744,195 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT (LOSSES) / GAINS | | (108,998) | (86,359) | 29,250 | (166,107) | 99,274 |
| Net (losses) / gains on investments | 13 | - | - | (779,470) | (779,470) | 829,119 |
| NET (EXPENDITURE) / INCOME | | (108,998) | (86,359) | (750,220) | (945,577) | 928,393 |
| Transfers between funds | 16 | - | - | - | - | - |
| NET MOVEMENT IN FUNDS | | (108,998) | (86,359) | (750,220) | (945,577) | 928,393 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 964,493 | 137,025 | 6,717,337 | 7,818,855 | 6,890,462 |
| TOTAL FUNDS CARRIED FORWARD | | 855,495 | 50,666 | 5,967,117 | 6,873,278 | 7,818,855 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUST

REGISTERED NUMBER 1187769

BALANCE SHEET
AS AT 31 DECEMBER 2022

| | Note | £ | 2022 £ | £ | 2021 £ |
|--|------|----------------|------------------|---------|-----------|
| FIXED ASSETS | | | | | |
| Investments | 13 | | 6,125,821 | | 6,905,291 |
| | | | <hr/> | | <hr/> |
| | | | 6,125,821 | | 6,905,291 |
| CURRENT ASSETS | | | | | |
| Stocks | | 694 | | 339 | |
| Debtors | 14 | 123,784 | | 139,313 | |
| Cash at bank and in hand | 19 | 649,876 | | 815,756 | |
| | | | <hr/> | <hr/> | |
| | | | 774,354 | 955,408 | |
| CREDITORS: amounts falling due within one year | 15 | 26,897 | | 41,844 | |
| | | | <hr/> | <hr/> | |
| NET CURRENT ASSETS | | | 747,457 | | 913,564 |
| TOTAL NET ASSETS | | | <hr/> | <hr/> | |
| | | | 6,873,278 | | 7,818,855 |
| | | | <hr/> | <hr/> | |
| CHARITY FUNDS | | | | | |
| Endowment funds | 16 | | 5,967,117 | | 6,717,337 |
| Restricted funds | 16 | | 50,666 | | 137,025 |
| Unrestricted funds | 16 | | 855,495 | | 964,493 |
| | | | <hr/> | <hr/> | |
| TOTAL FUNDS | | | 6,873,278 | | 7,818,855 |
| | | | <hr/> | <hr/> | |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf, by:

Jonathan Macdonald

Jonathan Macdonald
Chair
Date: 22 April 2023

Gavin Ralston

Gavin Ralston
Chair, Finance and Audit Committee
Date: 22 April 2023

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) / from operating activities | 18 | <u>(371,235)</u> | <u>(6,900)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends and interest from investments | | 205,355 | 173,903 |
| Net purchase of investments | | - | (500,000) |
| | | <u>205,355</u> | <u>(326,097)</u> |
| NET CASH USED IN INVESTING ACTIVITIES | | | |
| | | <u>205,355</u> | <u>(326,097)</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | | |
| Cash and cash equivalents at the beginning of the year | | (165,880) | (332,997) |
| | | 815,756 | 1,148,753 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 19 | <u><u>649,876</u></u> | <u><u>815,756</u></u> |

The notes on pages 23 to 35 form part of these financial statements.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the Charity to December 2024 and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements will continue to be prepared on a going concern basis.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing the amount. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Voluntary subscriptions are recognised when received, whilst publication and event income is recognised at the date of publication or when the event takes place.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1.5 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. As the Charity is not registered for VAT, all VAT incurred is charged against the relevant category of expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. This consists of the purchase and distribution of items for resale, publicity and servicing supporters.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. This includes grants awarded and the costs associated with gatherings, other events and publications. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. These are unconditional grant offers and are accrued once the recipients have been notified of the grant awards.

1.6 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs comprise governance costs and other administrative costs which cannot easily be allocated to a specific charitable activity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the statutory audit and legal fees as well as the costs of Trustee and Committee meetings. Support costs comprise travel expenses, administration and legal costs and are apportioned as set out in note 10. Support costs relating to charitable activities have been apportioned based on the estimated staff time involved with each category of expenditure.

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting estimates and assumptions have been made by management in preparing these financial statements.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2 INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Subscriptions | 155,452 | - | - | 155,452 | 175,192 |
| Legacies | 44,364 | - | 29,250 | 73,614 | 247,671 |
| Other donations | 101,086 | 23,852 | - | 124,938 | 212,275 |
| | <u>300,902</u> | <u>23,852</u> | <u>29,250</u> | <u>354,004</u> | <u>635,138</u> |
| Total 2021 | <u>387,841</u> | <u>100,260</u> | <u>147,037</u> | <u>635,138</u> | |

3 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| National Gatherings | 25,567 | - | - | 25,567 | 6,053 |
| Other events | 5,831 | - | - | 5,831 | 8,496 |
| Publications | 2,178 | - | - | 2,178 | 2,455 |
| | <u>33,576</u> | <u>-</u> | <u>-</u> | <u>33,576</u> | <u>17,004</u> |
| Total 2021 | <u>15,435</u> | <u>1,569</u> | <u>-</u> | <u>17,004</u> | |

4 FUNDRAISING INCOME

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Sale of Christmas cards | 9,186 | - | - | 9,186 | 8,416 |
| Sale of other merchandise | 199 | - | - | 199 | 124 |
| | <u>9,385</u> | <u>-</u> | <u>-</u> | <u>9,385</u> | <u>8,540</u> |
| Total 2021 | <u>8,540</u> | <u>-</u> | <u>-</u> | <u>8,540</u> | |

5 INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Dividends and interest | 207,217 | - | - | 207,217 | 182,763 |
| Interest on cash deposits | 84 | - | - | 84 | 24 |
| | <u>207,301</u> | <u>-</u> | <u>-</u> | <u>207,301</u> | <u>182,787</u> |
| Total 2021 | <u>182,780</u> | <u>7</u> | <u>-</u> | <u>182,787</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6 FUNDRAISING EXPENDITURE

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Direct fundraising costs | 19,520 | 2,273 | - | 21,793 | 20,502 |
| Marketing | 3,916 | - | - | 3,916 | 5,081 |
| Christmas cards | 4,094 | - | - | 4,094 | 3,649 |
| Other merchandise | - | - | - | - | 4 |
| Direct administration costs | 1,407 | - | - | 1,407 | 3,396 |
| Support costs | 94,806 | 17,665 | - | 112,471 | 119,222 |
| | <u>123,743</u> | <u>19,938</u> | <u>-</u> | <u>143,681</u> | <u>151,854</u> |
| Total 2021 | <u>43,190</u> | <u>108,664</u> | <u>-</u> | <u>151,854</u> | |

Restricted support costs include staff costs funded by Genesis Foundation.

7 CHARITABLE EXPENDITURE

| | Activities undertaken 2022 £ | Grant funding 2022 £ | Support costs 2022 £ | Total 2022 £ | Total 2021 £ |
|---------------------------------------|---------------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| Financial support for cathedral music | - | 457,950 | 30,674 | 488,624 | 483,045 |
| Publications | 27,508 | - | 30,674 | 58,182 | 68,508 |
| Events | 49,212 | - | 30,674 | 79,886 | 40,788 |
| | <u>76,720</u> | <u>457,950</u> | <u>92,022</u> | <u>626,692</u> | <u>592,341</u> |
| Total 2021 | <u>44,266</u> | <u>450,530</u> | <u>97,545</u> | <u>592,341</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8 GRANTS

| | Grants to institutions 2022 £ | Grants to individuals 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|--|---------------------------------------|-----------------------------|-----------------------------|
| Direct financial support for cathedral music | 457,950 | - | 457,950 | 450,530 |
| | <u>457,950</u> | <u>-</u> | <u>457,950</u> | <u>450,530</u> |
| Total 2021 | <u>450,530</u> | <u>-</u> | <u>450,530</u> | |

During the year, £79,670 of grants were awarded to nine choral foundations from restricted funds and £378,280 to 27 choral foundations from unrestricted funds.

During the year, 36 grants were awarded to 30 institutions as shown below:

| Recipient | 2022 £ |
|---|-----------------------|
| Arundel Cathedral | 2,500 |
| Bangor Cathedral | 22,000 |
| Bradford Cathedral | 17,000 |
| Carlisle Cathedral | 4,300 |
| Chingford Parish Church | 2,500 |
| Coventry Cathedral | 3,200 |
| Croydon Minster | 18,900 |
| Gabrieli | 10,000 |
| Hampton Court Choral Foundation | 22,100 |
| Hull Minster | 7,000 |
| Leeds Cathedral | 28,450 |
| Leicester Cathedral | 29,700 |
| Portsmouth Cathedral | 20,400 |
| Salford Cathedral | 16,000 |
| Southwark Cathedral | 15,000 |
| St Edmundsbury Cathedral | 15,000 |
| St David's Cathedral | 18,000 |
| St Mary-le-Tower Church, Ipswich | 7,000 |
| St Mary Magdalene, Newark | 5,000 |
| St Mary's Cathedral, Warwick | 7,500 |
| St Mary's in the Lace Market, Nottingham | 6,000 |
| St Mary the Virgin Church, West Malling | 2,500 |
| St Paul's Cathedral | 30,000 |
| St Peter's Collegiate Church, Wolverhampton | 15,000 |
| St Wulfram's Church, Grantham | 22,300 |
| Tewkesbury Abbey | 4,200 |
| Truro Cathedral | 30,000 |
| Wakefield Cathedral | 16,400 |
| Westminster Abbey | 30,000 |
| Westminster Cathedral | 30,000 |
| Total | <u><u>457,950</u></u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9 SUPPORT AND GOVERNANCE COSTS

| | Support £ | Governance £ | Total 2022 £ | Total 2021 £ |
|-----------------------------|----------------|-----------------|--------------------|--------------------|
| Staff costs (note 11) | 134,032 | - | 134,032 | 131,605 |
| Administration | 38,562 | - | 38,562 | 35,436 |
| Legal and professional fees | - | 11,783 | 11,783 | 30,616 |
| Board meetings costs | - | 8,140 | 8,140 | 2,354 |
| Audit and accountancy fees | - | 11,976 | 11,976 | 16,756 |
| | <u>172,594</u> | <u>31,899</u> | <u>204,493</u> | <u>216,767</u> |
| Total 2021 | <u>167,041</u> | <u>49,726</u> | <u>216,767</u> | |

Allocation

All costs are allocated as far as possible directly to the category of expenditure to which they relate. All governance costs and support costs which cannot be allocated directly to a category of expenditure are allocated as follows: 15% to grants (2021: 15%), 15% to publications (2021: 15%), 15% to events (2021: 15%), 45% to fundraising (2021: 45%) and 10% to marketing (2021: 10%).

| | | | |
|-----------------------|--------------|----------------|----------------|
| | | 2022 | 2021 |
| Raising funds | Fundraising | 92,022 | 97,545 |
| | Marketing | 20,449 | 21,677 |
| | | <u>112,471</u> | <u>119,222</u> |
| Charitable activities | Grants | 30,674 | 32,515 |
| | Events | 30,674 | 32,515 |
| | Publications | 30,674 | 32,515 |
| | | <u>92,022</u> | <u>97,545</u> |
| | | <u>204,493</u> | <u>216,767</u> |

10 AUDITORS' REMUNERATION

| | | |
|---|-------------|------------|
| | 2022 | 2021 |
| | £ | £ |
| Auditors' remuneration - audit | 9,500 | 7,000 |
| Auditors' remuneration - other services | <u>576</u> | <u>956</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11 STAFF COSTS

| | 2022 | 2021 |
|-----------------------|-----------------------|----------------|
| | £ | £ |
| Wages and salaries | 123,775 | 121,467 |
| Social security costs | 7,162 | 7,489 |
| Pension costs | 3,095 | 2,649 |
| | <u>134,032</u> | <u>131,605</u> |

The number of staff employed by the charity during the year was as follows:

| | Average head count basis | | Full-time equivalent basis | |
|----------------------------|--------------------------|------------|----------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | No. | No. | No. | No. |
| Fundraising | 0.5 | 1.0 | 0.5 | 0.5 |
| Marketing | 1.3 | 1.0 | 1.0 | 1.1 |
| Charitable operations | 2.0 | 2.0 | 1.5 | 1.5 |
| Administration and Finance | 1.0 | 0.7 | 0.5 | 0.3 |
| | <u>4.8</u> | <u>4.7</u> | <u>3.5</u> | <u>3.4</u> |

No employee received remuneration amounting to more than £60,000 in either year.

12 KEY MANAGEMENT AND TRUSTEES' EXPENSES

The Trustees are considered to be the key management personnel of the Charity and all gave their time and expertise freely without any form of remuneration or other benefit in cash or kind in either 2022 or 2021.

One Trustee received an Honorarium of £3,200 in her capacity as Editor of Cathedral Music (2021: £3,200).

Travel and subsistence expenses totalling £5,038 were reimbursed to seven Trustees (2021: £929 to five Trustees).

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13 FIXED ASSET INVESTMENTS

| | Total £ |
|----------------------------|-------------------------|
| MARKET VALUE | |
| At 1 January 2022 | 6,905,291 |
| Additions | - |
| Revaluations | (779,470) |
| At 31 December 2022 | <u>6,125,821</u> |

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in collective investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield. Total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14 DEBTORS

| | 2022 | 2021 |
|----------------|-----------------------|----------------|
| | £ | £ |
| Trade debtors | - | 737 |
| Accrued income | 114,091 | 122,633 |
| Prepayments | 9,693 | 15,943 |
| | <u>123,784</u> | <u>139,313</u> |

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|------------------------------------|----------------------|---------------|
| | £ | £ |
| Trade creditors | 6,454 | 17,859 |
| Other taxation and social security | - | 5,733 |
| Grants payable | - | 3,750 |
| Other creditors | 20,443 | 14,502 |
| | <u>26,897</u> | <u>41,844</u> |

RECONCILIATION OF GRANT MOVEMENTS

| | 2022 | 2021 |
|------------------------------|------------------|--------------|
| | £ | £ |
| Creditors brought forward | 3,750 | 33,273 |
| Commitments made in the year | 457,950 | 450,530 |
| Grants paid | (461,700) | (480,053) |
| Refunds | - | - |
| | <u>-</u> | <u>3,750</u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16 STATEMENT OF FUNDS

CURRENT YEAR

| | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains/ (Losses) £ | Balance at 31 December 2022 £ |
|-----------------------------|--------------------------------------|----------------|------------------|------------------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 350,000 | - | (331,676) | 411,676 | - | 430,000 |
| Reserve Assistance Fund | 60,000 | - | (25,000) | 25,000 | - | 60,000 |
| Organ Scholarship | 21,000 | - | (21,000) | - | - | - |
| CRM System | 10,328 | - | (7,913) | - | - | 2,415 |
| | <u>441,328</u> | <u>-</u> | <u>(385,589)</u> | <u>436,676</u> | <u>-</u> | <u>492,415</u> |
| General funds | 523,165 | 551,164 | (274,573) | (436,676) | - | 363,080 |
| | <u>964,493</u> | <u>551,164</u> | <u>(660,162)</u> | <u>-</u> | <u>-</u> | <u>855,495</u> |
| ENDOWMENT FUND | 6,717,337 | 29,250 | | | (779,470) | 5,967,117 |
| | <u>6,717,337</u> | <u>29,250</u> | <u>-</u> | <u>-</u> | <u>(779,470)</u> | <u>5,967,117</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for Choristers | 95,647 | 8,352 | (64,088) | - | - | 39,911 |
| Mosawi Foundation | 15,054 | - | (15,054) | - | - | - |
| Tony Harvey Scholarship | 5,404 | - | (5,404) | - | - | - |
| Tanner Trust | 5,475 | - | (5,000) | - | - | 475 |
| Genesis Foundation | 15,445 | 12,500 | (17,665) | - | - | 10,280 |
| Other restricted funding | - | 3,000 | (3,000) | - | - | - |
| | <u>137,025</u> | <u>23,852</u> | <u>(110,211)</u> | <u>-</u> | <u>-</u> | <u>50,666</u> |
| Total of funds | <u>7,818,855</u> | <u>604,266</u> | <u>(770,373)</u> | <u>-</u> | <u>(779,470)</u> | <u>6,873,278</u> |

PURPOSE OF FUNDS

| | |
|------------------------------------|--|
| Diamond Fund for Choristers | To support cathedral choristers |
| Mosawi Foundation | To award support grants to choristers |
| Tony Harvey Scholarship | For the benefit of male choral scholars at English cathedrals |
| Tanner Trust | Funds received in 2020 were for IT equipment for new staff. Funds received in 2021 were for our summit on outreach and education held in January 2022. |
| Genesis Foundation | To fund the role of Marketing and Communications Officer |
| Other restricted funding | Edington Festival Award |

Designated funds and transfers

Designated funds represent amounts set aside by the Trustees to fund future grant payments and for the CRM system. The Dr Eric Pitts Organ Scholarship Fund was set up, out of a generous bequest, to support cathedral organ scholars.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16 STATEMENT OF FUNDS (CONTINUED)**PRIOR YEAR**

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains / (Losses) £ | Balance at 31 December 2021 £ |
|---------------------------|--------------------------------------|----------------|------------------|------------------------------|--------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 350,000 | - | (355,855) | 355,855 | - | 350,000 |
| Reserve Assistance Fund | - | - | - | 60,000 | - | 60,000 |
| Organ Scholarship | 25,000 | - | (4,000) | - | - | 21,000 |
| Chorister Support Grant | 10,000 | - | (10,000) | - | - | - |
| CRM System | 18,778 | - | (8,450) | - | - | 10,328 |
| | <u>403,778</u> | <u>-</u> | <u>(378,305)</u> | <u>415,855</u> | <u>-</u> | <u>441,328</u> |
| General funds | 528,060 | 594,596 | (176,526) | (422,965) | - | 523,165 |
| | <u>931,838</u> | <u>594,596</u> | <u>(554,831)</u> | <u>(7,110)</u> | <u>-</u> | <u>964,493</u> |
| ENDOWMENT FUND | 5,741,181 | 147,037 | - | - | 829,119 | 6,717,337 |
| | <u>5,741,181</u> | <u>147,037</u> | <u>-</u> | <u>-</u> | <u>829,119</u> | <u>6,717,337</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for | | | | | | |
| Choristers | 99,525 | 33,701 | (37,579) | - | - | 95,647 |
| Linbury Trust | 15,289 | - | (15,289) | - | - | - |
| Mosawi Foundation | 15,054 | 20,000 | (20,000) | - | - | 15,054 |
| Oswald Allan | 12,895 | - | (12,895) | - | - | - |
| Tony Harvey Scholarship | 8,404 | - | (3,000) | - | - | 5,404 |
| Tanner Trust | 5,412 | 5,000 | (4,937) | - | - | 5,475 |
| Swire Trust | 395 | 2,500 | (2,895) | - | - | - |
| The George Cadbury Fund | - | 10,000 | (10,000) | - | - | - |
| Cathedral Choirs' | | | | | | |
| Emergency Fund | 1,442 | 635 | (25) | (2,052) | - | - |
| Genesis Foundation | 9,768 | 25,000 | (19,323) | - | - | 15,445 |
| Other restricted funding | 49,259 | 5,000 | (63,421) | 9,162 | - | - |
| | <u>217,443</u> | <u>101,836</u> | <u>(189,364)</u> | <u>7,110</u> | <u>-</u> | <u>137,025</u> |
| Total of funds | <u>6,890,462</u> | <u>843,469</u> | <u>(744,195)</u> | <u>-</u> | <u>829,119</u> | <u>7,818,855</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17 ANALYSIS OF NET ASSETS**CURRENT YEAR**

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Endowment funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | 158,704 | - | 5,967,117 | 6,125,821 |
| Current assets | 721,688 | 52,666 | - | 774,354 |
| Creditors due within one year | (24,897) | (2,000) | - | (26,897) |
| | <u>855,495</u> | <u>50,666</u> | <u>5,967,117</u> | <u>6,873,278</u> |

PRIOR YEAR

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | 187,954 | - | 6,717,337 | 6,905,291 |
| Current assets | 816,383 | 139,025 | - | 955,408 |
| Creditors due within one year | (39,844) | (2,000) | - | (41,844) |
| | <u>964,493</u> | <u>137,025</u> | <u>6,717,337</u> | <u>7,818,855</u> |

18 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|---|------------------|----------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (945,577) | 928,393 |
| Adjustment for: | | |
| Losses / (gains) on investments | 779,470 | (829,119) |
| Dividends and interest from investments | (207,301) | (182,787) |
| Decrease/(increase) in stocks | (355) | (173) |
| Decrease/(increase) in debtors | 17,475 | 97,781 |
| (Decrease)/increase in creditors | (14,947) | (20,995) |
| Net cash used in operating activities | <u>(371,235)</u> | <u>(6,900)</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19 ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2022 | 2021 |
|--|-----------------------|----------------|
| | £ | £ |
| Cash at bank | 81,041 | 187,453 |
| Cash held on deposit as part of investment portfolio | 568,835 | 628,303 |
| Total | <u>649,876</u> | <u>815,756</u> |

20 ANALYSIS OF CHANGES IN NET DEBT

| | Balance at 1 January 2022 | Cash flows | Balance at 31 December 2022 |
|--------------------------|--|-------------------------|--|
| | £ | £ | £ |
| Cash at bank and in hand | 815,756 | (165,880) | 649,876 |
| | <u>815,756</u> | <u>(165,880)</u> | <u>649,876</u> |

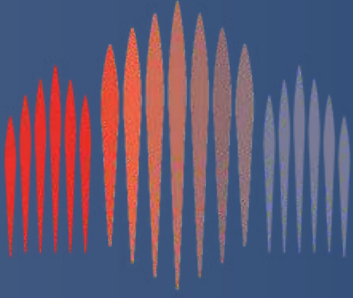
21 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or in the previous year.

CATHEDRAL MUSIC TRUST

England & Wales - Charity number 1187769

Accounts



CATHEDRAL
MUSIC TRUST

ANNUAL REPORT 2021



The Trustees present their Annual Report together with the audited financial statements of the Charity for the year 1 January 2021 to 31 December 2021.

The Trustees confirm that the Annual Report and financial statements comply with the statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition – October 2019).

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CHAIR'S FOREWORD

We all know of the huge excitement in cathedrals and colleges across the land as a chorister is chosen to sing the solo in *Once in Royal* at Christmas. But it is a rare moment in the musical year when the focus is on a single child, for one of the great joys in the performance of sacred choral music is its corporate nature, its teamwork. Where else do children and adults work so closely together day by day, relying on each other's advanced skill and learning?

Yet this element was missing again at the outset of 2021 as the virus lingered on and further lockdowns were imposed. Diligent directors kept their music-making alive, and their music communities sustained, through online rehearsals and recordings, whilst all could see the inevitability of repertoire, resilience and technical skill slipping away. And with cathedrals unable to rebuild their income streams, choirs continued to be faced by more existential threats.

It is therefore remarkable, and a credit to cathedral leaders, that the great majority of cathedral choirs survived intact, with few reductions in professional singers, and top lines, though younger and less experienced, still functioning and enthusiastic.

The need for funding assistance was great, as evidenced in the size and number of grant applications we received. Our response was to increase the funds reserved for disbursement, make substantial grants towards core costs, and engage in a reconsideration of the nature of our grant-giving processes.

2021, as the first full year of the Trust, with its new, ambitious and hard-working professional team, was a year of re-evaluation across all that we do. The operational infrastructure was thoroughly rebuilt, volunteer roles re-shaped,

contacts, networks and partnerships re-established and communications re-designed; and with the work of the Diamond Fund for Choristers absorbed into the central fundraising effort, the strategy for generation of funds was re-developed.

Most importantly, trustees have re-considered how the charity can best support cathedrals in maintaining the highest musical standards whilst also making the opportunity available to the broadest constituency. The trustees have sought professional assistance in this, and the results of detailed research and consultation will emerge in 2022 to inform our long-term strategy.

Cathedral choirs imagined a return to 'normal' post-pandemic, but are discovering the advantages of new, innovative ways of working. Similarly, continuing the long-established work of the Friends of Cathedral Music, the Trust has emerged wearing a new coat, a new heart, ambitious to sing the praises of cathedral music, increase support for its musicians and encourage all to recognise choirs as beacons of excellence in our national cultural landscape.

On behalf of the trustees, I should like to thank all who have contributed in any way to this important work.



PETER ALLWOOD
Chair of Cathedral Music Trust

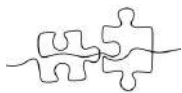
OBJECTIVES

The object of the Charity as specified in its Constitution is to “advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship”. The charity has taken on the activities of its predecessor charity, Friends of Cathedral Music, and has the same formal object.

The Charity's overall aim is to be a voice for cathedral music through advocacy, education, excellence and assistance. It works to achieve this by increasing public awareness, knowledge and appreciation of cathedral music, by supporting and encouraging all those involved in making cathedral music, and by extending its range of grants to choirs and choral foundations. Its objectives are:



To encourage the pursuit of excellence in choral and organ music



To support cathedrals, choirs and choristers in need



To campaign on behalf of cathedral music

The Charity is especially committed to enabling children from a diverse range of backgrounds to experience the many benefits that come from being a chorister.

Public Benefit

The Trustees confirm that they have had regard to the guidance issued by the Charity Commission on the subject of public benefit. The Charity's three main activities which provide public benefit are the provision of financial and non-financial support to those engaged in making cathedral music; its publications, which are sent to subscribers and are available to the general public through cathedrals and the Charity's website; and its events, both online and in person, which are open to everyone.

Almost all services at which cathedral music is offered are free for anyone to attend. The Trustees consider that by providing support to those who are engaged in making cathedral music, they are ensuring its continued availability for all without charge. On this basis, the Trustees are satisfied that the Charity provides a benefit to the public.



ACTIVITIES

In order to achieve its objectives, the Charity's strategy is to pursue the following main areas of activity:

Financial and non-financial support for those engaged in making cathedral music. The Charity makes grants to cathedrals, churches and collegiate chapels to assist with the costs they incur in making cathedral music. In 2020 and 2021 the Charity provided financial support in the form of revenue grants only, to help fund the current costs of music at a time of extreme difficulty. The Charity also actively provides advice and non-financial support to choral foundations and departments of music in need of assistance.

Education. The Charity seeks to advance the education of the public in cathedral music through two main activities: its events and its publications. In 2020 and 2021 the Charity ran a series of online events and seminars, and in-person events resumed towards the end of 2021. In-person events are normally centred on one or more cathedrals and involve members of the choral foundations in those places. The Charity's magazine *Cathedral Music* is published twice each year. It is circulated to all subscribers, provided free of charge to cathedrals, and available to read on the Charity's website.

Public relations and marketing programmes. The Charity publicises its activities regularly and maintains a website, which gives information about the Charity's purpose and activities and about cathedral music more generally. The Charity engages in public debate on important issues relating to cathedral music, including through social media and online events. The Charity works to increase its supporter base and therefore its income. It also seeks to understand and satisfy the needs of its subscribers and potential supporters and to solicit grants, donations and legacies.

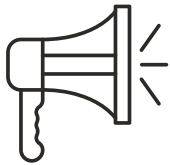
Diversity, Equality and Inclusion. The Trustees stress their commitment to diversity, equality and inclusion both within the Charity and in cathedral music more generally. The Charity believes that everyone has the right to benefit from learning, experiencing and making cathedral music. It is committed to playing its part in ensuring that everyone can access opportunities to fulfil their potential on a fair and equitable basis.

ACHIEVEMENTS AND PERFORMANCE IN 2021

in 2021, Cathedral Music Trust:



Awarded nearly half a million pounds in grants to 35 choral foundations



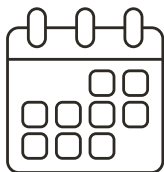
Announced Alexander Armstrong as the Charity's Ambassador



Brought together 50 choristers from 10 choral foundations for a concert at Coventry Cathedral



Launched a new and informative website



Organised a series of entertaining and innovative virtual events and campaigns



Held our first in-person event since the pandemic



TRUSTEES' REVIEW

The continuation of the pandemic throughout 2021 tested the resilience of choral foundations and their ability to deal with severe financial and musical challenges. In response, the Trustees extended our policy of providing financial assistance with the core costs of running music departments. We were pleased to disburse £450,530 in revenue grants to 35 cathedrals and choral foundations and this support for cathedral music was warmly welcomed. At a time when the sector was still feeling the devastating effects of the global pandemic, our grants proved a lifeline to many choral foundations, providing the security to continue employing key staff and offering stability and continuity for choristers, back rows and congregations.

We were delighted to announce Alexander Armstrong as the Trust's Ambassador, and thank him for the wide recognition and promotion he gives to cathedral music and its role in the country's cultural heritage.

We were also very pleased to announce our strategic partnership with the Genesis Foundation to nurture the next generation of choral singers, organists and composers, as well as a joint composition competition for the organ together with York Minster and Banks Publications.

The Trust held several virtual events for Friends and supporters during 2021, including

a panel discussion on The Future of Choral Evensong, a service of Virtual Compline in March, a 'behind-the-scenes' tour of Canterbury Cathedral's new organ in April and the Cathedral Music Challenge, a highly entertaining online quiz hosted by our Ambassador Alexander Armstrong in May.

We also launched two online campaigns: #ServicesAtSunset, which aimed to inspire individuals to step into their local cathedrals, chapels and churches to experience the transcendent experience of attending choral evensong or vespers in person again; and the Trust's digital Advent Calendar, which showcased 24 video contributions from choirs, organists and individual singers, encouraging public engagement with cathedral music and raising over £25,000.

BB

I have enjoyed being involved in the grant review process and being able to assist our applicants in overcoming the challenges presented by the pandemic as well as contributing to new activities emerging in the more recent round of grants. It was also a real treat to visit my local cathedral during our Services at Sunset campaign and meet colleagues in person for the first time.

Jessica Lock, Finance Director



In a year still overshadowed by the Covid-19 pandemic, Cathedral Music Trust has responded with characteristic imagination, resilience and enterprise to deliver on its commitment as a voice for cathedral music. It has been particularly inspiring to see people brought together from all walks of life to take part in the Trust's programme of in-person and virtual events throughout the year, each inspired and united by their passion to support all that cathedral music has to offer.

Natasha Morris, Development Director

Our first in-person event since the onset of the pandemic took place at Gloucester Cathedral in September, where 50 people attended our first gathering since early March 2020. Our Derby National Gathering followed in November, attended by over 100 people and featuring the first performance of The Derby Service by Alison Willis, jointly funded by the Trust and Derby Cathedral.

We had an audience of 250 for the Diamond Fund for Choristers Concert 'I Was Glad!' at Coventry Cathedral in October 2021, attended by HRH The Duchess of Gloucester and John Rutter. Over 50 choristers from 10 choral foundations across the Midlands were brought together for the concert, conducted by Rachel Mahon.

Our two publications, *Cathedral Music* and *Cathedral Voice*, were each produced twice in 2021 and continue to be appreciated by their readers. In September 2021, *Cathedral Voice* transitioned to a digital format distributed quarterly and now has a regular readership of just under 4,500. The Trustees thank the Editors and the Production Manager for their work on these publications, and record their gratitude to the Editor of *Cathedral Voice* and to the Production Manager, who both retired in 2021.

Our subscriber base remains steady, at around 3,000 in total. Our presence on social media continues to grow and 2021 saw increased investment in digital activities. At the end of 2021, the Charity's Facebook page had 1325 (2020: 739) followers and the Friends of Cathedral Music group 8,833. The Charity had 3,008 Twitter followers (2020: 2,269). A new Instagram account had 793 followers (2020: 0). Social media was a crucial tool in running campaigns in 2021, with over four million accounts reached via Twitter and 408,596 accounts reached via Facebook.

2021 saw the launch of Cathedral Music Trust's new website. As well as providing information about who we are and what we do, the site now enables Friends and supporters to engage with us online, for example by booking for events and making donations. In the course of the year over 25,500 individuals used the website.



For me, a highlight of the year was the launch of Cathedral Music Trust's new website. Together with a fresh, clean look, it gives the Trust the opportunity to engage meaningfully with our Friends and supporters and to spread the word about the value of cathedral music.

Cathryn Dew, Operations Director

The Trustees record their thanks to the Diamond Fund for Choristers ("DFC"), a restricted fund set up in 2016 to support choristers. The Diamond Fund for Choristers concluded its activities at the end of 2021, bringing in £618,293 since 2016. The activities of DFC have now been absorbed into the Trust's Development Department, and support for choristers remains a core element of the Trust's work.



Young singers at Lichfield Cathedral

THE IMPACT OF OUR GRANTS



The soprano choral scholars are an exciting addition to the choir, for whom we could not provide the training and opportunity without the support of Cathedral Music Trust.

Lichfield Cathedral



Guildford Cathedral choristers meet Alexander Armstrong



Worship and music being at the heart of cathedral life, this grant has kept it beating.

Guildford Cathedral



The choir can only sing to the standard expected if all the choristers have had adequate vocal training. It's a wonderful thing to witness young children gaining satisfaction from singing beautiful, and sometimes challenging, music at a high level. They develop a genuine interest in the repertoire and also the beginnings of an appreciation of the spiritual impact their performances have on worshippers.

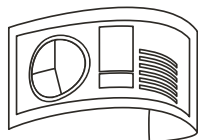
Carlisle Cathedral



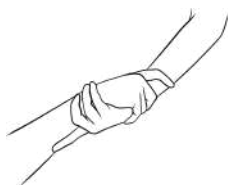
Carlisle Cathedral choristers

FUTURE PLANS

the Charity's plans for 2022 and beyond include:



A review of the Trust's strategy and forward plans, assisted by a leading UK arts consultancy



Launch of its Future Leaders Group, a forum for young people with connections to or an interest in the world of cathedral music to develop skills to enable them to become leaders of the future and to ensure that the voices of young people are at the heart of what the Charity does



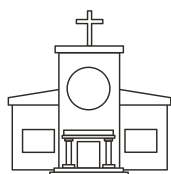
Around £400,000 in grants to be made available to choral foundations in 2022



A service of Evensong attended by HRH the Duchess of Gloucester at St Paul's Cathedral to celebrate the work of the Trust's Diamond Fund for Choristers



Our first online education conference for people working in cathedral music



In-person gatherings at Peterborough (March), Chichester (May) and Dublin (October) as well as local in-person events (subject to COVID-19 restrictions)



FINANCIAL REVIEW, OPERATING MODEL AND RISKS

Financial review

The Trust set its budget for 2021 recognising the need to provide additional support to its beneficiaries during the pandemic and acknowledging the continued investment in professionalising the Charity's operations. By the year end, the Charity had achieved a surplus of £32,655 on unrestricted funds (2020: £615,074) due to £247,671 legacy income, which is not budgeted, and a significant increase in donations following the creation of a new Development Department.

Unrestricted income was £180,538 lower than in 2020 because of a reduction in unrestricted legacy income. This was partially offset by increases of £42,294 in unrestricted donations, £22,401 in investment income and £9,460 in subscriptions. Restricted income has decreased as the Cathedral Choirs' Emergency Fund (CCEF), a one-off fund which raised approximately £750,000 to mitigate the worst effects of the pandemic, ended in 2020.

Unrestricted expenditure is £153,185 higher than the previous year (including transfers to restricted funds) as the Charity awarded grant funding from unrestricted funds of £369,855 (2020: £250,000) and increased investment in fundraising and marketing by £26,041. The charity was able to use £189,364 of restricted funding to support its activities in 2021 (2020: £59,032 excluding CCEF).

This meant that in total in 2021 it was able to award £450,530 in grants to choral foundations. In addition, £147,037 legacy income has been added to the Endowment Fund (2020: £148,341) to fund future charitable activity as well as the full investment gain of £829,119 (2020: £231,693).

Reserves at 31 December 2021 were £7,818,855 (2020: £6,890,462), split between endowment funds of £6,717,337 (2020: £5,741,181), restricted funds of £137,025 (2020: £217,443) and unrestricted funds of £964,493 (2020: £931,838) of which £350,000 (2020: £350,000) has been designated for the Grant Fund, £60,000 as a new Discretionary Fund, £21,000 (2020: £25,000) for an organ scholarship and £10,000 (2020 £19,000) for the new CRM system.

Principal funding

The Charity earns its income from three principal sources: investment income £182,787 (2020: £160,386); subscriptions £175,192 (2020: £165,732); and unrestricted donations £112,015 (2020: £69,721, excluding income received through the CCEF).

DFC raised £33,701 in 2021 (2020: £35,172). DFC ceased active fundraising at the end of 2021 and its activities have been absorbed into the Charity's Development Department.

Legacy policy

The Charity's legacy policy provides that, unless a will states otherwise, legacies received from wills written in 2013 or earlier will be treated as capital and will be added to the Endowment Fund, whereas legacies received from wills written after 1 January 2014 will be treated either as revenue or capital at the discretion of the Trustees.

Investment policy and performance

Investments continued to be held in the CBF Church of England Funds managed by CCLA and with Schrodgers. The amounts invested have been built up from legacy receipts and other surpluses.

The Trust's financial objective is to generate a stream of income rising in line with inflation, and to balance the needs of current and future beneficiaries. The investment objective of these assets is inflation (CPI) plus 4% per annum. This objective allows for annual distributions of income representing up to 4% of capital and the preservation of the real value of the endowment.

The portfolio's total return on investment over the past 12 months was 18.2% (2020: 8%). Trustees are satisfied with the performance of these investments during the year.

Principal risks and uncertainties

The Trustees keep under regular review the principal risks to which the Charity is exposed and has established appropriate systems to manage them. The oversight of risk management lies with the Finance & Audit Committee which reports to the Board. The risk register identifies the following key strategic risks to the Charity and summarises action being taken to mitigate them:

1. Non-compliance with relevant regulatory requirements: the Charity is taking steps to ensure that all personnel understand and adhere to organisational policies, including requiring all volunteers to sign a Volunteers' Agreement. Policies are reviewed and updated regularly.

2. Cyber security and technology risk: IT and data protection policies have been revised and security updates and additional safeguards implemented when required.

3. Inadequate budgetary control: the Charity now employs a professional Finance Director. Detailed budgets are prepared and progress against budgets monitored. Management accounts are circulated to and reviewed by Trustees regularly. Grants to choral foundations are not committed unless funds are available to pay them.

4. Reputational and/or financial risk, including from fundraising: The Charity employs a professional Development Director to oversee and implement fundraising initiatives. All fundraising is now undertaken through the Charity. The Charity is registered with the Fundraising Regulator and the Fundraising Preference Service.

Reserves policy

The Charity maintains an expendable Endowment Fund, which comprises investments and bank deposits. Legacies have been allocated to this fund in line with the legacy policy together with the gains or losses on the associated investments in accordance with its stated policy. The income generated by these investments is used to finance the activities of the Charity.

The designated Grant Fund exists to ensure that the Charity can maintain its ability to make grants at a reasonably consistent level from year to year.

Beyond these funds, the Trustees regard it as necessary to maintain free reserves at least equivalent to three months' operating expenditure plus the budgeted annual grant expenditure. This level of reserves will enable the Charity to maintain its operations in the event of an unexpected shortfall of one or more sources of income. For 2022, the minimum level of free reserves needed for this purpose is £501,400. At 31 December 2021, the Charity's general funds amounted to £523,165 (2020: £528,060).

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they

continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.





GOVERNANCE AND MANAGEMENT

Cathedral Music Trust was registered with the Charity Commission as a Charitable Incorporated Organisation on 5 February 2020, with charity number 1187769. The governing document of the Charity is its constitution. All activities, assets and liabilities of its predecessor charity, Friends of Cathedral Music, were transferred to Cathedral Music Trust in 2020.

The constitution of the Charity provides for a maximum of 12 trustees (15 until 2023). At 31 December 2021, the Charity had 12 trustees (2020 – 13 trustees). Under the constitution, new trustees are appointed by resolution passed at a properly convened meeting of the Charity's trustees. The Trustees regularly review the composition of the Board to ensure an appropriate balance of knowledge and experience. New trustees are provided with an induction pack in line with Charity Commission guidance. During 2021, the Trustees met five times, once in person and four times via videoconference.

The Board of Trustees is supported by four committees: Finance & Audit Committee; Development Committee; Friends Committee and Grants Committee. On average, each committee meets three times a year. The Board receives reports of committee meetings and considers their recommendations.

At 31 December 2021, the Charity had five paid employees (all of whom worked part-time):

Development Director, Operations Director, Finance Director, Communications and Marketing Officer and Administration Officer. The Charity benefits from a partnership with the Genesis Foundation, which supports the position of Communications and Marketing Officer. The Charity also contracts the services of a freelance Finance Administrator. In 2021 the Charity provided honoraria to the Editors of Cathedral Music and Cathedral Voice and to the Production Manager.

The Charity relies heavily on the commitment of its many volunteers, who give generously of their time and energy. The Trustees are grateful to all its volunteers. At 31 December 2021, almost 40 individuals served the Charity as official volunteers.

Relations with other organisations

The Charity continues to work closely with organisations which seek to promote cathedral music.

Fundraising

The Charity is broadening its fundraising efforts through a professional in-house team and its Development Director is a member of the Chartered Institute of Fundraising. The Charity has not received any complaints about fundraising activity during the year. Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.



LEGAL AND ADMINISTRATIVE INFORMATION

The Trustees serving at 31 December 2021 were:

Peter Allwood (Chair)
Sooty Asquith (Editor, Cathedral Music)
Rosemary Downey (Chair, Friends Committee)
Christopher Gower (resigned 31 December 2021)
Jason Groves
James Lancelot (Chair, Grants Committee)
Jonathan Macdonald (Chair, Development Committee)
Heather Morgan
James Mustard
Ann Parsons (Lead Safeguarding Trustee)
Isobel Pinder (Secretary)
Gavin Ralston (Chair, Finance & Audit Committee)
Peter Smith

Charity registered number

1187769 (Cathedral Music Trust); 285121 (Friends of Cathedral Music)

Principal office

27 Old Gloucester Street, London, WC1N 3AX

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

Santander Commercial Bank plc, Customer Service Centre, Bootle, L30 4GB

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Lawyers

Veale Wasbrough Vizards LLP, Second Floor, 3 Brindley Place, Birmingham, B1 2JB

Investment Managers

CCLA Investment Management Limited, 80 Cheapside, London, EC2V 6DZ

Schroder Unit Trusts Limited, PO Box 1402, Sunderland, SR43 4AF

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 23 April 2022 and signed on their behalf by



.....
Peter Allwood
Chair

Date: 23 April 2022



.....
Gavin Ralston
Chair, Finance and Audit Committee

Date: 23 April 2022

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OPINION

We have audited the financial statements of Cathedral Music Trust (the 'Charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OTHER INFORMATION

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

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

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

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

Peters, Elworthy & Moore
Chartered Accountants
Statutory Auditors
Salisbury House
Cambridge
CB1 2LA

Date: 09 May 2022

CATHEDRAL MUSIC TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ | |
|---|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|------------------|
| Note | | | | | | |
| INCOME FROM: | | | | | | |
| Donations and legacies | 2 | 387,841 | 100,260 | 147,037 | 635,138 | 1,618,812 |
| Charitable activities | 3 | 15,435 | 1,569 | - | 17,004 | 11,481 |
| Other trading activities | 4 | 8,540 | - | - | 8,540 | 9,184 |
| Investments | 5 | 182,780 | 7 | - | 182,787 | 160,386 |
| TOTAL INCOME | | 594,596 | 101,836 | 147,037 | 843,469 | 1,799,863 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 6 | 43,190 | 108,664 | - | 151,854 | 125,813 |
| Charitable activities | 7 | 511,641 | 80,700 | - | 592,341 | 1,102,025 |
| TOTAL EXPENDITURE | | 554,831 | 189,364 | - | 744,195 | 1,227,838 |
| NET (EXPENDITURE) / INCOME BEFORE INVESTMENT GAINS | | 32,655 | (80,418) | 147,037 | 99,274 | 572,025 |
| Net gains on investments | 14 | - | - | 829,119 | 829,119 | 231,693 |
| NET INCOME / (EXPENDITURE) | | 32,655 | (80,418) | 976,156 | 928,393 | 803,718 |
| Transfers between funds | 16 | (7,110) | 7,110 | - | - | - |
| NET MOVEMENT IN FUNDS | | 32,655 | (80,418) | 976,156 | 928,393 | 803,718 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 931,838 | 217,443 | 5,741,181 | 6,890,462 | 6,086,744 |
| TOTAL FUNDS CARRIED FORWARD: | | 964,493 | 137,025 | 6,717,337 | 7,818,855 | 6,890,462 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 40 form part of these financial statements.

CATHEDRAL MUSIC TRUST

REGISTERED NUMBER 1187769

BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | £ | 2021 £ | £ | 2020 £ |
|--|------|----------------|------------------|------------------|------------------|
| FIXED ASSETS | | | | | |
| Investments | 14 | | 6,905,291 | | 5,576,172 |
| | | | <hr/> | | <hr/> |
| | | | 6,905,291 | | 5,576,172 |
| CURRENT ASSETS | | | | | |
| Stocks | | 339 | | 166 | |
| Debtors | 15 | 139,313 | | 228,210 | |
| Cash at bank and in hand | | 815,756 | | 1,148,753 | |
| | | <hr/> | | <hr/> | |
| | | 955,408 | | 1,377,129 | |
| CREDITORS: amounts falling due within one year | 16 | 41,844 | | 62,839 | |
| | | <hr/> | | <hr/> | |
| NET CURRENT ASSETS | | | 913,564 | | 1,314,290 |
| TOTAL NET ASSETS | | | <hr/> | <hr/> | |
| | | | 7,818,855 | | 6,890,462 |
| | | | <hr/> | <hr/> | |
| CHARITY FUNDS | | | | | |
| Endowment funds | 17 | | 6,717,337 | | 5,741,181 |
| Restricted funds | 17 | | 137,025 | | 217,443 |
| Unrestricted funds | 17 | | 964,493 | | 931,838 |
| | | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS | | | 7,818,855 | | 6,890,462 |
| | | | <hr/> | <hr/> | <hr/> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf, by:



Peter Allwood
Chair

Date: 23 April 2022



Gavin Ralston
Chair, Finance and Audit Committee

Date: 23 April 2022

The notes on pages 25 to 40 form part of these financial statements.

CATHEDRAL MUSIC TRUST

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash (used in) / from operating activities | 18 | <u>(6,900)</u> | <u>364,070</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends and interest from investments | | 173,903 | 161,431 |
| Net purchase of investments | | (500,000) | (400,000) |
| NET CASH USED IN INVESTING ACTIVITIES | | <u>(326,097)</u> | <u>(238,569)</u> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | | |
| Cash and cash equivalents at the beginning of the year | | (332,997) | 125,501 |
| | | 1,148,753 | 1,023,252 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 19 | <u>815,756</u> | <u>1,148,753</u> |

The notes on pages 25 to 40 form part of these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements will continue to be prepared on a going concern basis.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are recognised on a case-by-case basis following the granting of probate when the administrator or executor for the estate has communicated in writing the amount. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Members' voluntary subscriptions are recognised when received, whilst publication and event income is recognised at the date of publication or when the event takes place.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. As the Charity is not registered for VAT, all VAT incurred is charged against the relevant category of expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. This consists of the purchase and distribution of items for resale, publicity and servicing the membership function.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs. This includes grants awarded and the costs associated with gatherings, other events and publications. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. These are unconditional grant offers and are accrued once the recipients have been notified of the grant awards.

1.6 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs comprise governance costs and other administrative costs which cannot easily be allocated to a specific charitable activity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include the statutory audit and legal fees as well as the costs of Trustee and Committee meetings. Support costs comprise travel expenses, administration and legal costs and are apportioned as set out in note 10. Support costs relating to charitable activities have been apportioned based on the estimated staff time involved with each category of expenditure.

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting estimates and assumptions have been made by management in preparing these financial statements.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2 INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|-----------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Subscriptions | 175,192 | - | - | 175,192 | 165,732 |
| Legacies | 100,634 | - | 147,037 | 247,671 | 508,466 |
| Other donations | 112,015 | 100,260 | - | 212,275 | 944,614 |
| | <u>387,841</u> | <u>100,260</u> | <u>147,037</u> | <u>635,138</u> | <u>1,618,812</u> |
| Total 2020 | <u>592,846</u> | <u>877,625</u> | <u>148,341</u> | <u>1,618,812</u> | |

In 2020, £751,492 of restricted donations related to the Cathedral Choirs' Emergency Fund.

3 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| National Gatherings | 6,053 | - | - | 6,053 | 7,876 |
| Other events | 6,927 | 1,569 | - | 8,496 | 179 |
| Publications | 2,455 | - | - | 2,455 | 3,426 |
| | <u>15,435</u> | <u>1,569</u> | <u>-</u> | <u>17,004</u> | <u>11,481</u> |
| Total 2020 | <u>11,481</u> | <u>-</u> | <u>-</u> | <u>11,481</u> | |

4 FUNDRAISING INCOME

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Sale of Christmas cards | 8,416 | - | - | 8,416 | 6,128 |
| Sale of other merchandise | 124 | - | - | 124 | 3,056 |
| | <u>8,540</u> | <u>-</u> | <u>-</u> | <u>8,540</u> | <u>9,184</u> |
| Total 2020 | <u>9,184</u> | <u>-</u> | <u>-</u> | <u>9,184</u> | |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5 INVESTMENT INCOME

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Dividends and interest | 182,763 | - | - | 182,763 | 159,878 |
| Interest on cash deposits | 17 | 7 | - | 24 | 508 |
| | <u>182,780</u> | <u>7</u> | <u>-</u> | <u>182,787</u> | <u>160,386</u> |
| Total 2020 | <u>160,319</u> | <u>67</u> | <u>-</u> | <u>160,386</u> | |

6 FUNDRAISING EXPENDITURE

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Direct fundraising costs | 16,148 | 4,354 | - | 20,502 | 23,139 |
| Marketing | 5,081 | - | - | 5,081 | - |
| Christmas cards | 3,649 | - | - | 3,649 | 2,564 |
| Other merchandise | 4 | - | - | 4 | 3,867 |
| Membership | 3,396 | - | - | 3,396 | 19,751 |
| Support costs | 14,912 | 104,310 | - | 119,222 | 76,492 |
| | <u>43,190</u> | <u>108,664</u> | <u>-</u> | <u>151,854</u> | <u>125,813</u> |
| Total 2020 | <u>95,988</u> | <u>29,825</u> | <u>-</u> | <u>125,813</u> | |

Restricted support costs include staff costs funded by Genesis Foundation and other donors.

7 CHARITABLE EXPENDITURE

| | Activities undertaken 2021 £ | Grant funding 2021 £ | Support costs 2021 £ | Total 2021 £ | Total 2020 £ |
|---------------------------------------|---------------------------------------|-------------------------------|-------------------------------|--------------------|--------------------|
| Financial support for cathedral music | - | 450,530 | 32,515 | 483,045 | 1,042,953 |
| Publications | 35,993 | - | 32,515 | 68,508 | 51,630 |
| Events | 8,273 | - | 32,515 | 40,788 | 7,442 |
| | <u>44,266</u> | <u>450,530</u> | <u>97,545</u> | <u>592,341</u> | <u>1,102,025</u> |
| Total 2020 | <u>54,298</u> | <u>1,039,257</u> | <u>8,470</u> | <u>1,102,025</u> | |

In 2020, £1,039,257 of the charitable expenditure was restricted (including a £250,000 transfer from the Charity's unrestricted funds) and £62,768 was attributable to unrestricted funds.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 PUBLICATIONS AND EVENTS

| | Total 2021 £ | Total 2020 £ |
|---------------------|--------------------|--------------------|
| Cathedral Music | 23,288 | 27,759 |
| Cathedral Voice | 12,705 | 19,097 |
| National Gatherings | 7,458 | 7,265 |
| Other events | 815 | 177 |
| | 44,266 | 54,298 |

All direct costs in 2021 and 2020 related to unrestricted funds.

9 FINANCIAL SUPPORT

| | Grants to institutions 2021 £ | Grants to individuals 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|--|--|---------------------------------------|-----------------------------|-----------------------------|
| Direct financial support for cathedral music | 450,530 | - | 450,530 | 1,039,257 |
| | 450,530 | - | 450,530 | 1,039,257 |
| Total 2020 | <u>1,039,257</u> | <u>-</u> | <u>1,039,257</u> | |

During the year, £80,675 of grants were awarded to 17 choral foundations from restricted funds and £369,830 to 28 choral foundations from unrestricted funds.

In 2020, £1,010,050 of grants were awarded to 42 choral foundations from the Cathedral Choirs' Emergency Fund. All grants in 2020 were made from restricted funds after £250,000 transferred into the Emergency Fund from unrestricted funds.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9 FINANCIAL SUPPORT (CONTINUED)

During the year, 41 grants were awarded to 35 institutions as shown below:

| | 2021 £ |
|------------------------------|-----------------------|
| Recipient | |
| Arundel Cathedral | 3,000 |
| St Anne's Cathedral, Belfast | 5,000 |
| Birmingham Cathedral | 780 |
| Bradford Cathedral | 15,000 |
| Brentwood Cathedral | 2,000 |
| Carlisle Cathedral | 5,000 |
| Chester Cathedral | 20,000 |
| Chichester Cathedral | 16,000 |
| Derby Cathedral | 5,500 |
| Durham Cathedral | 20,000 |
| Exeter Cathedral | 30,000 |
| Gloucester Cathedral | 5,000 |
| Guildford Cathedral | 21,000 |
| Hexham Abbey | 10,000 |
| Cathedral Isle of Man | 7,000 |
| Leeds Cathedral | 8,000 |
| Leeds Minster | 6,000 |
| Leicester Cathedral | 21,000 |
| Lichfield Cathedral | 16,000 |
| Liverpool Cathedral | 16,000 |
| Newcastle Cathedral | 16,000 |
| Peterborough Cathedral | 20,000 |
| Ripon Cathedral | 20,000 |
| Rochester Cathedral | 5,000 |
| Salisbury Cathedral | 1,000 |
| St Edmundsbury Cathedral | 10,000 |
| St Mary's Cathedral, Swansea | 1,500 |
| St Mary's Cathedral, Warwick | 15,000 |
| St Paul's Cathedral | 25,000 |
| Tewkesbury Abbey | 10,000 |
| Truro Cathedral | 16,000 |
| Wakefield Cathedral | 10,000 |
| Wells Cathedral | 25,000 |
| Worcester Cathedral | 30,000 |
| York Minster | 13,750 |
| Total | <u><u>450,530</u></u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10 SUPPORT AND GOVERNANCE COSTS

| | Support £ | Governance £ | Total 2021 £ | Total 2020 £ |
|-----------------------------|----------------|-----------------|--------------------|--------------------|
| Staff costs | 131,605 | - | 131,605 | 39,419 |
| Administration | 35,436 | - | 35,436 | 25,146 |
| Legal and professional fees | - | 30,616 | 30,616 | 7,403 |
| Board meetings costs | - | 2,354 | 2,354 | 521 |
| Audit and accountancy fees | - | 16,756 | 16,756 | 12,473 |
| | 167,041 | 49,726 | 216,767 | 84,962 |
| Total 2020 | 64,565 | 20,397 | 84,962 | |

Allocation

All costs are allocated as far as possible directly to the category of expenditure to which they relate. All governance costs and support costs which cannot be allocated directly to a category of expenditure are allocated as follows: 15% to grants (2020: 5%), 15% to publications (2020: 5%), 15% to events (2020: 5%), 45% to fundraising (2020: 65%) and 10% to marketing (2020: nil).

| | | 2021 | 2020 |
|-----------------------|----------------|----------------|--------|
| Raising funds | Fundraising | 97,545 | 76,492 |
| | Marketing | 21,677 | - |
| | | 119,222 | 76,492 |
| Charitable activities | Grants | 32,515 | 3,696 |
| | Events | 32,515 | 2,387 |
| | Publications | 32,515 | 2,387 |
| | | 97,545 | 8,470 |
| | 216,767 | 84,962 | |

11 AUDITORS' REMUNERATION

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Auditors' remuneration - audit | 7,000 | 7,000 |
| Auditors' remuneration - other services | 956 | 5,473 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

12 STAFF COSTS

| | 2021 £ | 2020 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 121,467 | 39,205 |
| Social security costs | 7,489 | 215 |
| Pension costs | 2,649 | - |
| | 131,605 | 39,420 |

The number of staff employed by the charity during the year was as follows:

| | Average head count basis | | Full-time equivalent basis | |
|----------------------------|--------------------------|-------------|----------------------------|-------------|
| | 2021 No. | 2020 No. | 2021 No. | 2020 No. |
| Fundraising | 1.0 | 0.1 | 0.5 | 0.1 |
| Marketing | 1.0 | 0.3 | 1.1 | 0.2 |
| Charitable operations | 2.0 | 0.8 | 1.5 | 0.6 |
| Administration and Finance | 0.7 | - | 0.3 | - |
| | 4.7 | 1.3 | 3.4 | 1.0 |

No employee received remuneration amounting to more than £60,000 in either year.

13 KEY MANAGEMENT AND TRUSTEES' EXPENSES

The Trustees are considered to be the key management personnel of the Charity and all gave their time and expertise freely without any form of remuneration or other benefit in cash or kind in either 2020 or 2019.

One Trustee received an Honorarium of £3,200 in her capacity as Editor of Cathedral Music (2020: £3,200).

Travel and subsistence expenses totalling £929 were reimbursed to five Trustees (2020: £1,279 to nine Trustees).

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

14 FIXED ASSET INVESTMENTS

| | Total £ |
|----------------------------|-------------------|
| MARKET VALUE | |
| At 1 January 2021 | 5,576,172 |
| Additions | 500,000 |
| Revaluations | 829,119 |
| At 31 December 2021 | 6,905,291 |

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in collective investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15 DEBTORS

| | 2021 £ | 2020 £ |
|----------------|----------------|----------------|
| Trade debtors | 737 | - |
| Accrued income | 122,633 | 216,128 |
| Prepayments | 15,943 | 12,082 |
| | 139,313 | 228,210 |

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2021 £ | 2020 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 17,859 | 3,619 |
| Other taxation and social security | 5,733 | 5,147 |
| Grants payable | 3,750 | 33,273 |
| Other creditors | 14,502 | 20,800 |
| | 41,844 | 62,839 |

RECONCILIATION OF GRANT MOVEMENTS

| | 2021 £ | 2020 £ |
|------------------------------|--------------|---------------|
| Creditors brought forward | 33,273 | 10,333 |
| Commitments made in the year | 450,530 | 1,046,257 |
| Grants paid | (480,053) | (1,016,317) |
| Refunds | - | (7,000) |
| Grants carried forward | 3,750 | 33,273 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

17 STATEMENT OF FUNDS

CURRENT YEAR

| | Balance at 01 January 2021 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|---------------------------|---------------------------------------|----------------|------------------|------------------------------|-------------------------|--|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 350,000 | - | (355,855) | 355,855 | - | 350,000 |
| Discretionary Fund | - | - | - | 60,000 | - | 60,000 |
| Organ Scholarship | 25,000 | - | (4,000) | - | - | 21,000 |
| Chorister Support Grant | 10,000 | - | (10,000) | - | - | - |
| CRM System | 18,778 | - | (8,450) | - | - | 10,328 |
| | <u>403,778</u> | <u>-</u> | <u>(378,305)</u> | <u>415,855</u> | <u>-</u> | <u>441,328</u> |
| General funds | 528,060 | 594,596 | (176,526) | (422,965) | - | 523,165 |
| | <u>931,838</u> | <u>594,596</u> | <u>(554,831)</u> | <u>(7,110)</u> | <u>-</u> | <u>964,493</u> |
| ENDOWMENT FUND | 5,741,181 | 147,037 | | | 829,119 | 6,717,337 |
| | <u>5,741,181</u> | <u>147,037</u> | <u>-</u> | <u>-</u> | <u>829,119</u> | <u>6,717,337</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for | | | | | | |
| Choristers | 99,525 | 33,701 | (37,579) | - | - | 95,647 |
| Linbury Trust | 15,289 | - | (15,289) | - | - | - |
| Mosawi Foundation | 15,054 | 20,000 | (20,000) | - | - | 15,054 |
| Oswald Allan | 12,895 | - | (12,895) | - | - | - |
| Tony Harvey Scholarship | 8,404 | - | (3,000) | - | - | 5,404 |
| Tanner Trust | 5,412 | 5,000 | (4,937) | - | - | 5,475 |
| Swire Trust | 395 | 2,500 | (2,895) | - | - | - |
| The George Cadbury Fund | - | 10,000 | (10,000) | - | - | - |
| Cathedral Choirs' | | | | | | |
| Emergency Fund | 1,442 | 635 | (25) | (2,052) | - | - |
| Genesis Foundation | 9,768 | 25,000 | (19,323) | - | - | 15,445 |
| Other restricted funding | 49,259 | 5,000 | (63,421) | 9,162 | - | - |
| | <u>217,443</u> | <u>101,836</u> | <u>(189,364)</u> | <u>7,110</u> | <u>-</u> | <u>137,025</u> |
| Total of funds | 6,890,462 | 843,469 | (744,195) | - | 829,119 | 7,818,855 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

17 STATEMENT OF FUNDS (CONTINUED)

PURPOSE OF FUNDS

| | |
|---|--|
| Diamond Fund for Choristers | To support cathedral choristers |
| Linbury Trust | To enable the charity to support greater churches and the costs required for choirs and fees for music services |
| Mosawi Foundation | To award support grants to choristers |
| Oswald Allan | To support traditional choirs of boys and men |
| Tony Harvey Scholarship | For the benefit of male choral scholars at English cathedrals |
| Tanner Trust | Funds brought forward were for IT equipment for new staff. Funds received in 2021 are for our summit on outreach and education held in January 2022. |
| Swire Trust | To administer the Diamond Fund for Choristers |
| The George Cadbury Fund | To support our ongoing funding programme for choirs in need |
| Cathedral Choirs' Emergency Fund | To support cathedrals across the UK in response to the COVID-19 pandemic in partnership with the Ouseley Church Music Trust and the Choir Schools' Association |
| Genesis Foundation | To fund the role of Marketing and Communications Officer |
| Other restricted funding | To cover incremental staff costs following the charity's incorporation |

Designated funds and transfers

Designated funds represent amounts set aside by the Trustees to fund future grant payments and for the CRM system. The Dr Eric Pitts Organ Scholarship Fund was set up by the Council of Friends of Cathedral Music, out of a generous bequest, to provide an annual scholarship to support a cathedral organ scholar.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 202

17 STATEMENT OF FUNDS (CONTINUED)

PRIOR YEAR

| | Balance at 01 January 2020 £ | Income £ | Expenditure £ | Transfers in / (out) £ | Gains / (Losses) £ | Balance at 31 December 2020 £ |
|---------------------------|---------------------------------------|------------------|--------------------|------------------------------|--------------------------|--|
| UNRESTRICTED FUNDS | | | | | | |
| Designated funds: | | | | | | |
| Grant Fund | 300,000 | - | - | 50,000 | - | 350,000 |
| Organ Scholarship | 25,000 | - | - | - | - | 25,000 |
| Chorister Support Grant | - | 10,000 | - | - | - | 10,000 |
| CRM System | 29,832 | - | (11,054) | - | - | 18,778 |
| | <u>354,832</u> | <u>10,000</u> | <u>(11,054)</u> | <u>50,000</u> | <u>-</u> | <u>403,778</u> |
| General funds | 211,932 | 763,830 | (147,702) | (300,000) | - | 528,060 |
| | <u>566,764</u> | <u>773,830</u> | <u>(158,756)</u> | <u>(250,000)</u> | <u>-</u> | <u>931,838</u> |
| ENDOWMENT FUND | 5,381,147 | 148,341 | - | (20,000) | 231,693 | 5,741,181 |
| | <u>5,381,147</u> | <u>148,341</u> | <u>-</u> | <u>(20,000)</u> | <u>231,693</u> | <u>5,741,181</u> |
| RESTRICTED FUNDS | | | | | | |
| Diamond Fund for | | | | | | |
| Choristers | 45,410 | 35,172 | (1,057) | 20,000 | - | 99,525 |
| Linbury Trust | 35,289 | 10,000 | - | (30,000) | - | 15,289 |
| Mosawi Foundation | 20,204 | 25,000 | (20,150) | (10,000) | - | 15,054 |
| Oswald Allan | 19,895 | - | (7,000) | - | - | 12,895 |
| Tony Harvey Scholarship | 9,404 | - | (1,000) | - | - | 8,404 |
| Tanner Trust | 2,000 | 5,000 | (1,588) | - | - | 5,412 |
| Swire Trust | 5,000 | - | (4,605) | - | - | 395 |
| Cathedral Choirs' | | | | | | |
| Emergency Fund | - | 751,492 | (1,010,050) | 260,000 | - | 1,442 |
| Genesis Foundation | - | 12,500 | (2,732) | - | - | 9,768 |
| Other restricted funding | 1,631 | 38,528 | (20,900) | 30,000 | - | 49,259 |
| | <u>138,833</u> | <u>877,692</u> | <u>(1,069,082)</u> | <u>270,000</u> | <u>-</u> | <u>217,443</u> |
| Total of funds | <u>6,086,744</u> | <u>1,799,863</u> | <u>(1,227,838)</u> | <u>-</u> | <u>231,693</u> | <u>6,890,462</u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 202

18 ANALYSIS OF NET ASSETS

CURRENT YEAR

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Endowment funds 2021 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | 187,954 | - | 6,717,337 | 6,905,291 |
| Current assets | 816,383 | 139,025 | - | 955,408 |
| Creditors due within one year | (39,844) | (2,000) | - | (41,844) |
| | <u>964,493</u> | <u>137,025</u> | <u>6,717,337</u> | <u>7,818,855</u> |

PRIOR YEAR

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total funds 2020 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 5,576,172 | 5,576,172 |
| Current assets | 962,027 | 250,093 | 165,009 | 1,377,129 |
| Creditors due within one year | (30,189) | (32,650) | - | (62,839) |
| | <u>931,838</u> | <u>217,443</u> | <u>5,741,181</u> | <u>6,890,462</u> |

19 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Net expenditure for the year (as per Statement of Financial Activities) | 928,393 | 803,718 |
| Adjustment for: | | |
| Gains on investments | (829,119) | (231,693) |
| Dividends and interest from investments | (182,787) | (160,386) |
| Decrease/(increase) in stocks | (173) | 3,017 |
| Decrease/(increase) in debtors | 97,781 | (82,367) |
| (Decrease)/increase in creditors | (20,995) | 31,781 |
| Net cash used in operating activities | <u>(6,900)</u> | <u>364,070</u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 202

20 ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2021 £ | 2020 £ |
|--|----------------|------------------|
| Cash at bank | 187,453 | 585,660 |
| Cash held on deposit as part of investment portfolio | 628,303 | 563,093 |
| Total | <u>815,756</u> | <u>1,148,753</u> |

21 ANALYSIS OF CHANGES IN NET DEBT

| | At 1 January 2021 £ | Cash flows £ | At 31 December 2021 £ |
|--------------------------|---------------------------|------------------|--------------------------------|
| Cash at bank and in hand | 1,148,753 | (332,997) | 815,756 |
| | <u>1,148,753</u> | <u>(332,997)</u> | <u>815,756</u> |

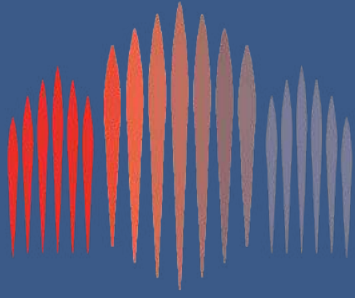
22 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or in the previous year.

CATHEDRAL MUSIC TRUST

England & Wales - Charity number 1187769

Accounts



CATHEDRAL
MUSIC TRUST

ANNUAL REPORT 2020



The Trustees present their Annual Report together with the audited financial statements of the Charity for the year 1 January 2020 to 31 December 2020.

The Trustees confirm the Annual Report and financial statements comply with the statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition October 2019)

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CHAIR'S FOREWORD

What an extraordinary year! Soon after our Gathering of Friends at Worcester in March 2020, the country was shut down, with no opportunity to meet, no churches open and our choirs and organs silent. In early April, the devastating impact that the pandemic would have on cathedrals' income, and the funding of their choirs, became clear. In an historic partnership with the Ouseley Church Music Trust and the Choir Schools' Association, the Cathedral Choirs' Emergency Fund was created, ultimately providing, with the Church Commissioners and the generosity of the public, over £2 million to sustain our cherished professional singers through these troubled times.

But our focus in 2020 was not on the Emergency Fund alone. Plans for restructuring the charity, already well underway, grew in urgency as the scale of the longer-term impact of the pandemic on cathedrals and their musicians became apparent. Hence, in July 2020, Cathedral Music Trust was launched.

The Trust has grown out of the generous work of the Friends of Cathedral Music, an organisation of dedicated advocates who have supported cathedral music and musicians for over 60 years. Our Friends continue as an active part of Cathedral Music Trust, but the Trust has a more robust incorporated structure and greatly strengthened intent. We aim to significantly increase our funding of cathedral music, raise the impact of our advocacy, encourage nationwide excellence and widen diversity in participation.

Choral music lies at the very heart of our great cathedrals, themselves so often the architectural and spiritual centre of our great cities. The breadth of musical excellence in choral foundations, heard day in, day out (in normal times) across the UK, is unique and admired throughout the world, and, even with its long history, standards have never been as high as they are today. Cathedral music is a national treasure that should be celebrated with pride by us all.

On behalf of the Trustees, and our dynamic new professional staff, I thank all who have contributed time, ideas and funds to this charity - and those whom we now welcome as new donors or subscribers - thereby enabling cathedral music to continue to provide, in the words of the Dean of Durham, "a delight for the mind and a solace for the heart".



PETER ALLWOOD

Chair of Cathedral Music Trust

OBJECTIVES

The object of the Charity as specified in its Constitution is to “advance the education of the public in the art of music with special reference to the Choral Service in Cathedrals, Collegiate Churches and Chapels and other appropriate places of worship”. The charity has taken on the activities of its predecessor charity, Friends of Cathedral Music.

The Charity's overall aim is to be a voice for cathedral music through advocacy, education, excellence and assistance. It works to achieve this by increasing public awareness, knowledge and appreciation of cathedral music, by supporting and encouraging all those involved in making cathedral music, and by awarding grants to individuals, choirs and choral foundations. The specific objectives of the Charity, reaffirmed by the Trustees in 2020, are:



To encourage the pursuit of excellence in choral and organ music



To support cathedrals, choirs and choristers in need



To campaign on behalf of cathedral music

Public Benefit

The Trustees confirm that they have had regard to the guidance issued by the Charity Commission on the subject of public benefit. The Charity's three main activities which provide public benefit are the provision of financial and non-financial support to those engaged in making cathedral music; its publications, which are sent to associate members and are available to the general public through cathedrals; and its gatherings, which are open to members and non-members.

Almost all services at which cathedral music is offered are free for anyone to attend. The Trustees consider that by providing support to those who are engaged in making cathedral music, they are ensuring its continued availability for all without charge. On this basis, the Trustees are satisfied that the Charity provides a benefit to the public.



ACTIVITIES

In order to achieve its objectives, the Charity's strategy is to pursue the following main areas of activity:

Financial support for those engaged in making cathedral music. The Charity makes grants to cathedrals, churches, collegiate chapels and other choral foundations to assist with the costs they incur in making cathedral music. These grants may be in the form of capital grants, for example grants towards the endowment of choral scholarships or the purchase of capital items and music; revenue grants; or chorister support grants, which ensure that choristers whose continued membership of a cathedral or collegiate choir is threatened for financial reasons can continue singing. In 2021, cathedrals and choral foundations will be invited to apply for revenue grants only, to help fund the core costs of music during a period when their finances are under severe strain.

Education. The Charity seeks to advance the education of the public in cathedral music through two main activities: its gatherings and its publications. Normally, three or four national gatherings are organised annually,

centred on one or more cathedrals, and always involve members of the choral foundations in those places. In addition, several smaller local gatherings are usually held each year. The programme of events for each gathering is different, but most include an education element, which might take the form of a talk or workshop. Gatherings are open to everyone. In-person gatherings have been suspended since April 2020, but the Charity is now running a series of online gatherings and events. The Charity's magazine *Cathedral Music* and the house journal *Cathedral Voice* are both published twice each year, and all associate members receive a copy. Copies of *Cathedral Music* are also provided free of charge to cathedrals.

Public relations and marketing programmes. The Charity publicises its activities regularly and maintains a website (www.cathedralsmusictrust.org.uk), which gives information about the Charity's purpose and activities and about cathedral music more generally. The Charity engages in public debate on important issues relating to cathedral music, including through social

media, and actively supports departments of music in cathedrals which need assistance. The Charity works to increase its subscriber base and therefore its income. It also seeks to understand and satisfy the needs of its associate members and potential members and to solicit grants, donations and legacies.

Diversity, Equality and Inclusion. The Trustees stress their commitment to diversity, equality and inclusion both within the Charity and in

cathedral music more generally. The Charity believes that everyone has the right to benefit from learning, experiencing and making cathedral music. It is committed to playing its part in ensuring that everyone can access opportunities to fulfil their potential on a fair and equitable basis. The Charity is especially committed to enabling children from a diverse range of backgrounds to experience the many benefits that come from being a chorister.



ACHIEVEMENTS AND PERFORMANCE IN 2020

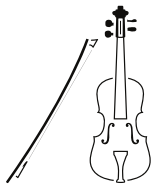
in 2020, Cathedral Music Trust:



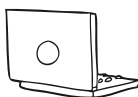
Raised over £1 million for the Cathedral Choirs' Emergency Fund (CCEF) with the Charity's partners the Ouseley Church Music Trust and the Choir Schools' Association and secured matched funding of a further £1 million from the Church Commissioners



Through CCEF, made grants totalling £1 million to 42 choral foundations



Supported innovative and creative fundraising events during the Covid-19 pandemic



Held an in-person national gathering in March and an online national gathering and AGM in December



Successfully launched the Charitable Incorporated Organisation Cathedral Music Trust, the successor charity to Friends of Cathedral Music



Established a partnership with the Genesis Foundation



TRUSTEES' REVIEW

The onset of the Covid-19 pandemic in March 2020 brought about a rapid reassessment of how the Charity could best support cathedral music at a time of crisis. The closure of places of worship and the silencing of choirs and organs had a devastating impact on cathedrals' income and their ability to fund their choirs. In response, the Charity set up the Cathedral Choirs' Emergency Fund (CCEF) in partnership with the Ouseley Church Music Trust and the Choir Schools' Association. By December 2020 the campaign had reached its target of raising £1 million and had also secured matched funding of £1 million from the Church Commissioners. Funds raised by the appeal were paid out in two tranches, in September and December 2020. In total £1 million was awarded in grants to 42 choral foundations, ensuring with the Church Commissioners that redundancies of singers for financial reasons were avoided in all Anglican and Roman Catholic cathedrals across the UK.

The Charity managed or supported a number of very successful fundraising projects as part of the CCEF appeal. These included a virtual

performance of Bach's *Tocatta and Fugue in D Minor* by 54 leading organists playing in cathedrals, college chapels and major churches in the UK, Republic of Ireland and America; and a lockdown recording of *Sing Forever* performed by 269 singers from 44 cathedrals and choral groups.

The Charity's normal programme of events was curtailed in 2020 because of the pandemic. A successful National Gathering was held in Worcester in early March which was attended by 177 people. Remaining in-person events in 2020 were cancelled. A virtual gathering was held in December 2020, incorporating Friends of Cathedral Music's AGM which had been postponed from June 2020. 142 people registered to attend the gathering, which included discussions, interviews and short performances as well as the AGM. The Charity intends to continue a programme of online events as a way of engaging supporters and associate members who may find it difficult to attend in-person events.

Following their review of the governance model of the Charity in 2019, the Trustees determined to move to an incorporated structure in early 2020. A new Charitable Incorporated Organisation, Cathedral Music Trust, was registered with the Charity Commission in February 2020. The Trustees resolved to transfer the assets and liabilities of Friends of Cathedral Music to the new successor charity in May 2020. The public launch of Cathedral Music Trust in July 2020 was well received and the Charity is now in a stronger position to champion and support cathedral music and musicians. At the same time the Trustees decided to professionalise the Charity's operations. The Charity now has four part-time employees who ensure the smooth running of the Charity.

The Charity's two publications, *Cathedral Music* and *Cathedral Voice*, were each produced twice in 2020 and continue to be appreciated by their readers. The Trustees thank the Editors and the Production Manager for their work on these publications.

The number of people subscribing to the Charity decreased slightly during the year to 3,292 (2019: 3,457). The recruitment of new associate members was offset by the loss of subscribers through death, resignation or failure to renew their subscription. The

average subscription paid in 2020 was £43.26 (2019: £41.92).

The Membership Secretary retired in December 2020 and the Trustees thank him for maintaining the membership records and communications with Friends. The Charity has implemented a Customer Relationship Management system which will enable it to manage and communicate with donors, supporters and associate members more effectively in future.

The Charity's presence on social media continues to grow. At the end of 2020, the Charity's Facebook page had 739 followers, and the Friends of Cathedral Music group close to 8,000 members. The Charity had 2,269 Twitter followers, from the UK and abroad.

The Diamond Fund for Choristers (DFC) raised over £60,000 in 2020 including £25,000 from the Mosawi Foundation. Grants from DFC totalling £14,600 were made in 2020 to five institutions. The accounts reflect two grants awarded in previous years that were returned to us in 2020. The Trustees thank the Diamond Fund team for their work which has resulted not only in additional funds being raised for the Charity's purposes but also in increased awareness of the Charity and its work.





FINANCIAL REVIEW, OPERATING MODEL AND RISKS

Financial review

The Statement of Financial Activities is set out on page 22 and shows a surplus for the year before revaluation of investments of £572,025 (2019: a deficit of £79,717). Income amounted to £1,799,863 (2019: £543,869) which includes restricted income of £877,692 (2019: £81,854). £751,491 of this related to the Cathedral Choirs' Emergency Fund. Income from legacies and bequests was £508,466 (2019: £58,193). Net gains on investments amounted to £231,693 (2019: £642,996) resulting in an overall surplus for the year of £803,718 (2019: £563,279).

Principal funding

The Charity gains its income from two regular sources: investment income £165,732, (2019: £170,391) and subscriptions £196,858 (2019: £172,357).

Legacy income being variable and less predictable, is not budgeted. A small surplus of £2,753 (2019: a loss of £413) was made from the sale of Christmas cards and merchandise.

Fundraised income from individuals was received for the Diamond Fund for Choristers totalling £35,172 (2019: £24,581) and through the Cathedral Choirs' Emergency Fund totalling £228,873. The Charity is registered with the Fundraising Regulator.

Legacy policy

The Charity's legacy policy provides that, unless a will states otherwise, legacies received as a result of wills written in 2013 and before will be treated as capital and will be added to the endowment fund. Legacies received as a result of wills written after 1 January 2014 will be treated either as revenue or capital at the discretion of the Trustees.

Investment policy and performance

Investments continued to be held with Schroder and the CBF Church of England Funds. The amounts invested have been built up from legacy receipts.

The Trust's financial objective is to generate a stream of income rising in line with inflation, and to balance the needs of current and future beneficiaries. The investment objective of these assets is inflation (CPI) plus 4% per annum. This objective allows for annual distributions of income representing up to 4% of capital and the preservation of the real value of the endowment.

The Trustees are satisfied with the performance of these investments during the year.

Principal risks and uncertainties

The Trustees keep under regular review the principal risks to which the Charity is exposed and have established appropriate systems to manage them. The oversight of risk management lies with the Finance & Audit Committee which reports to the Board. The risk register identifies the following key strategic risks to the Charity and summarises action being taken to mitigate them:

1. Reputational and/or financial risk, including from fundraising: The Charity has appointed a Chair of Development Committee and a Development Director to oversee and implement fundraising initiatives. The Charity is registered with the Fundraising Regulator and the Fundraising Preference Service.
2. Non-compliance with relevant regulatory requirements: the Charity is taking steps to ensure that all personnel understand and adhere to organisational policies, including requiring all volunteers to sign a Volunteers' Agreement. Policies are reviewed and updated regularly.
3. Inadequate budgetary control: the Charity's finance function is being professionalised and management accounts circulated to Trustees regularly. Seed funding has been raised to pay for staff costs to the end of 2021. Grants to choral foundations are not committed unless funds are available to pay them.
4. Cyber security and technology risk: IT and data protection policies have been revised and security updates implemented when required. The recent implementation of iMIS, the Charity's new customer relationship management system, will provide better and more secure management of data.

Reserves policy

The Charity maintains a Capital Fund (an expendable endowment fund), which comprises investments and bank deposits. Legacies have been allocated to this fund in line with the legacy policy together with the associated capital gains (or losses) on the associated investments in accordance with its

stated policy. The income generated by these investments is used to finance the activities of the Charity.

The designated Grant Fund exists to ensure that the Charity can maintain its ability to make grants at a reasonably consistent level from year to year. A surplus in any one year may be allocated to the Grant Fund in order to support the Charity's grant-giving capacity in the following year or years.

Beyond these funds, the Trustees regard it as necessary to maintain free reserves at least equivalent to three months' operating expenditure. This level of reserves will enable the Charity to maintain its operations in the event of an unexpected shortfall of one or more sources of income.

Reserves at the year end were £6,890,462 (2019: £6,086,744), split between endowment funds of £5,741,181 (2019: £5,381,147), restricted funds of £217,443 (2019: £138,833) and unrestricted funds of £931,838 (2019: £566,764) of which £350,000 (2019: £300,000) has been designated for the grant fund, £18,778 (2019: £29,832) for the new CRM system, £25,000 (2019: £25,000) for an organ scholarship and £10,000 for a Chorister Support Fund.

At 31 December 2020, the Charity's free reserves amounted to £528,060 (2019: £211,932). This is equivalent to approximately six months of the Charity's total expenditure which the Board considers appropriate this year given the ongoing financial uncertainty faced by the Trust's beneficiaries. The Charity is reviewing its reserves policy in the light of its restructuring and professionalisation.

Going Concern

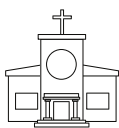
After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

FUTURE PLANS

the Charity's plans for 2021 and beyond include:



The Trustees intend to make available at least £250,000 in grants to choral foundations in 2021



Subject to government restrictions in force at the time, it is hoped to hold an in-person National Gathering in Autumn 2021



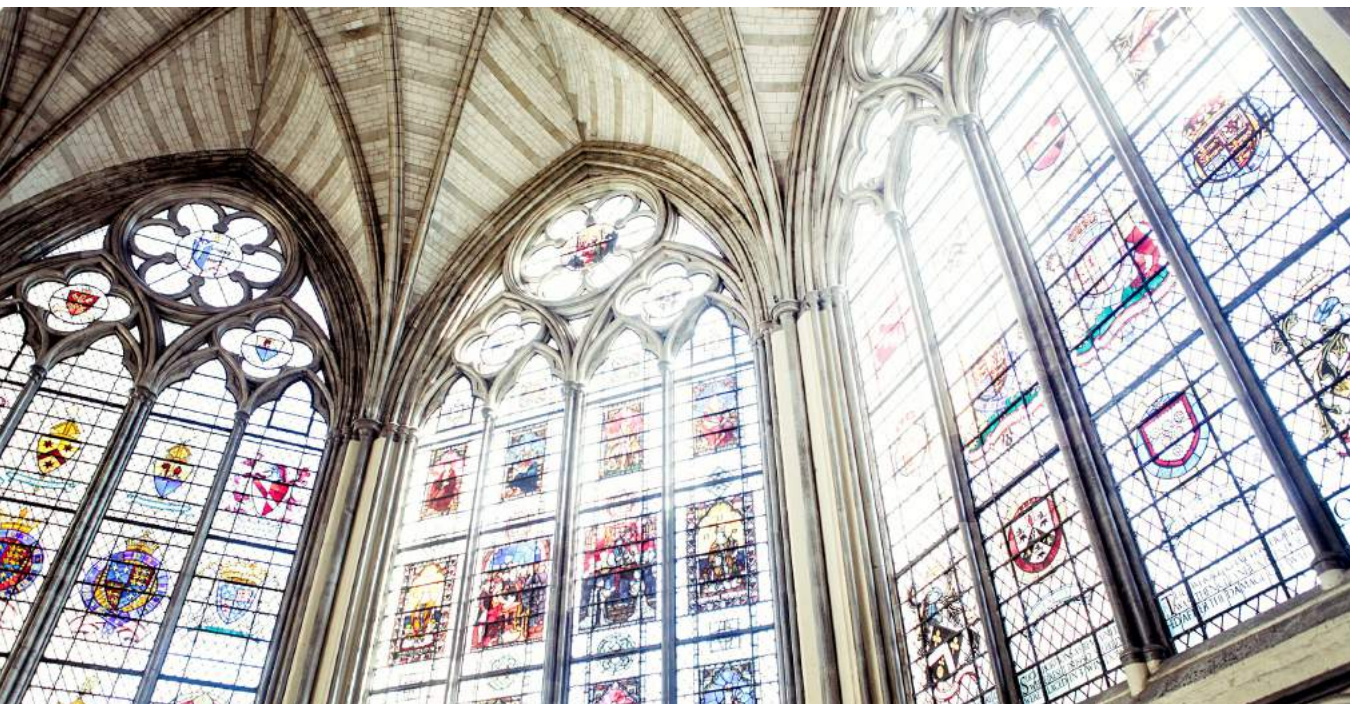
A series of online events, fundraising initiatives and virtual gatherings is scheduled



The Charity will continue to produce its publications *Cathedral Music* (in May and November) and *Cathedral Voice* (in February and August) during 2021, and will make use of its new Customer Relationship Management system to produce and circulate online newsletters



The Diamond Fund for Choristers will continue its work raising funds under the auspices of Cathedral Music Trust until the end of 2021, after which all fundraising, including for choristers, will be managed by Cathedral Music Trust



GOVERNANCE AND MANAGEMENT

Cathedral Music Trust was registered with the Charity Commission as a charitable incorporated organisation on 5 February 2020, with charity number 1187769. The governing document of the Charity is its constitution. The Trustees of the predecessor charity, Friends of Cathedral Music (FCM), formally resolved to approve the transfer of FCM's assets to the Charity on 2 May 2020. The subsequent transfer of all activities, assets and liabilities took place on 1 July 2020. Cathedral Music Trust was publicly launched on 8 July 2020 and since that time the Charity's finances and operations have been managed through Cathedral Music Trust. The constitution of FCM was amended by resolution of FCM's members at the (delayed) AGM in December 2020, with the effect of simplifying and updating FCM's constitution and dovetailing FCM within Cathedral Music Trust. As resolved at the AGM, the Trustees of Cathedral Music Trust are the Trustees of FCM from time to time.

The constitution of the Charity now provides for a maximum of 12 Trustees (15 until 2023). At 31 December 2020 the Charity had 13 Trustees (2019 – 16 Trustees). Under the constitution, new Trustees are appointed by resolution passed at a properly convened meeting of the

Charity's trustees. The Trustees regularly review the composition of the Board to ensure an appropriate balance of knowledge and experience. New Trustees are provided with an induction pack in line with Charity Commission guidance.

During 2020, the Trustees met six times, once in person and five times via videoconference.

The committee structure of the Charity was reviewed following incorporation. The Board of Trustees is now supported by four committees: Finance & Audit Committee; Development Committee; Friends Committee (formerly Membership Committee) and Grants Committee (formerly Cathedral Liaison Committee). On average, each committee meets twice a year. The Board receives reports of committee meetings and considers their recommendations.

Following the establishment of Cathedral Music Trust, the Trustees decided to professionalise the running of the Charity. At 31 December 2020, the Charity had four paid employees, all of whom worked part time: Development Director, Operations Director, Communications and Marketing Officer and Administration Officer.

The Charity benefits from a partnership with the Genesis Foundation, which supports the position of Communications and Marketing Officer. The Charity also contracts the services of two freelancers, a Finance Director and a Finance Administrator. The Charity provides honoraria to the Editors of *Cathedral Music* and *Cathedral Voice* and to the Production Manager, and until 31 December 2020 had a service contract with the Membership Secretary.

The Charity relies heavily on the commitment of its many volunteers, who give generously of their time and energy. The Trustees are grateful to the Charity's managers, officers, diocesan representatives and other volunteers. At 31 December 2020, over 70 individuals served the Charity as volunteers.

Relations with other organisations

In 2020, the Charity formed the Cathedral Choirs' Emergency Fund with the Ouseley

Church Music Trust and the Choir Schools' Association. The fund has now closed. The Charity will continue to work closely with these and other organisations which seek to promote cathedral music.

Fundraising

In 2020, the Charity supported a number of innovative and digital fund-raising projects as part of the Cathedral Choirs' Emergency Fund appeal. The Charity raised the majority of its individual giving income through JustGiving. The Charity is now broadening its fund-raising efforts through a professional in-house team and our Development Director is a member of the Chartered Institute of Fundraising. The Diamond Fund for Choristers, part of the Charity, will cease active fundraising at the end of 2021. The Charity has not received any complaints about fundraising activity during the year. Where donors have placed restrictions on their gifts, the amounts have been included within restricted funds.





LEGAL AND ADMINISTRATIVE INFORMATION

The Trustees serving at 31 December 2020 were:

Peter Allwood (Chair)
Gavin Ralston (Chair, Finance & Audit Committee) (from 31 October 2020)
Isobel Pinder (Secretary)
Sooty Asquith (Editor, *Cathedral Music*)
Rosemary Downey (Chair, Friends Committee and National Gatherings Manager)
Christopher Gower
Jason Groves
James Lancelot (Chair, Grants Committee)
Jonathan Macdonald (Chair, Development Committee) (from 31 October 2020)
Heather Morgan
James Mustard
Ann Parsons (Lead Safeguarding Trustee)
Peter Smith (Assistant Grants Secretary)

In addition, the following served as Trustees during 2020 until their resignation or expiry of term of appointment:

Jane Capon (1 May 2020)
Terry Duffy (1 May 2020)
Maurice Kenwick-Piercy (1 May 2020)
Neil Page (2 December 2020)
Peter Gould (12 December 2020)

Charity registered number
285121 (Friends of Cathedral Music);
1187769 (Cathedral Music Trust)

Principal office
27 Old Gloucester Street, London, WC1N 3AX

Independent auditors
Peters Elworthy & Moore, Salisbury House,
Station Road, Cambridge, CB1 2LA

Bankers
Santander Commercial Bank plc, Customer Service Centre, Bootle, L30 4GB
CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Lawyers
Veale Wasbrough Vizards LLP, Second Floor, 3 Brindley Place, Birmingham, B1 2JB

Investment Managers
CCLA Investment Management Limited, 80 Cheapside, London, EC2V 6DZ
Schroder Investments Limited, PO Box 6100, Basildon, SS15 5NJ

Trustees' responsibilities statement

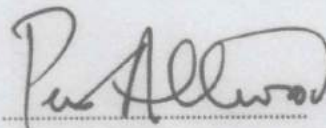
The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

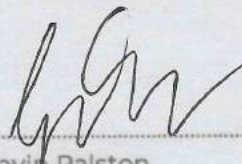
This report was approved by the Trustees on 24 April 2021 and signed on their behalf by:



Peter Allwood

Chair

Date: 28-4-21



Gavin Ralston

Chair, Finance and Audit Committee

Date: 03-05-21

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST

OPINION

We have audited the financial statements of Cathedral Music Trust (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST (CONTINUED)

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

CATHEDRAL MUSIC TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CATHEDRAL MUSIC TRUST (CONTINUED)

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Peters Elworthy & Moore

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 19 May 2021

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CATHEDRAL MUSIC TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Note | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS FROM: | | | | | | |
| Membership and other donations and legacies | 3 | 592,846 | 877,625 | 148,341 | 1,618,812 | 313,602 |
| Charitable activities | 4 | 11,481 | - | - | 11,481 | 54,957 |
| Other trading activities | 5 | 9,184 | - | - | 9,184 | 4,919 |
| Investments | 6 | 160,319 | 67 | - | 160,386 | 170,391 |
| TOTAL INCOME AND ENDOWMENTS | | 773,830 | 877,692 | 148,341 | 1,799,863 | 543,869 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | 7 | 95,988 | 29,825 | - | 125,813 | 98,529 |
| Charitable activities | 8 | 62,768 | 1,039,257 | - | 1,102,025 | 525,057 |
| TOTAL EXPENDITURE | | 158,756 | 1,069,082 | - | 1,227,838 | 623,586 |
| NET INCOME/(EXPENDITURE) BEFORE NET GAINS ON INVESTMENTS | | 615,074 | (191,390) | 148,341 | 572,025 | (79,717) |
| Net gains / (loss) on investments | 14 | - | - | 231,693 | 231,693 | 642,996 |
| NET INCOME/(EXPENDITURE) | | 615,074 | (191,390) | 380,034 | 803,718 | 563,279 |
| Transfers between funds | 17 | (250,000) | 270,000 | (20,000) | - | - |
| NET MOVEMENT IN FUNDS | | 365,074 | 78,610 | 360,034 | 803,718 | 563,279 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 566,764 | 138,833 | 5,381,147 | 6,086,744 | 5,523,465 |
| TOTAL FUNDS CARRIED FORWARD | | 931,838 | 217,443 | 5,741,181 | 6,890,462 | 6,086,744 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

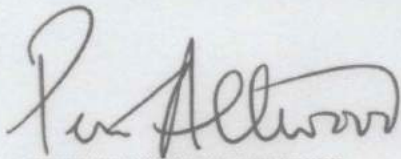
The notes on pages 25 to 43 form part of these financial statements.

CATHEDRAL MUSIC TRUST

BALANCE SHEET
AS AT 31 DECEMBER 2020

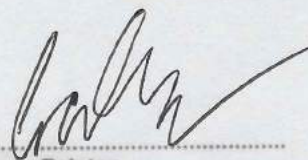
| | Note | 2020 £ | 2019 £ |
|--|------|-------------------------|-------------------------|
| FIXED ASSETS | | | |
| Investments | 14 | 5,576,172 | 4,944,479 |
| | | <u>5,576,172</u> | <u>4,944,479</u> |
| CURRENT ASSETS | | | |
| Stocks | | 166 | 3,183 |
| Debtors | 15 | 228,210 | 146,888 |
| Cash at bank and in hand | | 1,148,753 | 1,023,252 |
| | | <u>1,377,129</u> | <u>1,173,323</u> |
| Creditors: amounts falling due within one year | 16 | (62,839) | (31,058) |
| NET CURRENT ASSETS | | <u>1,314,290</u> | <u>1,142,265</u> |
| TOTAL NET ASSETS | | <u><u>6,890,462</u></u> | <u><u>6,086,744</u></u> |
| CHARITY FUNDS | | | |
| Endowment funds | 17 | 5,741,181 | 5,381,147 |
| Restricted funds | 17 | 217,443 | 138,833 |
| Unrestricted funds | 17 | 931,838 | 566,764 |
| TOTAL FUNDS | | <u><u>6,890,462</u></u> | <u><u>6,086,744</u></u> |

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



Peter Allwood
Chair

Date: 28-4-21



Gavin Ralston
Chair, Finance and Audit Committee

Date: 03-05-21

The notes on pages 25 to 43 form part of these financial statements.

CATHEDRAL MUSIC TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash used in operating activities | 19 | 364,070 | 346,970 |
| | | <hr/> | <hr/> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends, interests and rents from investments | | 161,431 | 167,531 |
| Purchase of investments | | (400,000) | - |
| | | <hr/> | <hr/> |
| NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES | | (238,569) | 167,531 |
| | | <hr/> | <hr/> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | 125,501 | 514,501 |
| Cash and cash equivalents at the beginning of the year | | 1,023,252 | 508,751 |
| | | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 20 | 1,148,753 | 1,023,252 |
| | | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 25 to 43 form part of these financial statements

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Charity merged with The Friends of Cathedral Music on 1 July 2020. Cathedral Music Trust have followed the guidance in the Charities SORP (FRS 102) (second edition - October 2019) and applied merger accounting to the results for the year ended 31 December 2020. As such the prior year comparatives are prepared on the basis that the merged structure has always been in place.

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

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted and endowment funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.3 GOING CONCERN

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements will continue to be prepared on a going concern basis.

1.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing the amount. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.4 INCOME (CONTINUED)

once the dividend has been declared and notification has been received of the dividend due.

Members' voluntary subscriptions are recognised when received, whilst publication and event income is recognised at the date of publication or when the event takes place.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The costs of generating funds consist of the purchase and distribution of items for resale and costs of publicity and servicing the membership function.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of unconditional grant offers these are accrued once the recipients have been notified of the grant awards. The notification gives the recipients a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Charity.

Costs of charitable activities include grants awarded and the costs associated with gatherings and publications.

As the Charity is not registered for VAT, all VAT incurred is charged against the relevant category of expenditure.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

1.6 ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs comprise governance costs and other administrative costs which cannot easily be allocated to a specific charitable activity. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees as well as the expenses associated with meetings of the Trustees and its Committees. Support costs comprise expenses for travel, administration and legal costs and are apportioned as set out in note 10. Support costs relating to charitable activities have been apportioned based on the estimated proportion of time or cost involved with each category of expenditure.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.7 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.8 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Short term investments is cash on deposit with a maturity date of less than one year which is being held for investment purposes rather than to meet short term cash commitments as they fall due.

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 DEBTORS

Other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No critical accounting estimates and assumptions have been made by management in preparing these financial statements.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|-------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|-----------------------------|
| Voluntary subscriptions | 165,732 | - | - | 165,732 | 170,786 |
| Legacies | 357,393 | 2,732 | 148,341 | 508,466 | 58,193 |
| Other donations | 69,721 | 874,893 | - | 944,614 | 84,623 |
| | <u>592,846</u> | <u>877,625</u> | <u>148,341</u> | <u>1,618,812</u> | <u>313,602</u> |
| TOTAL 2019 | <u>261,446</u> | <u>81,163</u> | <u>(29,007)</u> | <u>313,602</u> | |

In 2020, £751,492 (2019: £Nil) of restricted donations relates to the Cathedral Choirs Emergency Fund.

4. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---|------------------------------------|-----------------------------|-----------------------------|
| Publications - Cathedral Music advertising | 3,426 | 3,426 | 1,332 |
| Events - National Gatherings | 7,876 | 7,876 | 28,030 |
| Events - Diamond Fund for Choristers activities (DFC) | - | - | 22,510 |
| Events - Other | 179 | 179 | 3,085 |
| | <u>11,481</u> | <u>11,481</u> | <u>54,957</u> |
| TOTAL 2019 | <u>54,957</u> | <u>54,957</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

| | Unrestricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--|--|---------------------------------------|-----------------------------|
| Sale of Christmas cards | 6,128 | 6,128 | 3,436 |
| Sale of other merchandise and royalties received | 3,056 | 3,056 | 1,483 |
| | 9,184 | 9,184 | 4,919 |
| | 4,919 | 4,919 | |
| TOTAL 2019 | 4,919 | 4,919 | |

6. INVESTMENT INCOME

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|---------------------------|--|--|---------------------------------------|-----------------------------|
| Dividends and interest | 159,878 | - | 159,878 | 167,269 |
| Interest on cash deposits | 441 | 67 | 508 | 3,122 |
| | 160,319 | 67 | 160,386 | 170,391 |
| | 169,700 | 691 | 170,391 | |
| TOTAL 2019 | 169,700 | 691 | 170,391 | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. EXPENDITURE ON RAISING FUNDS

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Purchase and distribution of Christmas cards | 2,564 | - | 2,564 | 3,034 |
| Purchase and distribution of other merchandise | 3,867 | - | 3,867 | 2,806 |
| Membership | 19,751 | - | 19,751 | 19,285 |
| Marketing, publicity and fundraising | 14,781 | 8,358 | 23,139 | 43,777 |
| Allocated support costs (note 10) | 53,131 | 13,391 | 66,522 | 29,627 |
| Staff costs - salaries | 1,855 | 7,900 | 9,755 | - |
| Staff costs - social security costs | 39 | 176 | 215 | - |
| | <u>95,988</u> | <u>29,825</u> | <u>125,813</u> | <u>98,529</u> |
| TOTAL 2019 | <u>87,111</u> | <u>11,418</u> | <u>98,529</u> | |

8. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2020 £ | Grant funding of activities 2020 £ | Support costs 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--------------|---|--|-------------------------------|-----------------------------|-----------------------------|
| Publications | 46,856 | - | 4,774 | 51,630 | 63,634 |
| Events | 7,442 | - | - | 7,442 | 50,774 |
| Grant making | - | 1,039,257 | 3,696 | 1,042,953 | 410,649 |
| | <u>54,298</u> | <u>1,039,257</u> | <u>8,470</u> | <u>1,102,025</u> | <u>525,057</u> |
| TOTAL 2019 | <u>98,455</u> | <u>408,617</u> | <u>17,985</u> | <u>525,057</u> | |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

| | Total funds 2020 £ | Total funds 2019 £ |
|---------------------------------------|---------------------------------------|-----------------------------|
| Publications - Cathedral Music | 27,759 | 31,393 |
| Publications - Cathedral Voice | 19,097 | 16,288 |
| Events - Costs of National Gatherings | 7,265 | 29,363 |
| Events - Diamond Fund for Choristers | - | 18,630 |
| Other events | 177 | 2,781 |
| | 54,298 | 98,455 |

All direct costs in 2020 and 2019 related to unrestricted funds.

9. ANALYSIS OF GRANTS

| | Grants to Institutions 2020 £ | Grants to Individuals 2020 £ | Total funds 2020 £ | Total funds 2019 £ |
|--|--|---|---------------------------------------|-----------------------------|
| Direct financial support for cathedral music | 1,039,257 | - | 1,039,257 | 408,617 |
| TOTAL 2019 | 408,117 | 500 | 408,617 | |

All grants in both 2020 and 2019 have been made from restricted funds after £250,000 transfers made into the fund from unrestricted funds.

During the year £1,010,050 of grants were awarded to 42 choral foundations from the Cathedral Choirs' Emergency Fund. Eight additional institutions were supported through other restricted funds.

During the year 66 (2019: 35) grants were awarded to 50 institutions and no grants (2019: 1) to an individual as shown below.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. ANALYSIS OF GRANTS (CONTINUED)

During the year 66 grants (2019: 35) were awarded to 50 institutions as shown below:

2020

| Recipient | £ |
|------------------------------------|-------------------------|
| Belfast Cathedral | 20,000 |
| Birmingham Cathedral | 660 |
| Blackburn Cathedral | 19,800 |
| Bradford Cathedral | 14,500 |
| Brecon Cathedral | 28,300 |
| Carlisle Cathedral | 12,300 |
| Chelmsford Cathedral | 3,650 |
| Chester Cathedral | 16,650 |
| Chichester Cathedral | 16,800 |
| Christ Church Cathedral School | 4,000 |
| Christ Church Cathedral, Dublin | 20,000 |
| Coventry Cathedral | 16,700 |
| Derby Cathedral | 21,650 |
| St Mary's Cathedral, Edinburgh | 75,100 |
| Ely Cathedral | 17,850 |
| Exeter Cathedral | 35,650 |
| Gloucester Cathedral | 35,650 |
| Guildford Cathedral | 28,521 |
| Hereford Cathedral | 36,650 |
| King's Rochester | 3,000 |
| Leicester Cathedral | 21,650 |
| Leeds Cathedral | 5,500 |
| Lichfield Cathedral | 35,650 |
| Lincoln Cathedral | 51,700 |
| Liverpool Metropolitan Cathedral | 22,872 |
| Llandaff Cathedral | 6,700 |
| Manchester Cathedral | 1,654 |
| Newport Cathedral | 4,000 |
| Peterborough Cathedral | 51,700 |
| Portsmouth Cathedral | 38,650 |
| Ripon Cathedral | 35,650 |
| Rochester Cathedral | 25,650 |
| Southwark Anglican Cathedral | 35,300 |
| St German's Cathedral, Isle of Man | 2,700 |
| St George's Cathedral, Southwark | 12,400 |
| Salisbury Cathedral | 1,000 |
| St Alban's Cathedral | 26,650 |
| St Asaph Cathedral | 24,300 |
| St David's Cathedral | 29,600 |
| St Edmund's School, Canterbury | 4,000 |
| St Mary's Church, Swansea | 500 |
| St Mary's Cathedral, Dublin | 21,700 |
| St Patrick's Cathedral, Dublin | 10,000 |
| Tewkesbury Abbey Foundation | 9,500 |
| King's School, Ely | 1,500 |
| Truro Cathedral | 37,000 |
| Wakefield Cathedral | 25,650 |
| Westminster Abbey | 20,000 |
| Westminster Cathedral | 20,000 |
| Worcester Cathedral | 35,650 |
| Refunds | (7,000) |
| Total | <u><u>1,039,257</u></u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. SUPPORT AND GOVERNANCE COSTS

| | Support 2020 £ | Governance 2020 £ | 2020 £ | 2019 £ |
|------------------------------------|----------------------|-------------------------|---------------|---------------|
| General administrative costs | 25,146 | - | 25,146 | 30,177 |
| Support staff costs | 29,450 | - | 29,450 | - |
| Board meeting costs and legal fees | - | 7,924 | 7,924 | 7,216 |
| Audit and accountancy fees | - | 12,473 | 12,473 | 10,219 |
| | <u>54,596</u> | <u>20,397</u> | <u>74,993</u> | <u>47,612</u> |
| TOTAL 2019 | <u>29,627</u> | <u>17,985</u> | <u>47,612</u> | |

Allocation

All costs are allocated as far as possible directly to the category of expenditure to which they relate. All governance costs and support costs which cannot be allocated directly to a category of expenditure are allocated: charitable activities: 5% (2019: 5%) to grants, 5% (2019: 5%) to publications; costs of raising funds: 85% (2019: 65%) to raising funds and 5% (2019: 30%) to events.

| | |
|-----------------------------|------------------------|
| Cost of raising funds | £66,522 (2019:£29,627) |
| Grant making activities | £3,696 (2019:£2,032) |
| Other charitable activities | £4,774 (2019: £15,953) |

11. AUDITORS' REMUNERATION

| | 2020 £ | 2019 £ |
|--|--------------|--------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 7,000 | 7,230 |
| Fees payable to the Charity's auditor in respect of other services | <u>5,473</u> | <u>2,989</u> |

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. STAFF COSTS

| | 2020 | 2019 |
|-----------------------|----------------------|----------|
| | £ | £ |
| Wages and salaries | 39,205 | - |
| Social security costs | 215 | - |
| | <u>39,420</u> | <u>-</u> |

The average number of persons employed by the Charity during the year was as follows:

| | 2020 | 2019 |
|---------------|-------------|------------|
| | No. | No. |
| Support staff | 1 | - |

No employee received remuneration amounting to more than £60,000 in either year.

13. KEY MANAGEMENT AND TRUSTEES' EXPENSES

The trustees are considered to be the key management personnel of the Charity and all gave their time and expertise freely without any form of remuneration or other benefit in cash or kind in either 2020 or 2019.

Mrs S Asquith received an Honorarium of £3,200 (2019: £3,200) in her capacity as Editor of Cathedral Music. A total of £1,279 (2019: £7,446) was reimbursed to 9 trustees (2019: 16) in respect of travelling expenses for attending meetings and other events on behalf of the Charity.

No expenses were paid to trustees in respect of costs associated with organising National Gatherings and for attending meetings and other events on behalf of the Charity (2019: none).

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. FIXED ASSET INVESTMENTS

| | £ |
|----------------------------|------------------|
| COST OR VALUATION | |
| At 1 January 2020 | 4,944,479 |
| Additions | 400,000 |
| Revaluations | 231,693 |
| AT 31 DECEMBER 2020 | 5,576,172 |
| NET BOOK VALUE | |
| AT 31 DECEMBER 2020 | 5,576,172 |
| AT 31 DECEMBER 2019 | 4,944,479 |

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in collective investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Trust has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives or similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. DEBTORS

| | 2020 £ | 2019 £ |
|---------------|----------------|----------------|
| Other debtors | 216,128 | 143,305 |
| Prepayments | 12,082 | 3,583 |
| | <u>228,210</u> | <u>146,888</u> |

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2020 £ | 2019 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 3,619 | 6,105 |
| Other taxation and social security | 5,147 | - |
| Grants payable | 33,273 | 10,333 |
| Other creditors | 20,800 | 14,620 |
| | <u>62,839</u> | <u>31,058</u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 January 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2020 £ |
|-------------------------------------|-----------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|--|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Grant fund | 300,000 | - | - | 50,000 | - | 350,000 |
| CRM system | 29,832 | - | (11,054) | - | - | 18,778 |
| Organ scholarship | 25,000 | - | - | - | - | 25,000 |
| Chorister Support Fund | - | 10,000 | - | - | - | 10,000 |
| | <u>354,832</u> | <u>10,000</u> | <u>(11,054)</u> | <u>50,000</u> | <u>-</u> | <u>403,778</u> |
| GENERAL FUNDS | | | | | | |
| General funds | 211,932 | 763,830 | (147,702) | (300,000) | - | 528,060 |
| TOTAL UNRESTRICTED FUNDS | <u>566,764</u> | <u>773,830</u> | <u>(158,756)</u> | <u>(250,000)</u> | <u>-</u> | <u>931,838</u> |
| ENDOWMENT FUNDS | | | | | | |
| Endowment funds | 5,381,147 | 148,341 | - | (20,000) | 231,693 | 5,741,181 |
| RESTRICTED FUNDS | | | | | | |
| Oswald Allan | 19,895 | - | (7,000) | - | - | 12,895 |
| Tony Harvey Scholarship | 9,404 | - | (1,000) | - | - | 8,404 |
| Swire Trust | 5,000 | - | (4,605) | - | - | 395 |
| Diamond Fund for Choristers | 45,410 | 35,172 | (1,057) | 20,000 | - | 99,525 |
| Linbury Trust | 35,289 | 10,000 | - | (30,000) | - | 15,289 |
| Mosawi Foundation | 20,204 | 25,000 | (20,150) | (10,000) | - | 15,054 |
| Tanner Trust | 2,000 | 5,000 | (1,588) | - | - | 5,412 |
| Choralevensong.org | 1,631 | 534 | (2,165) | - | - | - |
| Cathedral Choirs' Emergency Fund | - | 751,492 | (1,010,050) | 260,000 | - | 1,442 |
| Seed funding | - | 37,994 | (18,735) | 30,000 | - | 49,259 |
| Genesis Foundation | - | 12,500 | (2,732) | - | - | 9,768 |
| | <u>138,833</u> | <u>877,692</u> | <u>(1,069,082)</u> | <u>270,000</u> | <u>-</u> | <u>217,443</u> |
| TOTAL OF FUNDS | <u><u>6,086,744</u></u> | <u><u>1,799,863</u></u> | <u><u>(1,227,838)</u></u> | <u><u>-</u></u> | <u><u>231,693</u></u> | <u><u>6,890,462</u></u> |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. STATEMENT OF FUNDS (CONTINUED)

Purpose of funds

Oswald Allan

Funds received "to support traditional choirs of boys and men." The Trustees are using the funds received to pay grants both to institutions and to support individual choristers as shown in note 8.

Tony Harvey Scholarship

The Tony Harvey Scholarship was established "for the benefit of male Choral Scholars at English cathedrals." Arrangements with the Cathedral Organists' Association are in place to identify suitable recipients. One application was received in 2020 (2019: one).

Diamond Fund for Choristers and DFC Events Fund

To raise funds to support Cathedral Choristers. 2020 income includes funds received from the Atlas Fund (£3,000) and the John and Ruth Howard Trust (£10,000). Transfers in relate to a reallocation of funds based on their donation restrictions.

Linbury Trust

To engage a contractor to administer the Diamond Fund for Choristers. The transfer relates to the Development Director's salary who is involved in the administration of the Diamond Fund for Choristers.

Swire Trust

Funds brought forward to partially fund a contractor to administer the Diamond Fund for Choristers.

Mosawi Foundation

Grants to support choristers. An element of amounts given were in relation to the Diamond Fund for Choristers, the transfer represents staff costs in relation to time spent on the Diamond Fund for Choristers.

Tanner Trust

Funds brought forward supported the costs of running the Diamond Fund for Choristers. Funds received in 2020 were donated for IT equipment for new staff.

Choralevensong.org

Funds received to support the development and maintenance of the website choralevensong.org

Genesis Foundation

To support the role of Marketing and Communications Officer which was recruited in November 2020.

Seed funding

To cover incremental staff costs following the transition to an incorporated structure. Staff were recruited towards the end of 2020 and remaining funds will continue to be used for this purpose in 2021.

Cathedral Choirs' Emergency Fund

To raise funds in partnership with the Ouseley Church Music Trust and the Choir Schools' Association in response of the COVID-19 pandemic to support Anglican and Roman Catholic cathedrals across the UK.

Designated funds and transfers

Designated funds represent amounts set aside by the Trustees to fund future grant payments and for the CRM system.

The Dr Eric Pitts Organ Scholarship Fund was set up by the Council of Friends of Cathedral Music, out of a generous bequest, to provide an annual scholarship to support a cathedral organ scholar.

CATHEDRAL MUSIC TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 January 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2019 £ |
|---------------------------------|--------------------------------------|----------------|------------------|--------------------------|-------------------------|--|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Grant fund | 518,000 | - | (264,000) | 46,000 | - | 300,000 |
| CRM system | 25,000 | - | (25,168) | 30,000 | - | 29,832 |
| Organ scholarship | - | - | - | 25,000 | - | 25,000 |
| | 543,000 | - | (289,168) | 101,000 | - | 354,832 |
| GENERAL FUNDS | | | | | | |
| General funds | 293 | 491,022 | (178,383) | (101,000) | - | 211,932 |
| TOTAL UNRESTRICTED FUNDS | 543,293 | 491,022 | (467,551) | - | - | 566,764 |
| ENDOWMENT FUNDS | | | | | | |
| Endowment funds | 4,767,158 | (29,007) | - | - | 642,996 | 5,381,147 |
| RESTRICTED FUNDS | | | | | | |
| Oswald Allan | 99,397 | 248 | (79,750) | - | - | 19,895 |
| Tony Harvey Scholarship | 9,879 | 25 | (500) | - | - | 9,404 |
| Swire Trust | 3,284 | 5,000 | (3,284) | - | - | 5,000 |
| Diamond Fund for Choristers | 81,196 | 24,581 | (60,367) | - | - | 45,410 |
| Linbury Trust | 15,505 | 20,000 | (216) | - | - | 35,289 |
| Mosawi Foundation | 204 | 25,000 | (5,000) | - | - | 20,204 |
| Tanner Trust | 2,000 | 4,000 | (4,000) | - | - | 2,000 |
| Choralevsong.org | 1,549 | 3,000 | (2,918) | - | - | 1,631 |
| | 213,014 | 81,854 | (156,035) | - | - | 138,833 |
| TOTAL OF FUNDS | 5,523,465 | 543,869 | (623,586) | - | 642,996 | 6,086,744 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

| | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Endowment funds 2020 £ | Total funds 2020 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 5,576,172 | 5,576,172 |
| Current assets | 962,027 | 250,093 | 165,009 | 1,377,129 |
| Creditors due within one year | (30,189) | (32,650) | - | (62,839) |
| TOTAL | 931,838 | 217,443 | 5,741,181 | 6,890,462 |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Endowment funds 2019 £ | Total funds 2019 £ |
|-------------------------------|------------------------------------|----------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | - | - | 4,944,479 | 4,944,479 |
| Current assets | 587,489 | 149,166 | 436,668 | 1,173,323 |
| Creditors due within one year | (20,725) | (10,333) | - | (31,058) |
| TOTAL | 566,764 | 138,833 | 5,381,147 | 6,086,744 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2020 £ | 2019 £ |
|--|------------------|-----------|
| Net income for the period (as per Statement of Financial Activities) | 803,718 | 563,279 |
| ADJUSTMENTS FOR: | | |
| (Gains)/losses on investments | (231,693) | (642,996) |
| Dividends and interest | (160,386) | (170,391) |
| Decrease/(increase) in stocks | 3,017 | (485) |
| (Increase)/decrease in debtors | (82,367) | 599,818 |
| Increase/(decrease) in creditors | 31,781 | (2,255) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 364,070 | 346,970 |

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2020 £ | 2019 £ |
|--|------------------|-----------|
| Cash in hand | 1,148,753 | 1,023,252 |
| TOTAL CASH AND CASH EQUIVALENTS | 1,148,753 | 1,023,252 |

21. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 January 2020 £ | Cash flows £ | At 31 December 2020 £ |
|--------------------------|---------------------------|-----------------|--------------------------------|
| Cash at bank and in hand | 1,023,252 | 125,501 | 1,148,753 |
| | 1,023,252 | 125,501 | 1,148,753 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

22. CONTINGENT LIABILITIES

Prior to 31 December 2016, the Trustees of Friends of Cathedral Music agreed to provide financial support up to a maximum of £60,000 to assist with re-forming the Cathedral choir at Llandaff Cathedral following the appointment of a new Director of Music. During the year to 31 December 2016, a grant of £10,000 was made to Llandaff Cathedral. The remaining balance of £50,000 will be charged to the Statement of Financial Activities should further requests for support be received and approved.

23. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or in the previous year.

24. MERGER

Cathedral Music Trust was registered with the Charity Commission as a charitable incorporated organisation on 5 February 2020, with charity number 1187769. The governing document of the Charity is its constitution. The Trustees of the predecessor charity, Friends of Cathedral Music (FCM), formally resolved to approve the transfer of FCM's assets to the Charity on 2 May 2020. The transfer took place under a written resolution with effect from 1 July 2020. Cathedral Music Trust was publicly launched on 8 July 2020 and since that time the Charity's finances and operations have been managed through Cathedral Music Trust.

Analysis of principal SOFA components for the current reporting period

| | Friends of Cathedral Music (pre- merger) | Cathedral Music Trust (pre-merger) | Charity (post merger) | Combined total |
|-----------------------------------|---|--|--------------------------|-------------------|
| | £ | £ | £ | £ |
| Total income | 794,120 | - | 1,005,743 | 1,799,863 |
| Total expenditure | (64,487) | - | (1,163,351) | (1,227,838) |
| Net income/(expenditure) | 729,633 | - | (157,607) | 572,025 |
| Net gains/(losses) on investments | (134,987) | - | 366,680 | 231,693 |
| Net movement in funds | 594,646 | - | 209,073 | 803,178 |

CATHEDRAL MUSIC TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. MERGER (CONTINUED)

Analysis of principal SOFA components for the previous reporting period

| | Friends of Cathedral Music (pre- merger) £ | Cathedral Music Trust (pre-merger) £ | Combined total £ |
|------------------------------------|--|---|------------------------|
| Total income | 543,869 | - | 543,869 |
| Total expenditure | (623,586) | - | (623,586) |
| Net income/(expenditure) | (79,717) | - | (79,717) |
| Net gains/(losses) on investments | 642,996 | - | 642,996 |
| Net movement in funds | 563,279 | - | 563,279 |
| Total funds brought forward | 5,523,465 | - | 5,523,465 |
| Total funds carried forward | <u>6,086,744</u> | <u>-</u> | <u>6,086,744</u> |

Analysis of net assets at the date of merger

| | Friends of Cathedral Music (pre- merger) £ | Cathedral Music Trust (pre-merger) £ | Combined total £ |
|------------------------|--|---|------------------------|
| Net assets | <u>6,481,477</u> | <u>-</u> | <u>6,481,477</u> |
| Represented by: | | | |
| Unrestricted funds | 828,783 | - | 851,515 |
| Restricted funds | 258,192 | - | 255,461 |
| Endowment funds | 5,394,502 | - | 5,374,501 |
| Total funds | <u>6,481,477</u> | <u>-</u> | <u>6,481,477</u> |