

# THE FRIENDS OF HEREFORD CATHEDRAL

England & Wales · Charity number 215663

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1963-04-04

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** The Friends of Hereford Cathedral  
5 College Cloisters  
Hereford  
Cathedral Close  
Hereford  
HR1 2NG

**Phone** 01432274783

**Email** [joy.roderick@btinternet.com](mailto:joy.roderick@btinternet.com)

## Activities

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**Objects:** 1.TO ENCOURAGE THE COMMUNITY IN GENERAL AND PERSONS OF THE DIOCESE OF HEREFORD IN PARTICULAR, TO INTEREST THEMSELVES IN HEREFORD CATHEDRAL, ITS PRECINCTS AND HISTORY 2.TO MAINTAIN OR ASSIST IN MAINTAINING THE FABRIC AND FURNISHING OF THE CATHEDRAL AND TO SUPPLEMENT THE RESOURCES OF THE DEAN AND CHAPTER AVAILABLE FOR SUCH MAINTENANCE 3.TO UNDERTAKE ANY SUCH WORK AS SHALL TEND TO IMPROVE AND BEAUTIFY THE CATHEDRAL AND ITS PRECINCTS.

**Activities:** To encourage interest in Hereford Cathedral and to supplement available resources for maintenance of its fabric and furnishings and for improvement and beautification of the cathedral and its precincts, including education and music.

## Classification

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- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Gloucestershire
- Herefordshire
- Powys
- Shropshire
- Worcestershire

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£89,681	£157,251	-	-
2023-12-31	£158,886	£54,705	-	-
2022-12-31	£182,088	£50,635	-	-
2021-12-31	£38,090	£21,524	-	-
2020-12-31	£44,277	£42,338	-	-

## Trustees

Name	Role	Appointed
<b>Dr BARBARA JOY RODERICK</b>	Chair	2012-06-08
Clive Walker		2024-06-08
David Owen		2019-06-08
Dr Carole Jane Caldwell		2024-06-08
<b>Dr THOMAS DOUGLAS RODERICK</b>		
Erica Mary Hillman		2017-06-10
Iris Eileen Howlett		2019-06-08
Isobel Willmott		2021-09-21
Paul Wynne Griffiths		2022-06-11
Sarah Warner		2023-06-11
Wg Cdr Peter John Hereford OBE		2013-06-15

**THE FRIENDS OF HEREFORD CATHEDRAL**

England & Wales - Charity number 215663

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# Accounts

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Charity registration number 215663

**THE FRIENDS OF HEREFORD CATHEDRAL  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

# THE FRIENDS OF HEREFORD CATHEDRAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Wg Cmdr P J Hereford OBE Dr B J Roderick Mrs E Hillman Mr D Owen Mrs I Howlett Mrs I Willmott Very Rev'd S Brown Mr P Griffiths Mrs S Warner Mr C Walker Ms C Caldwell	(Appointed 8 June 2024) (Appointed 8 June 2024)
<b>Charity number</b>	215663	
<b>Principal address</b>	5 College Cloisters Cathedral Close Hereford Herefordshire HR1 2NG	
<b>Independent examiner</b>	Hawkins Priday Ltd 5 Bridge Street Hereford HR4 9DF	
<b>Bankers</b>	Central Board of Finance of the Church of England One Angel Lane London EC4R 3AB  Barclays Bank Plc 1/3 Broad Street Hereford HR4 9BH  United Trust Bank One Ropemaker Street London EC2Y 9AW	

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# THE FRIENDS OF HEREFORD CATHEDRAL

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10 - 18
Detailed statement of financial activities	19

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 DECEMBER 2024*

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The trustees present their annual report and financial statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

##### **The Objects of the Charity**

- 1) To encourage the community in general, and persons of the Diocese in particular, to interest themselves in Hereford Cathedral, its precincts, worship, music, history and education.
- 2) To maintain or assist in maintaining the fabric and furnishings of the Cathedral, and to supplement the resources of the Dean and Chapter available for such maintenance.
- 3) To undertake any such work as shall, in the opinion of the Trustees, improve and beautify the Cathedral, its precincts, worship, music and education, subject to the consent of the Dean and Chapter.
- 4) To receive subscriptions and donations and to raise funds for all or any of the objects of the Society and to expend them in such manner as the Society shall think fit.
- 5) To do all such things as are conclusive or ancillary to the carrying out of any of the Society's objects.

##### **Aims of the Charity**

To foster interest in the care and preservation of the Cathedral through the financing of particular projects and by involving members and others in activities arranged by the Friends in the diocese.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

##### **Main objective for the year**

The pledge of £90,000 given to Dean and Chapter to mark the 90th Anniversary of the formation of the Friends was realised and subsumed by the grant of £148,000 (£119,806 paid in year) to replace the paving of the Chapter House Garden that had become a Health & Safety risk. The annual Choral Grant of £20,000 was met along with several minor grants bringing the total given to Dean and Chapter for 2024 to £144,126.

##### **Charity's strategies**

To maintain the investments of the Charity to provide adequate income to finance current and future projects.

##### **Significant Activities**

These are detailed in the 90th annual report to the members for 2024-25.

##### **Public benefit**

In drafting this report, the Trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. It does this by assisting in the work of the Cathedral (including worship, fabric, education).

##### **Volunteers**

All activities rely on the contribution of volunteers to take place. The volunteers are mainly the trustees but may also include other members of the charity.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Achievements and performance**

By the nature of the Cathedral's activities and the unpredictability of donations and legacies there is inevitably a variation in our financial and related achievements and performance year on year and 2024 followed that pattern. The Events Team continued to present a full programme of lectures and visits including the annual residential pilgrimage, led this year by Rev Maureen Palmer to South Wales "In the Footsteps of Giraldu Cambrensis".

Our belief, that the careful husbandry of finances built up over the years should continue, certainly paid off, bolstered during the year by some substantial provision made by deceased Friends in their wills. These make a significant contribution to the long-term sustainability of the organisation and enables us to continue to offer assistance to Dean and Chapter in ensuring the long-term future of our Cathedral. The value of our investments remains steady at over half a million pounds, despite the stock market having a very bumpy ride during 2024 and continues to generate a comfortable additional annual income.

As stated previously the Friends were able to assist the Dean and Chapter with grants of £144,126 during the year. This was principally through the Chapter House Garden Project and our annual commitment to the Choral Grant. In support of the outreach mission of the Dean and Chapter, the Friends again gave grants to the children's mission and a bursary to enable children from the diocese to visit the Cathedral. Further support was given to the Flower Guild, to the Volunteer Gardeners and to the Cafe Mundi in the form of additional tables and chairs.

As well as providing financial support to the Cathedral, the Trustees arranged a series of events for members with a social and educational purpose. As well as the residential pilgrimage to South Wales and the traditional tour of churches led by Tim Bridges (sadly his last) there was the usual excellent series of lectures laid on by the Events Team throughout the year. The Friends' Weekend Festival incorporating the Annual General Meeting in June took on its customary format with members coming from far and near to renew old acquaintances.

### **Control factors**

By regular reporting to the Trustees the current financial position is adequately monitored.

### **Financial review**

#### **Results for the year**

For the year ended 31 December 2024 net movement in funds amounted to £(47,010) (2023: £158,817). Net assets amounted to £772,269 (2023: £819,279).

Details of the financial position of the Charity are set out in the following accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **Reserves Policy**

At the balance sheet date the Charity held £772,269 (2023: £819,279) of unrestricted reserves. The Charity retains the level of resources to ensure that capital is adequate to provide income to meet its regular donations. Of this figure, £604,314 (2023: £583,754) is held in fixed asset investments and £85,000 (2023: £85,000) in cash deposits. These investments generate income to be used in support of the Dean and Chapter.

Free reserves amounting to £82,955 (2023: £150,525) enable the Charity to carry out its day to day activities. These were slightly more than we would have wished due to our expectation of paying the final instalment of the Chapter House Garden Project but for this to be slightly delayed.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Principal Funding Sources and Investment Policy**

The long-term aim is to follow a low-risk strategy consistent with protecting and enhancing the Charity's financial resources. Our investments are therefore diversified as far as possible. About one fifth of the finances are customarily held in cash deposits, of which just over a quarter is with the Central Board of Finance (CBF) and just over a half is in Fixed Term Deposit with United Trust Bank. At the start of 2024 £90,000 had been set aside as a 90th Anniversary pledge to support a major project of the Dean and Chapter, and to cover this a further £100,000 had been invested in CBF Investment Fund Accumulation Units to be drawn upon when required. As it transpired, thanks to legacies, our funds in 2024 proved sufficient to cover the pledge when called upon by Dean & Chapter without breaking into that investment which is now carried forward against whatever project may be identified in the future. Our core investments are in a range of stocks and shares funds held with the CBF and administered by the investment managers CCLA (Churches, Charities and Local Authorities). The advantage of this form of investment is a higher rate of return, but it is important to remember that these (Stock Exchange) investments are designed to last for at least 10-15 years, thereby giving the potential for long term capital growth as well as higher annual rates of return compared with cash deposits.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for future periods**

#### **Future plans**

It remains the policy of the Friends to continue its programme of careful financial husbandry in order to contribute to the work of the Cathedral, its precincts, fabric, worship, music, history and education. The Friends will continue to encourage wide participation in and support of the policy of the Dean and Chapter.

### **Structure, governance and management**

The charity is controlled by its governing document which is registered with the Charity Commission and constitutes an unincorporated charity.

The Society was formed over 90 years ago, in the autumn of 1932, for the purpose of gathering round the Cathedral, in association with the Dean and Chapter, a body of supporters who were anxious to take some share in caring for it and preserving it for posterity. Regulations were revised in April 1949, amended January 1979 and June 2006 and revised further in June 2013. In 2018 the Council and the Executive Committee reviewed the constitution and governance and agreed on a rationalisation of the committee structure which will now have one committee to be known as the Board of Trustees. The constitutional amendments were carried *nem. con.* at a Special Meeting of the Friends, on 20 October 2018. The new Constitution came into effect immediately and the Charity Commission was informed of the changes. Finally, there were two minor administrative amendments to the Constitution implemented *nem. con.* at the Annual General Meeting on 11 September 2021.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D A Barrat	(Resigned 8 June 2024)
Dr T D Roderick	(Resigned 8 June 2024)
Wg Cmdr P J Hereford OBE	
Dr B J Roderick	
Mrs E Hillman	
Mr D Owen	
Mrs I Howlett	
Mrs G Semple	(Resigned 8 June 2024)
Mrs I Willmott	
Very Rev'd S Brown	
Mr P Griffiths	
Mrs S Warner	
Mr C Walker	(Appointed 8 June 2024)
Ms C Caldwell	(Appointed 8 June 2024)

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Recruitment and appointment of new Trustees**

Trustees are selected from those members of the Friends who are already closely involved in the work of the Friends and who participate in Cathedral and Diocesan activities. Nominations for all the officers and trustee vacancies are received prior to the AGM and are then elected by majority during the AGM.

The Dean of Hereford, as appointed by Hereford Cathedral, is an ex-officio trustee.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### **Organisational structure**

The decision-making body of the Friends were until 20 October 2018 the Executive Committee and Council, but after that date, as stated above, there is a single body, the Board of Trustees, who have sole responsibility for the work and funds of the Friends.

The administration of the Friends is co-ordinated by the Secretary, with the Treasurer responsible for finances and accounts, the Events' Secretary responsible for planning and arranging social events throughout the year, and the Membership Secretary for maintaining the membership records.

### **Charity Organisational Structure**

#### **Presidents**

The Rt Rev'd The Lord Bishop of Hereford  
The Lord Lieutenant of Herefordshire  
The Lord Lieutenant of Shropshire

#### **Vice-Presidents**

The Very Rev'd S Brown Dean of Hereford

#### **Honorary Vice-Presidents**

The Very Rev'd M Tavinor Dean Emeritus of Hereford

### **Board of Trustees**

#### **Officers**

#### **Chairman**

Mr D A Barrat (until 8 June 2024)  
Dr B J Roderick (from 8 June 2024)

#### **Vice-Chairman**

Mr P Griffiths (from 8 June 2024)

#### **Hon. Treasurer**

Wg Cdr P J Hereford OBE

#### **Hon. Secretary**

Dr T D Roderick (until 8 June 2024)  
Mrs E Hillman (from 8 June 2024)

#### **Hon. Membership Secretary**

Mrs E Hillman (until 8 June 2024)  
Mr D Owen (from 8 June 2024)

#### **Hon. Events' Secretary**

Mrs I Howlett

#### **Catering Secretary**

Mrs G Semple (until 8 June 2024)

#### **Elected Members**

Mr P Griffiths (until 8 June 2024)  
Mrs I Willmott  
Mrs S Warner  
Ms C Caldwell (from 8 June 2024)  
Mr C Walker (from 8 June 2024)

#### **Induction and training of new trustees**

The Trustees attend regular committee meetings and share in discussion and decision making at these meetings.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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The trustees' report was approved by the Board of Trustees.

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Dr B J Roderick

**Trustee**

Date: .....

# THE FRIENDS OF HEREFORD CATHEDRAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FRIENDS OF HEREFORD CATHEDRAL

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I report to the trustees on my examination of the financial statements of The Friends of Hereford Cathedral (the charity) for the year ended 31 December 2024.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: .....

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Income from:</b>			
Donations and legacies	2	48,957	112,568
Other trading activities	3	6,297	6,398
Investments	4	21,447	19,264
Publicity and events		12,980	20,656
<b>Total income</b>		<u>89,681</u>	<u>158,886</u>
<b>Expenditure on:</b>			
Raising funds	5	4,328	10,992
Charitable activities	6	152,046	43,101
Other expenditure	10	877	612
Total expenditure		<u>157,251</u>	<u>54,705</u>
Net gains on investments	11	20,560	54,636
<b>Net income/(expenditure) and movement in funds</b>		<u>(47,010)</u>	<u>158,817</u>
<b>Reconciliation of funds:</b>			
Fund balances at 1 January 2024		819,279	660,462
<b>Fund balances at 31 December 2024</b>		<u><u>772,269</u></u>	<u><u>819,279</u></u>

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

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		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Investments	12		689,314		668,754
<b>Current assets</b>					
Trade and other receivables	13	3,119		3,613	
Cash at bank and in hand		88,737		153,742	
		<u>91,856</u>		<u>157,355</u>	
<b>Current liabilities</b>	14	<u>(8,901)</u>		<u>(6,830)</u>	
<b>Net current assets</b>			82,955		150,525
<b>Total assets less current liabilities</b>			<u>772,269</u>		<u>819,279</u>
<b>Net assets excluding pension liability</b>			<u>772,269</u>		<u>819,279</u>
			<u><u>772,269</u></u>		<u><u>819,279</u></u>
<b>The funds of the charity</b>					
Unrestricted funds			<u>772,269</u>		<u>819,279</u>
			<u>772,269</u>		<u>819,279</u>

The financial statements were approved by the trustees on .....

.....  
Dr B J Roderick  
Trustee

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

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### 1 Accounting policies

#### Charity information

The Friends of Hereford Cathedral is an unincorporated charity and its principal address is stated on the legal and administrative information page.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are included at their fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

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

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1 Accounting policies

(Continued)

Deferred income includes amounts received in respect of trips and events to be undertaken in the next financial year.

Subscriptions are accounted for only when they are received. Life members' subscriptions are taken into the income and expenditure account in ten equal instalments commencing in the year of receipt.

Investment income has been included on the date payable and bank deposit interest has been included on the accruals basis.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### 1.6 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

### 1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Donations and gifts	468	368
Legacies receivable	48,489	112,200
	<u>48,957</u>	<u>112,568</u>
<b>Legacies receivable</b>		
Mr C Attfield	-	200
Mrs F V Norgrove	29,417	-
Mr J W J Hyde	1,000	-
Ms J Pillar	13,072	-
Mrs W J Chase	5,000	-
Mr L Moss	-	2,000
Mrs J Bishop	-	20,000
Mrs J Piller	-	80,000
Mr E Parker	-	10,000
	<u>48,489</u>	<u>112,200</u>

### 3 Income from other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Membership subscriptions	6,297	6,398
	<u>6,297</u>	<u>6,398</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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### 4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	14,668	14,290
Interest receivable	6,779	4,974
	<u>21,447</u>	<u>19,264</u>

### 5 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<b>Fundraising and publicity</b>		
Staging fundraising events	4,328	10,992
	<u>4,328</u>	<u>10,992</u>

### 6 Charitable activities

	2024 £	2023 £
Annual report	1,588	1,378
Grant funding of activities (see note 7)	146,258	37,953
Share of support costs (see note 8)	1,161	994
Share of governance costs (see note 8)	3,039	2,776
	<u>152,046</u>	<u>43,101</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 7 Grants payable

	2024 £	2023 £
Grants to Dean and Chapter of Hereford Cathedral:		
- Choral grant	20,000	20,000
- Gardens	1,320	453
- Toddler's group	1,000	1,000
- Flower Guild	1,000	1,600
- Paving in Chapter House garden	-	6,800
- Easter Passion Play	-	6,000
- Educational Bursary	1,000	1,000
- Cafe Mundi chairs	786	-
- Chapter House garden	119,806	-
- Taylors' Exhibition	500	-
Donations to Churches	846	1,100
	<u>146,258</u>	<u>37,953</u>

#### Commitments

A pledge of £50,000 has been committed to Hereford Cathedral towards the enhancement of the approaches to the Canons' Garden.

### 8 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Printing and stationery	474	-	474	390
Postage	687	-	687	604
Accountancy & Independent Examiner's fees	-	1,878	1,878	1,782
Printing and stationery	-	474	474	390
Postage	-	687	687	604
	<u>1,161</u>	<u>3,039</u>	<u>4,200</u>	<u>3,770</u>
Analysed between				
Charitable activities	<u>1,161</u>	<u>3,039</u>	<u>4,200</u>	<u>3,770</u>

Printing and stationery and postage have been allocated 50%:50% (2023: 50%:50%) between support costs and governance costs, which is considered an appropriate split according to usage.

Governance costs includes payments to the accountants of £624 (2023: £594) for independent examination fees.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 5 of them were reimbursed a total of £2,536 expenses (2023: 5 were reimbursed £4,375).

#### Trustees' expenses

During the year the following Trustees were reimbursed the following expenses in relation to charitable expenses incurred on behalf of the Charity:

	Nature of expenses	£
Mrs I Howett	Event expenses	240
Mr P J Hereford	Postage, garden & event expenses	882
Dr T D Roderick	Event & sundry expenses	574
Mrs E M Hillman	Postage	<u>840</u>
		<u>2,536</u>

#### 10 Other expenditure

	Unrestricted funds	Total
	2024	2023
		£
Financing costs	391	312
Other expenditure	486	300
	<u>877</u>	<u>612</u>

#### 11 Gains and losses on investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Gains/(losses) arising on:		
Revaluation of investments	<u>20,560</u>	<u>54,636</u>

#### 12 Fixed asset investments

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

### 12 Fixed asset investments (Continued)

	Listed investments £	Cash or cash equivalents	Total £
<b>Cost or valuation</b>			
At 1 January 2024	583,754	85,000	668,754
Valuation changes	20,560	-	20,560
	<hr/>	<hr/>	<hr/>
At 31 December 2024	604,314	85,000	689,314
	<hr/>	<hr/>	<hr/>
<b>Carrying amount</b>			
At 31 December 2024	604,314	85,000	689,314
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2023	583,754	85,000	668,754
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		<b>2024</b>	<b>2023</b>
		£	£
Investments at fair value comprise:			
Investment Fund		191,758	187,468
Property Fund		38,781	38,567
UK Equity Fund		104,339	103,007
Global Equity Fund		158,385	149,055
Investment Fund Accumulation		111,051	105,657
		<hr/>	<hr/>
		604,314	583,754
		<hr/> <hr/>	<hr/> <hr/>

#### Fixed asset investments revalued

All funds are held by the Central Board of Finance of Church of England and are valued as per the stock market at the year end.

The FTSE 100 at 31 December 2024 was 8173 (2023: 7733).

Historical cost at 31 December 2024 was £379,355 (2023: £379,355).

### 13 Trade and other receivables

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Other receivables	3,119	3,613
	<hr/> <hr/>	<hr/> <hr/>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

### 14 Current liabilities

	Notes	2024 £	2023 £
Deferred income	15	7,007	5,048
Other payables		1,894	1,782
		<u>8,901</u>	<u>6,830</u>

### 15 Deferred income

	2024 £	2023 £
Deferred income: Life membership	2,405	3,242
Deferred income: Trips	4,602	1,806
	<u>7,007</u>	<u>5,048</u>

Deferred income is included in the financial statements as follows:

	At 1 Jan 2024 £	Released to incoming resources £	Deferred in the year £	At 31 Dec 2024 £
Deferred income				
Life membership	3,242	(987)	150	2,405
Fundraising events and trips	<u>1,806</u>	<u>(1,806)</u>	<u>4,602</u>	<u>4,602</u>
	<u>5,048</u>	<u>(2,793)</u>	<u>4,752</u>	<u>7,007</u>

Life membership subscriptions are released in ten equal instalments commencing in the year of receipt.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

### 17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2024 £
General funds	819,279	89,681	(157,251)	20,560	772,269
	<u>819,279</u>	<u>89,681</u>	<u>(157,251)</u>	<u>20,560</u>	<u>772,269</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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17 Unrestricted funds (Continued)

Previous year:	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	660,462	158,886	(54,705)	54,636	819,279

# THE FRIENDS OF HEREFORD CATHEDRAL

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

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	2024 £	2023 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	468	368
Legacies	48,489	112,200
<b>Charitable activities</b>		
Subscriptions	6,297	6,398
Publicity and events	12,980	20,656
<b>Investment income</b>		
Dividend income	14,668	14,290
Deposit account interest	6,779	4,974
<b>Total incoming resources</b>	<u>89,681</u>	<u>158,886</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Events	4,328	10,992
Printing, stationery & postage	1,161	994
Annual report	1,588	1,378
Grants payable & donations	146,258	37,953
<b>Governance</b>		
Accountancy	1,878	1,782
Printing, stationery & postage	1,161	994
<b>Other expenditure</b>	877	612
<b>Total resources expended</b>	<u>157,251</u>	<u>54,705</u>
<b>Net gains/(losses) on investments</b>	20,560	54,636
<b>Net income/(expenditure)</b>	<u>(47,010)</u>	<u>158,817</u>

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**THE FRIENDS OF HEREFORD CATHEDRAL**

England & Wales - Charity number 215663

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# Accounts

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Charity registration number 215663

**THE FRIENDS OF HEREFORD CATHEDRAL  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# THE FRIENDS OF HEREFORD CATHEDRAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr D A Barrat  
Dr T D Roderick  
Wg Cmdr P J Hereford OBE  
Dr B J Roderick  
Mrs E Hillman  
Mr D Owen  
Mrs I Howlett  
Mrs G Sample  
Mrs I Willmott  
Very Rev'd S Brown  
Mr P Griffiths  
Mrs S Warner

(Appointed 10 June 2023)

### Charity number

215663

### Principal address

5 College Cloisters  
Hereford  
Herefordshire  
HR1 2NG

### Independent examiner

Hawkins Priday Ltd  
5 Bridge Street  
Hereford  
HR4 9DF

### Bankers

Central Board of Finance of the Church of England  
One Angel Lane  
London  
EC4R 3AB

Barclays Bank Plc  
1/3 Broad Street  
Hereford  
HR4 9BH

United Trust Bank  
One Ropemaker Street  
London  
EC2Y 9AW

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# THE FRIENDS OF HEREFORD CATHEDRAL

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10 - 18
Detailed statement of financial activities	19

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

##### **The Objects of the Charity**

- 1) To encourage the community in general, and persons of the Diocese in particular, to interest themselves in Hereford Cathedral, its precincts, worship, music, history and education.
- 2) To maintain or assist in maintaining the fabric and furnishings of the Cathedral, and to supplement the resources of the Dean and Chapter available for such maintenance.
- 3) To undertake any such work as shall, in the opinion of the Trustees, improve and beautify the Cathedral, its precincts, worship, music and education, subject to the consent of the Dean and Chapter.
- 4) To receive subscriptions and donations and to raise funds for all or any of the objects of the Society and to expend them in such manner as the Society shall think fit.
- 5) To do all such things as are conclusive or ancillary to the carrying out of any of the Society's objects.

##### **Aims of the Charity**

To foster interest in the care and preservation of the Cathedral through the financing of particular projects and by involving members and others in activities arranged by the Friends in the diocese.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

##### **Main objective for the year**

The pledge of £90,000 given to Dean and Chapter to mark the 90th Anniversary of the formation of the Friends remains in reserve. The Dean and Chapter have yet to identify a suitable major project. The annual Choral Grant was increased and now stands at £20,000 being the most significant part of the nearly £37,000 granted to Dean and Chapter in 2023. That apart, the Friends continue to support various current and future projects of the Dean and Chapter.

##### **Charity's strategies**

To maintain the investments of the Charity to provide adequate income to finance current and future projects.

##### **Significant Activities**

These are detailed in the 90th annual report to the members for 2023-24.

##### **Public benefit**

In drafting this report, the Trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. It does this by assisting in the work of the Cathedral (including worship, fabric, education).

##### **Volunteers**

All activities rely on the contribution of volunteers to take place. The volunteers are mainly the trustees but may also include other members of the charity.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### **Achievements and performance**

By the nature of the Cathedral's activities and the unpredictability of donations and legacies there is inevitably a variation in our financial and related achievements and performance year on year and 2023 followed that pattern. The Events Team were delighted to be back to presenting a full programme of lectures and visits including the annual residential pilgrimage, this year led by our new Dean in her 'old stamping ground' of Peterborough. The most significant event in the Friends year, apart from the Annual Friends weekend of course, was to host the Annual Conference of Friends of Cathedrals, Abbeys and Major Churches, a biennial forum for discussion and networking amongst representatives of all the Friend organisations throughout the UK. It was a spectacular success, generally acclaimed by the delegates as the best ever.

Our belief, that the careful husbandry of finances built up over the years should continue, certainly paid off, bolstered during the year by some substantial provision made by deceased Friends in their wills. These make a significant contribution to the long-term sustainability of the organisation and enables us to continue to offer assistance to Dean and Chapter in ensuring the long-term future of our Cathedral. The value of our investments remains steady at over half a million pounds, despite the stock market having a very bumpy ride during 2023 and continues to generate a comfortable additional annual income.

As stated previously the Friends were able to assist the Dean and Chapter with grants of nearly £37,000 during the year. This was principally through the annual Choral Grant of £20,000. The pledge of £90,000 to Dean and Chapter to mark the 90th Anniversary of the Friends' Society remains in reserve pending the Dean and Chapter identifying a suitable project. A new departure for the Friends was to support the outreach mission of the Dean and Chapter. The exciting initiative of the Chancellor to stage a Hereford Passion Play in 2024 attracted £6,000. Support was given to the children's mission and also a bursary to enable children from the diocese to visit the Cathedral. Further support was given to the sterling team of volunteer gardeners for materials to maintain the Cloister, Chapter House and Canons' gardens, and to the volunteer flower ladies who decorate the Cathedral throughout the year.

As well as providing financial support to the Cathedral, the Trustees arranged a series of events for members with a social and educational purpose. As well as the residential pilgrimage to Eastern Abbeys and Cathedrals led by the Dean who, before coming to Hereford, was Canon Missioner at Peterborough Cathedral, there was the usual excellent series of lectures laid on by the Events Team throughout the year. The Friends' Weekend Festival incorporating the Annual General Meeting in June took on its customary format with members coming from far and near to renew old acquaintances and the Annual Conference of Friends of Cathedrals, Abbeys and Major Churches in October, mentioned above, was a resounding success.

#### **Control factors**

By regular reporting to the Trustees the current financial position is adequately monitored.

#### **Financial review**

##### **Results for the year**

For the year ended 31 December 2023 net movement in funds amounted to £158,817 (2022: £54,028). Net assets amounted to £819,279 (2022: £660,462).

Details of the financial position of the Charity are set out in the following accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **Reserves Policy**

At the balance sheet date the Charity held £819,279 (2022: £660,462) of unrestricted reserves. The Charity retains the level of resources to ensure that capital is adequate to provide income to meet its regular donations. Of this figure, £583,754 (2022: £529,118) is held in fixed asset investments and £85,000 (2022: £0) in cash deposits. These investments generate income to be used in support of the Dean and Chapter.

Free reserves amounting to £150,525 (2022: £131,344) enable the Charity to carry out its day to day activities. These were excessive at year end due to our recent receipt of a substantial legacy and the Treasurer and Finance Committee are actively pursuing a suitable form of short term investment for these funds.

### **Principal Funding Sources and Investment Policy**

The long-term aim is to follow a low-risk strategy consistent with protecting and enhancing the Charity's financial resources. Our investments are therefore diversified as far as possible. About one fifth of the finances are customarily held in cash deposits, of which around a quarter is with the Central Board of Finance (CBF). At the start of 2023 and in anticipation of the setting aside of £90,000 as a 90th Anniversary pledge to support a major project of the Dean and Chapter, we invested a further £100,000 in CBF Investment Fund Accumulation Units to be drawn upon when the project is realised without having to touch our main core investments. These investments are in a range of stocks and shares funds held with the CBF and administered by the investment managers CCLA (Churches, Charities and Local Authorities). The advantage of this form of investment is a higher rate of return, but it is important to remember that these (Stock Exchange) investments are designed to last for at least 10-15 years, thereby giving the potential for long term capital growth as well as higher annual rates of return compared with cash deposits.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for future periods**

#### **Future plans**

It remains the policy of the Friends to continue its programme of careful financial husbandry in order to contribute to the work of the Cathedral, its precincts, fabric, worship, music, history and education. The Friends will continue to encourage wide participation in and support of the policy of the Dean and Chapter.

### **Structure, governance and management**

The charity is controlled by its governing document which is registered with the Charity Commission and constitutes an unincorporated charity.

The Society was formed over 90 years ago, in the autumn of 1932, for the purpose of gathering round the Cathedral, in association with the Dean and Chapter, a body of supporters who were anxious to take some share in caring for it and preserving it for posterity. Regulations were revised in April 1949, amended January 1979 and June 2006 and revised further June 2013. In 2018 the Council and the Executive Committee reviewed the constitution and governance and agreed on a rationalisation of the committee structure which will now have one committee to be known as the Board of Trustees. The constitutional amendments were carried *nem. con.* at a Special Meeting of the Friends, on 20 October 2018. The new Constitution came into effect immediately and the Charity Commission was informed of the changes. Finally, there were two minor administrative amendments to the Constitution implemented *nem. con.* at the Annual General Meeting on 11 September 2021.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D A Barrat

Dr T D Roderick

Wg Cmdr P J Hereford OBE

Dr B J Roderick

Mrs E Hillman

Mr D Owen

Mrs I Howlett

Mrs N O'Byrne

(Resigned 10 June 2023)

Mrs G Semple

Mrs I Willmott

Very Rev'd S Brown

Mr P Griffiths

Mrs S Warner

(Appointed 10 June 2023)

### **Recruitment and appointment of new Trustees**

Trustees are selected from those members of the Friends who are already closely involved in the work of the Friends and who participate in Cathedral and Diocesan activities. Nominations for all the officers and trustee vacancies are received prior to the AGM and are then elected by majority during the AGM.

The Dean of Hereford, as appointed by Hereford Cathedral, is an ex-officio trustee.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

---

### Organisational structure

The decision-making body of the Friends were until 20 October 2018 the Executive Committee and Council, but after that date, as stated above, there is a single body, the Board of Trustees, who have sole responsibility for the work and funds of the Friends.

The administration of the Friends is co-ordinated by the Secretary, with the Treasurer responsible for finances and accounts, the Events' Secretary responsible for planning and arranging social events throughout the year, and the Membership Secretary for maintaining the membership records.

### Charity Organisational Structure

#### Presidents

The Rt Rev'd The Lord Bishop of Hereford  
The Lord Lieutenant of Herefordshire  
The Lord Lieutenant of Shropshire

#### Vice-Presidents

The Very Rev'd S Brown Dean of Hereford

#### Honorary Vice-Presidents

The Very Rev'd M Tavinor Dean Emeritus of Hereford  
Mrs J Chase MBE (*deceased*)

### Board of Trustees

#### Officers

#### Chairman

Mr D A Barrat

#### Vice-Chairman

Dr B J Roderick

#### Hon. Treasurer

Wg Cdr P J Hereford OBE

#### Hon. Secretary

Dr T D Roderick

#### Hon. Membership Secretary

Mrs E Hillman

#### Hon. Events' Secretary

Mrs I Howlett

#### Catering Secretary

Mr D Owen (until June 2023)  
Mrs G Semple (from June 2023)

#### Elected Members

Mrs N O'Byrne (until June 2023)  
Mrs G Semple (until June 2023)  
Mr D Owen (from June 2023)  
Mrs I Willmott  
Mr P Griffiths  
Mrs S Warner (from June 2023)

#### Ex-officio Trustee

The Very Rev'd S Brown Dean of Hereford

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### Induction and training of new trustees

The Trustees attend regular committee meetings and share in discussion and decision making at these meetings.

The trustees' report was approved by the Board of Trustees.



.....  
Mr D A Barrat  
Trustee

Date: 19<sup>th</sup> March 2024  
.....

# THE FRIENDS OF HEREFORD CATHEDRAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FRIENDS OF HEREFORD CATHEDRAL

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I report to the trustees on my examination of the financial statements of The Friends of Hereford Cathedral (the charity) for the year ended 31 December 2023.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: 20/3/24

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Income from:</b>			
Donations and legacies	2	112,568	117,462
Other trading activities	3	6,398	6,782
Investments	4	19,264	14,243
Publicity and events		20,656	43,601
<b>Total income</b>		<u>158,886</u>	<u>182,088</u>
<b>Expenditure on:</b>			
Raising funds	5	10,992	25,748
Charitable activities	6	43,101	24,011
Other expenditure	10	612	876
<b>Total expenditure</b>		<u>54,705</u>	<u>50,635</u>
<b>Net gains/(losses) on investments</b>	11	<u>54,636</u>	<u>(77,425)</u>
<b>Net income and movement in funds</b>		<u>158,817</u>	<u>54,028</u>
<b>Reconciliation of funds:</b>			
Fund balances at 1 January 2023		<u>660,462</u>	<u>606,434</u>
<b>Fund balances at 31 December 2023</b>		<u><u>819,279</u></u>	<u><u>660,462</u></u>

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

# THE FRIENDS OF HEREFORD CATHEDRAL

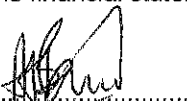
## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Investments	12		668,754		529,118
<b>Current assets</b>					
Trade and other receivables	13	3,613		5,000	
Cash at bank and in hand		153,742		136,734	
		<u>157,355</u>		<u>141,734</u>	
<b>Current liabilities</b>	14	6,830		10,390	
Net current assets			<u>150,525</u>		<u>131,344</u>
<b>Total assets less current liabilities</b>			<u><u>819,279</u></u>		<u><u>660,462</u></u>
<b>The funds of the charity</b>					
Unrestricted funds			<u>819,279</u>		<u>660,462</u>
			<u><u>819,279</u></u>		<u><u>660,462</u></u>

The financial statements were approved by the trustees on

19<sup>th</sup> March 2024



Mr D A Barrat  
Trustee

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

##### Charity information

The Friends of Hereford Cathedral is an unincorporated charity and its principal address is stated on the legal and administrative information page.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are included at their fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

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

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Income

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

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

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Accounting policies

(Continued)

Deferred income includes amounts received in respect of trips and events to be undertaken in the next financial year.

Subscriptions are accounted for only when they are received. Life members' subscriptions are taken into the income and expenditure account in ten equal instalments commencing in the year of receipt.

Investment income has been included on the date payable and bank deposit interest has been included on the accruals basis.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### 1.6 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### 1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	368	3,030
Legacies receivable	112,200	114,432
	<u>112,568</u>	<u>117,462</u>
<b>Legacies receivable</b>		
Mr C Attfield	200	-
Mr R Backhouse	-	9,182
Ms J Stapleton	-	250
Dr R Parish	-	100,000
Mr L Chase	-	5,000
Mr L Moss	2,000	-
Mrs J Bishop	20,000	-
Mrs J Piller	80,000	-
Mr E Parker	10,000	-
	<u>112,200</u>	<u>114,432</u>

As at 31 December 2023, the charity had been notified of one residuary legacy the value of which is uncertain as the executor is taking steps to liquidate the assets in the estate; however it is expected to be approximately £30,000. As at the year end of 31 December 2023, no further information has been received and so this legacy has not been provided for.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Membership subscriptions	6,398	6,782

#### 4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	14,290	14,143
Interest receivable	4,974	100
	<u>19,264</u>	<u>14,243</u>

#### 5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Fundraising and publicity</b>		
Staging fundraising events	10,992	25,748

#### 6 Charitable activities

	2023 £	2022 £
Annual report	1,378	1,252
Grant funding of activities (see note 7)	37,953	18,857
Share of support costs (see note 8)	994	1,102
Share of governance costs (see note 8)	2,776	2,800
	<u>43,101</u>	<u>24,011</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 7 Grants payable

	2023	2022
	£	£
Grants to Dean and Chapter of Hereford Cathedral:		
- Choral grant	20,000	15,000
- Gardens	453	720
- Refreshments	-	47
- Toddler's group	1,000	2,000
- Flower Guild	1,600	-
- Paving in Chapter House garden	6,800	-
- Easter Passion Play	6,000	-
- Educational Bursary	1,000	-
Donations to Churches	1,100	1,090
	<u>37,953</u>	<u>18,857</u>

#### Commitments

A pledge has been made of £90,000 to Hereford Cathedral for a major project to be agreed with the Dean and Chapter. Currently the project is awaiting agreement before the grant is made.

#### 8 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Printing and stationery	390	-	390	569
Postage	604	-	604	533
Accountancy & Independent Examiner's fees	-	1,782	1,782	1,698
Printing and stationery	-	390	390	569
Postage	-	604	604	533
	<u>994</u>	<u>2,776</u>	<u>3,770</u>	<u>3,902</u>
Analysed between				
Charitable activities	<u>994</u>	<u>2,776</u>	<u>3,770</u>	<u>3,902</u>

Printing and stationery and postage have been allocated 50%:50% (2022: 50%:50%) between support costs and governance costs, which is considered an appropriate split according to usage.

Governance costs includes payments to the accountants of £594 (2022: £566) for independent examination fees.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 5 of them were reimbursed a total of £4,375 expenses (2022: 6 were reimbursed £2,999).

#### Trustees' expenses

During the year the following Trustees were reimbursed the following expenses in relation to charitable expenses incurred on behalf of the Charity:

	Nature of expenses	£
Mr D Barrat	Refreshments & event expenses	1,540
Dr B J Roderick	Refreshments & event expenses	494
Mr P J Hereford	Event expenses	922
Dr T D Roderick	Event expenses	145
Mrs E M Hillman	Postage, stationery & event expenses	<u>1,274</u>
		<u>4,375</u>

#### 10 Other expenditure

	Unrestricted funds	Total
	2023	2022
	£	£
Financing costs	312	336
Other expenditure	300	540
	<u>612</u>	<u>876</u>

#### 11 Gains and losses on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Gains/(losses) arising on:		
Revaluation of investments	54,636	(77,425)
	<u>54,636</u>	<u>(77,425)</u>

#### 12 Fixed asset investments

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 12 Fixed asset investments (Continued)

	Listed investments £	Cash or cash equivalents	Total £
<b>Cost or valuation</b>			
At 1 January 2023	529,118	-	529,118
Additions	-	85,000	85,000
Valuation changes	54,636	-	54,636
	<u>583,754</u>	<u>85,000</u>	<u>668,754</u>
At 31 December 2023	583,754	85,000	668,754
<b>Carrying amount</b>			
At 31 December 2023	<u>583,754</u>	<u>85,000</u>	<u>668,754</u>
At 31 December 2022	<u>529,118</u>	<u>-</u>	<u>529,118</u>

	2023 £	2022 £
Investments at fair value comprise:		
Investment Fund	187,468	171,347
Property Fund	38,567	41,089
UK Equity Fund	103,007	93,099
Global Equity Fund	149,055	129,721
Investment Fund Accumulation	105,657	93,862
	<u>583,754</u>	<u>529,118</u>

#### Fixed asset investments revalued

All funds are held by the Central Board of Finance of Church of England and are valued as per the stock market at the year end.

The FTSE 100 at 31 December 2023 was 7733 (2022: 7452).

Historical cost at 31 December 2023 was £379,355 (2022: £379,355).

#### 13 Trade and other receivables

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Other receivables	3,613	5,000
	<u>3,613</u>	<u>5,000</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

### 14 Current liabilities

	Notes	2023 £	2022 £
Deferred income	15	5,048	8,692
Other payables		1,782	1,698
		<u>6,830</u>	<u>10,390</u>

### 15 Deferred income

	2023 £	2022 £
Deferred income: Life membership	3,242	4,040
Deferred income: Trips	1,806	4,652
	<u>5,048</u>	<u>8,692</u>

Deferred income is included in the financial statements as follows:

	At 1 Jan 2023 £	Released to incoming resources £	Deferred in the year £	At 31 Dec 2023 £
Deferred income				
Life membership	4,040	(1,198)	400	3,242
Fundraising events and trips	<u>4,652</u>	<u>(4,652)</u>	<u>1,806</u>	<u>1,806</u>
	<u>8,692</u>	<u>(5,850)</u>	<u>2,206</u>	<u>5,048</u>

Life membership subscriptions are released in ten equal instalments commencing in the year of receipt.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

### 17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 December 2023 £
General funds	660,462	158,886	(54,705)	54,636	819,279
	<u>660,462</u>	<u>158,886</u>	<u>(54,705)</u>	<u>54,636</u>	<u>819,279</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 17 Unrestricted funds

(Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	606,434	182,088	(50,635)	(77,425)	660,462
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

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	2023 £	2022 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	368	3,030
Legacies	112,200	114,432
<b>Charitable activities</b>		
Subscriptions	6,398	6,782
Publicity and events	20,656	43,601
<b>Investment income</b>		
Dividend income	14,290	14,143
Deposit account interest	4,974	100
<b>Total incoming resources</b>	<u>158,886</u>	<u>182,088</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Events	10,992	25,748
Printing, stationery & postage	994	1,102
Annual report	1,378	1,252
Grants payable & donations	37,953	18,857
<b>Governance</b>		
Accountancy	1,782	1,698
Printing, stationery & postage	994	1,102
<b>Other expenditure</b>	612	876
<b>Total resources expended</b>	<u>54,705</u>	<u>50,635</u>
<b>Net gains/(losses) on investments</b>	54,636	(77,425)
<b>Net income/(expenditure)</b>	<u><u>158,817</u></u>	<u><u>54,028</u></u>

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**THE FRIENDS OF HEREFORD CATHEDRAL**

England & Wales - Charity number 215663

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# Accounts

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Charity registration number 215663

**THE FRIENDS OF HEREFORD CATHEDRAL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# THE FRIENDS OF HEREFORD CATHEDRAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr D A Barrat  
Dr T D Roderick  
Wg Cmdr P J Hereford OBE  
Dr B J Roderick  
Mrs E Hillman  
Mr D Owen  
Mrs I Howlett  
Mrs N O'Byrne  
Mrs G Semple  
Mrs I Willmott  
Very Rev'd S Brown  
Mr P Griffiths

(Appointed 11 June 2022)

### Charity number

215663

### Principal address

5 College Cloisters  
Hereford  
Herefordshire  
HR1 2NG

### Independent examiner

Hawkins Priday Ltd  
5 Bridge Street  
Hereford  
HR4 9DF

### Bankers

Central Board of Finance of the Church of England  
One Angel Lane  
London  
EC4R 3AB

Barclays Bank Plc  
1/3 Broad Street  
Hereford  
HR4 9BH

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# THE FRIENDS OF HEREFORD CATHEDRAL

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10 - 18
Detailed statement of financial activities	19

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

##### **The Objects of the Charity**

- 1) To encourage the community in general, and persons of the Diocese in particular, to interest themselves in Hereford Cathedral, its precincts, worship, music, history and education.
- 2) To maintain or assist in maintaining the fabric and furnishings of the Cathedral, and to supplement the resources of the Dean and Chapter available for such maintenance.
- 3) To undertake any such work as shall, in the opinion of the Board of Trustees, improve and beautify the Cathedral, its precincts, worship, music and education, subject to the consent of the Dean and Chapter.
- 4) To receive subscriptions and donations and to raise funds for all or any of the objects of the Society and to expend them in such manner as the Society shall think fit.
- 5) To do all such things as are conclusive or ancillary to the carrying out of any of the Society's objects.

##### **Aims of the Charity**

To foster interest in the care and preservation of the Cathedral through the financing of particular projects and by involving members and others in activities arranged by the Friends in the diocese.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

##### **Main objective for the year**

Routine support, such as the Choral Grant, continued during the year but additionally a pledge was given to mark the 90th Anniversary of the formation of the Friends to make £90,000 available for a major project to be agreed with the Dean and Chapter and in accordance with the Friends' objects. That apart, the Friends are committed to support various current and future projects of the Dean and Chapter.

##### **Charity's strategies**

To maintain the investments of the Charity to provide adequate income to finance current and future projects.

##### **Significant Activities**

These are detailed in the 89th annual report to the members for 2022-23.

##### **Public benefit**

In drafting this report, the Trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. It does this by assisting in the work of the Cathedral (including worship, fabric, education).

##### **Volunteers**

All activities rely on the contribution of volunteers to take place. The volunteers are mainly the trustees but may also include other members of the charity.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **Achievements and performance**

It was with considerable relief that the Cathedral and the Friends' Society were able, along with the rest of the world, to return to some form of normality after the 'Covid Years'. By the nature of the Cathedral's activities and the unpredictability of donations and legacies there is inevitably a variation in our financial and related achievements and performance year on year and 2022 followed that pattern. The Events Team were delighted to be able to clear the backlog of postponed events and activities, not least the thrice postponed major residential pilgrimage to Canterbury. The appetite of the Friends for opening up was evident in the popularity of the events. Our belief, that the careful husbandry of finances built up over the years should continue, certainly paid off. It is a distinctive feature of our work and has proved its worth as we hope to assist in ensuring the long-term future of our Cathedral. To this end the value of our investments has now broken half a million pounds albeit giving the Treasurer some pause for thought as the market value of the investments slumped as a result of the various world crises. Nevertheless, the investments continue to generate a comfortable additional income.

Although at a reduced level the Friends were able to assist the Dean and Chapter with grants of nearly £18,000 during the year. This was principally through the annual Choral Grant of £15,000. Of course, there was also the pledge of £90,000 to Dean and Chapter at the Annual General Meeting of The Friends in June 2022 to mark the 90th Anniversary of the Friends' Society.

As well as providing financial support to the Cathedral, the Trustees arranged a series of events for members with a social and educational purpose. As mentioned above the residential pilgrimage to Canterbury in celebration of the Two Thomases, which was originally planned for 2020, at last took place and proved to be a memorable occasion. Similarly, the eagerly anticipated visit to Churches in Monmouthshire with Tim Bridges eventually took place two years late. Along with the usual excellent series of lectures laid on by the Events Team during the year, the Friends' Weekend Festival incorporating the Annual General Meeting resumed its customary format with members returning from far and near to celebrate the 90th Anniversary and renew old acquaintances.

### **Control factors**

By regular reporting to the Trustees the current financial position is adequately monitored.

### **Financial review**

#### **Results for the year**

For the year ended 31 December 2022 net movement in funds amounted to £54,028 (2021: £85,084). Net assets amounted to £660,462 (2021: £606,434).

Details of the financial position of the Charity are set out in the following accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

#### **Reserves Policy**

At the balance sheet date the Charity held £660,462 (2021: £606,434) of unrestricted reserves. The Charity retains the level of resources to ensure that capital is adequate to provide income to meet its regular donations. Of this figure, £529,118 (2021: £506,543) is held in fixed asset investments. These investments generate income to be used in support of the Dean and Chapter.

Free reserves amounting to £131,344 (2021: £99,891) enable the Charity to carry out its day to day activities. These were excessive at year end due to our recent receipt of a substantial legacy and the Treasurer and Finance Committee are actively pursuing a suitable form of short term investment for these funds.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### Principal Funding Sources and Investment Policy

The long-term aim is to follow a low-risk strategy consistent with protecting and enhancing the Charity's financial resources. Our investments are therefore diversified as far as possible. About one fifth of the finances are customarily held in cash deposits, of which around a quarter is with the Central Board of Finance (CBF). At the start of 2022 and in anticipation of the setting aside of £90,000 as a 90th Anniversary pledge to support a major project of the Dean and Chapter, we invested a further £100,000 in CBF Investment Fund Accumulation Units to be drawn upon when the project is realised without having to touch our main core investments. These investments are in a range of stocks and shares funds held with the CBF and administered by the investment managers CCLA (Churches, Charities and Local Authorities). The advantage of this form of investment is a higher rate of return, but it is important to remember that these (Stock Exchange) investments are designed to last for at least 10-15 years, thereby giving the potential for long term capital growth as well as higher annual rates of return compared with cash deposits.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Plans for future periods

#### Future plans

It remains the policy of the Friends to continue its programme of careful financial husbandry in order to contribute to the work of the Cathedral, its precincts, fabric, worship, music, history and education. The Friends will continue to encourage wide participation in and support of the policy of the Dean & Chapter.

### Structure, governance and management

The charity is controlled by its governing document which is registered with the Charity Commission and constitutes an unincorporated charity.

The Society was formed 90 years ago, in the autumn of 1932, for the purpose of gathering round the Cathedral, in association with the Dean and Chapter, a body of supporters who were anxious to take some share in caring for it and preserving it for posterity. Regulations were revised in April 1949, amended January 1979 and June 2006 and revised further June 2013. In 2018 the Council and the Executive Committee reviewed the constitution and governance and agreed on a rationalisation of the committee structure which will now have one committee to be known as the Board of Trustees. The constitutional amendments were carried *nem. con.* at a Special Meeting of the Friends, on 20 October 2018. The new Constitution came into effect immediately and the Charity Commission was informed of the changes. Finally, there were two minor administrative amendments to the Constitution implemented *nem. con.* at the Annual General Meeting on 11 September 2021.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D A Barrat

Dr T D Roderick

Wg Cmdr P J Hereford OBE

Dr B J Roderick

Mrs E Hillman

Mr P R Harris

(Resigned 11 June 2022)

Mr D Owen

Mrs I Howlett

Mrs N O'Byrne

Mrs G Semple

Mrs I Willmott

Very Rev'd S Brown

Mr P Griffiths

(Appointed 11 June 2022)

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Recruitment and appointment of new Trustees**

Trustees are selected from those members of the Friends who are already closely involved in the work of the Friends and who participate in Cathedral and Diocesan activities. Nominations for all the officers and trustee vacancies are received prior to the AGM and are then elected by majority during the AGM.

The Dean of Hereford, as appointed by Hereford Cathedral, is an ex-officio trustee.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### **Organisational structure**

The decision-making body of the Friends were until 20 October 2018 the Executive Committee and Council, but after that date, as stated above, there is a single body, the Board of Trustees, who have sole responsibility for the work and funds of the Friends.

The administration of the Friends is co-ordinated by the Secretary, with the Treasurer responsible for finances and accounts, the Events' Secretary responsible for planning and arranging social events throughout the year, and the Membership Secretary for maintaining the membership records.

### **Charity Organisational Structure**

#### **Presidents**

The Rt Rev'd The Lord Bishop of Hereford  
The Lord Lieutenant of Herefordshire  
The Lord Lieutenant of Shropshire

#### **Vice-Presidents**

The Very Rev'd S Brown Dean of Hereford

#### **Honorary Vice-Presidents**

Mrs J Chase MBE  
The Very Rev'd M Tavinor Dean Emeritus of Hereford

### **Board of Trustees**

#### **Officers**

#### **Chairman**

Mr D A Barrat

#### **Vice-Chairman**

Dr B J Roderick

#### **Hon. Treasurer**

Wg Cdr P J Hereford OBE

#### **Hon. Secretary**

Dr T D Roderick

#### **Hon. Membership Secretary**

Mrs E Hillman

#### **Hon. Events' Secretary**

Mrs I Howlett

#### **Catering Secretary**

Mr D Owen

#### **Elected Members**

Mr P R Harris (until June 2022)  
Mrs N O'Byrne  
Mrs G Semple  
Mrs I Willmott  
Mr P Griffiths (from June 2022)

#### **Ex-officio Trustee**

The Very Rev'd S Brown Dean of Hereford

### **Induction and training of new trustees**

The Trustees attend regular committee meetings and share in discussion and decision making at these meetings.

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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The trustees' report was approved by the Board of Trustees.



.....  
Mr D A Barrat  
Trustee

Date: 16<sup>th</sup> March 2023

# THE FRIENDS OF HEREFORD CATHEDRAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FRIENDS OF HEREFORD CATHEDRAL

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I report to the trustees on my examination of the financial statements of The Friends of Hereford Cathedral (the charity) for the year ended 31 December 2022.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: 20/03/2023

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	2	117,462	4,129
Subscriptions	3	6,782	7,141
Investments	4	14,243	14,577
Publicity and events		43,601	12,243
<b>Total income</b>		<b>182,088</b>	<b>38,090</b>
<b><u>Expenditure on:</u></b>			
Publicity and events	5	25,748	1,075
Charitable activities	6	24,011	20,184
Other expenditure	10	876	265
<b>Total expenditure</b>		<b>50,635</b>	<b>21,524</b>
Net gains/(losses) on investments	11	(77,425)	68,518
<b>Net movement in funds</b>		<b>54,028</b>	<b>85,084</b>
Fund balances at 1 January 2022		606,434	521,350
<b>Fund balances at 31 December 2022</b>		<b>660,462</b>	<b>606,434</b>

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

All income and expenditure derive from continuing activities.

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Investments	12		529,118		506,543
<b>Current assets</b>					
Trade and other receivables	13	5,000		5,245	
Cash at bank and in hand		136,734		121,616	
		<u>141,734</u>		<u>126,861</u>	
<b>Current liabilities</b>	14	(10,390)		(26,970)	
Net current assets			<u>131,344</u>		<u>99,891</u>
<b>Total assets less current liabilities</b>			<u>660,462</u>		<u>606,434</u>
<b>Income funds</b>					
Unrestricted funds			<u>660,462</u>		<u>606,434</u>
			<u>660,462</u>		<u>606,434</u>

The financial statements were approved by the Trustees on .....

16<sup>th</sup> March 2023

  
.....  
Mr D A Barrat  
Trustee

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2022

---

#### 1 Accounting policies

##### Charity information

The Friends of Hereford Cathedral is an unincorporated charity and its principal address is stated on the legal and administrative information page.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are included at their fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

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

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

Deferred income includes amounts received in respect of trips and events to be undertaken in the next financial year.

Subscriptions are accounted for only when they are received. Life members' subscriptions are taken into the income and expenditure account in ten equal instalments commencing in the year of receipt.

Investment income has been included on the date payable and bank deposit interest has been included on the accruals basis.

### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### 1.6 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

### 1.7 Cash and cash equivalents

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

### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

#### 1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

#### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	3,030	2,157
Legacies receivable	114,432	1,972
	<u>117,462</u>	<u>4,129</u>
<b>Legacies receivable</b>		
Rev W Massey	-	1,000
Mr R Backhouse	9,182	-
Ms J Stapleton	250	-
Dr R Parish	100,000	-
Mr L Chase	5,000	-
Mr E Bulman	-	272
R Godsall	-	200
Ms M Wright	-	500
	<u>114,432</u>	<u>1,972</u>

As at 31 December 2021, the charity had been notified of one residuary legacy the value of which is uncertain as the executor is taking steps to liquidate the assets in the estate; however it is expected to be approximately £86,000. As at the year end of 31 December 2022, no further information has been received and so this legacy has not been provided for.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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### 3 Subscriptions

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Membership subscriptions	6,782	7,141

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Income from listed investments	14,143	13,849
Interest receivable	100	728
	<u>14,243</u>	<u>14,577</u>

### 5 Publicity and events

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
<u>Fundraising and publicity</u>		
Staging fundraising events	25,748	1,075
	<u>25,748</u>	<u>1,075</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Charitable activities

	2022	2021
	£	£
Annual report	1,252	891
Grant funding of activities (see note 7)	18,857	16,809
Share of support costs (see note 8)	1,102	432
Share of governance costs (see note 8)	2,800	2,052
	<u>24,011</u>	<u>20,184</u>

### 7 Grants payable

	2022	2021
	£	£
Grants to Dean and Chapter of Hereford Cathedral:		
- Choral grant	15,000	15,000
- Gardens	720	645
- Refreshments	47	-
- Toddler's group	2,000	-
- Chapter Room kitchen	-	60
Donations to Churches	1,090	1,104
	<u>18,857</u>	<u>16,809</u>

#### Commitments

A pledge has been made of £90,000 to Hereford Cathedral for a major project to be agreed with the Dean and Chapter. Currently the project is awaiting agreement before the grant is made.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Printing and stationery	569	-	569	90
Postage	533	-	533	342
Accountancy & Independent Examiner's fees	-	1,698	1,698	1,620
Printing and stationery	-	569	569	90
Postage	-	533	533	342
	<u>1,102</u>	<u>2,800</u>	<u>3,902</u>	<u>2,484</u>
Analysed between				
Charitable activities	<u>1,102</u>	<u>2,800</u>	<u>3,902</u>	<u>2,484</u>

Printing and stationery and postage have been allocated 50%:50% (2021: 50%:50%) between support costs and governance costs, which is considered an appropriate split according to usage.

Governance costs includes payments to the accountants of £566 (2021: £540) for independent examination fees.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 6 of them were reimbursed a total of £2,999 expenses (2021: 4 were reimbursed £1,078).

#### Trustees' expenses

During the year the following Trustees were reimbursed the following expenses in relation to charitable expenses incurred on behalf of the Charity:

	Nature of expenses	£
Mr D Barrat	Refreshments	445
Mr D Owen	Refreshments	26
Dr B J Roderick	Refreshments & event expenses	800
Mrs I Willmott	Refreshments	89
Mrs I Howlett	Event expenses	50
Mrs E M Hillman	Postage, stationery & event expenses	<u>1,589</u>
		<u>2,999</u>



# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

<b>12 Fixed asset investments</b>	<b>(Continued)</b>	
	529,118	506,543
	<u>529,118</u>	<u>506,543</u>

#### Fixed asset investments revalued

All funds are held by the Central Board of Finance of Church of England and are valued as per the stock market at the year end.

The FTSE 100 at 31 December 2022 was 7452 (2021: 7385).

Historical cost at 31 December 2022 was £379,355 (2021: £279,355).

<b>13 Trade and other receivables</b>		<b>2022</b>	<b>2021</b>
		£	£
<b>Amounts falling due within one year:</b>			
Other receivables		5,000	-
Prepayments - Trips		-	5,245
		<u>5,000</u>	<u>5,245</u>

<b>14 Current liabilities</b>		<b>2022</b>	<b>2021</b>
		£	£
	<b>Notes</b>		
Deferred income	<b>15</b>	8,692	25,350
Other payables		1,698	1,620
		<u>10,390</u>	<u>26,970</u>

<b>15 Deferred income</b>		<b>2022</b>	<b>2021</b>
		£	£
Deferred income: Life membership		4,040	5,197
Deferred income: Trips		4,652	20,153
		<u>8,692</u>	<u>25,350</u>

Deferred income is included in the financial statements as follows:

	At 1 Jan	Released to	Deferred in	At 31 Dec
Deferred income	2022	incoming	the year	2022
	£	resources	£	£
Life membership	5,197	(1,357)	200	4,040
Fundraising events and trips	<u>20,153</u>	<u>(20,153)</u>	<u>4,652</u>	<u>4,652</u>
	<u>25,350</u>	<u>(21,510)</u>	<u>4,852</u>	<u>8,692</u>

Life membership subscriptions are released in ten equal instalments commencing in the year of receipt.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2022*

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### 16 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

# THE FRIENDS OF HEREFORD CATHEDRAL

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

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	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	3,030	2,157
Legacies	114,432	1,972
<b>Charitable activities</b>		
Subscriptions	6,782	7,141
Publicity and events	43,601	12,243
<b>Investment income</b>		
Dividend income	14,143	13,849
Deposit account interest	100	728
<b>Total incoming resources</b>	<u>182,088</u>	<u>38,090</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Events	25,748	1,075
Printing, stationery & postage	1,102	432
Annual report	1,252	891
Grants payable & donations	18,857	16,809
<b>Governance</b>		
Accountancy	1,698	1,620
Printing, stationery & postage	1,102	432
<b>Other expenditure</b>	876	265
<b>Total resources expended</b>	<u>50,635</u>	<u>21,524</u>
<b>Net gains/(losses) on investments</b>	(77,425)	68,518
<b>Net income/(expenditure)</b>	<u><u>54,028</u></u>	<u><u>85,084</u></u>

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**THE FRIENDS OF HEREFORD CATHEDRAL**

England & Wales - Charity number 215663

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# Accounts

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**THE FRIENDS OF HEREFORD CATHEDRAL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE FRIENDS OF HEREFORD CATHEDRAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr D A Barrat  
Dr T D Roderick  
Wg Cmdr P J Hereford OBE  
Dr B J Roderick  
Mrs E Hillman  
Mr P R Harris  
Mr D Owen  
Mrs I Howlett  
Mrs N O'Byrne  
Mrs G Semple  
Mrs I Willmott

(Appointed 11 September  
2021)

Very Rev'd S Brown

(Appointed 2 October  
2021)

### Charity number

215663

### Principal address

5 College Cloisters  
Hereford  
Herefordshire  
HR1 2NG

### Independent examiner

Hawkins Priday Ltd  
5 Bridge Street  
Hereford  
HR4 9DF

### Bankers

Central Board of Finance of the Church of England  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

Barclays Bank Plc  
1/3 Broad Street  
Hereford  
HR4 9BH

United Trust Bank  
80 Haymarket  
London  
SW1Y 4TE

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# THE FRIENDS OF HEREFORD CATHEDRAL

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10 - 18
Detailed statement of financial activities	19

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **Objectives and activities**

#### **The Objects of the Charity**

- 1) To encourage the Community in general, and persons of the Diocese in particular, to interest themselves in Hereford Cathedral, its precincts, worship, music, history and education.
- 2) To maintain or assist in maintaining the fabric and furnishings of the Cathedral, and to supplement the resources of the Dean and Chapter available for such maintenance.
- 3) To undertake any such work as shall, in the opinion of the Board of Trustees, improve and beautify the Cathedral, its precincts, worship, music and education, subject to the consent of the Dean and Chapter.
- 4) To receive subscriptions and donations and to raise funds for all or any of the objects of the Society and to expend them in such manner as the Society shall think fit.
- 5) To do all such things as are conclusive or ancillary to the carrying out of any of the Society's objects.

#### **Aims of the Charity**

To foster interest in the care and preservation of the Cathedral through the financing of particular projects and by involving members and others in activities arranged by the Friends in the diocese.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

#### **Main objective for the year**

Particular projects have been supported as detailed in the attached accounts. In the forthcoming year, the Friends will continue to consult with the Dean and Chapter in support of various current and future projects.

#### **Charity's strategies**

To maintain the investments of the Charity to provide adequate income to finance current and future projects.

#### **Significant Activities**

These are detailed in the 88th annual report to the members.

#### **Public benefit**

In drafting this report, the Trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. It does this by assisting in the work of the Cathedral (including worship, fabric, education).

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Achievements and performance**

No one had expected 2020 to turn out the way it did, and we were shaken that 2021 turned out to be a repeat of the restrictions necessary to manage the pandemic. By the nature of the Cathedral's activities and the unpredictability of donations and legacies there is inevitably a variation in our financial and related achievements and performance year on year and 2021 followed that pattern. Little that was planned could be achieved in the first part of the year although the Events Team valiantly went ahead with the pilgrimage to the Southern Cathedrals in August and a couple of excellent lectures in the autumn before we were obliged to lockdown yet again. The appetite of the Friends for opening up was evident in the popularity of the events. The Appeal launched in 2020 amongst the Friends in an effort to raise funds to compensate for the lack of fund-raising income closed in 2021 having achieved a laudable £13,832, almost exactly replicating the assessed loss in events income. Our belief, that the careful husbandry of finances built up over the years should continue, certainly paid off. It is a distinctive feature of our work and has proved its worth as we hope to assist in ensuring the long-term future of our Cathedral. To this end the value of our investments has now broken half a million pounds and generates a comfortable additional income.

Although at a considerably reduced level the Friends were able to assist the Dean and Chapter with grants of £15,705 during the year. This was principally through the annual Choral Grant now standing at £15,000.

As well as providing financial support to the Cathedral, the Trustees would normally arrange a series of events for members with a social and educational purpose. But, again due to the pandemic, the planned pilgrimage to Canterbury in the summer of 2020 had to be postponed yet again to 2022 along with the programmed visits to Churches in Monmouthshire with Tim Bridges. To all round relief we did manage to stage the Friends' Annual General Meeting albeit considerably reduced in scale from the usual weekend of celebration. Nevertheless, it was a thoroughly enjoyable day, some "light amidst the encircling gloom"!

### **Control factors**

By regular reporting to the Trustees the current financial position is adequately monitored.

### **Financial review**

#### **Results for the year**

For the year ended 31 December 2021 net movement in funds amounted to £85,084 (2020: £28,785). Net assets amounted to £606,434 (2020: £521,350).

Details of the financial position of the Charity are set out in the following accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

### **Reserves Policy**

At the balance sheet date the Charity held £606,434 (2020: £521,350) of unrestricted reserves. The Charity retains the level of resources to ensure that capital is adequate to provide income to meet its regular donations. Out of the investments held, £506,543 (2020: £438,025) is held in fixed asset investments and £0 (2020: £50,978) in cash deposits. These investments generate income to be used in support of the Dean and Chapter.

Free reserves amounting to £99,891 (2020: £32,347) enable the Charity to carry out its day to day activities.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Principal Funding Sources and Investment Policy**

The long-term aim is to follow a low risk strategy consistent with protecting and enhancing the Charity's financial resources. Our investments are therefore diversified as far as possible. About one fifth of the finances are held in cash deposits, of which around a quarter is with the Central Board of Finance (CBF) and the rest was with United Trust Bank. This latter matured towards the end of 2021. The accounts are regularly reviewed by the Finance Group of the Trustees in the light of interest rates and the cash needs of the Friends at any given time. To this end the Trustees decided that additional funds should be set aside for Future Projects and accordingly £100,000 was identified at the end of the financial year for transfer to additional CBF Investment Fund Accumulation Units. This, unlike the mainstream investments detailed below, will be drawn upon whenever the Dean & Chapter have identified a substantial project for which they require assistance. Minor or routine grants will continue to be made from cash in hand.

The remainder of the assets are in a range of stocks and shares funds held with the CBF and administered by the investment managers CCLA (Churches, Charities and Local Authorities). The advantage of this form of investment is the higher rate of return, but it is important to remember that these (Stock Exchange) investments are designed to last for at least 10-15 years, thereby giving the potential for long term capital growth as well as higher annual rates of return compared with cash deposits.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Plans for future periods**

#### **Future Plans**

It remains the policy of the Friends to continue its programme of careful financial husbandry in order to contribute to the work of the Cathedral, its precincts, fabric, worship, music, history and education. The Friends will continue to encourage wide participation in and support of the policy of the Dean & Chapter.

### **Structure, governance and management**

The charity is controlled by its governing document which is registered with the Charity Commission and constitutes an unincorporated charity.

The Society was formed 90 years ago, in the autumn of 1932, for the purpose of gathering round the Cathedral, in association with the Dean and Chapter, a body of supporters who were anxious to take some share in caring for it and preserving it for posterity. Regulations were revised in April 1949, amended January 1979 and June 2006 and revised further June 2013. In 2018 the Council and the Executive Committee reviewed the constitution and governance and agreed on a rationalisation of the committee structure which will now have one committee to be known as the Board of Trustees. The constitutional amendments were carried *nem. con.* at a Special Meeting of the Friends, on 20 October 2018. The new Constitution came into effect immediately and the Charity Commission was informed of the changes. Finally, there were two minor administrative amendments to the Constitution implemented *nem. con.* at the Annual General Meeting on 11 September 2021.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D A Barrat

Dr T D Roderick

Wg Cmdr P J Hereford OBE

Dr B J Roderick

Mrs E Hillman

Mr P R Harris

Mr D Owen

Mrs I Howlett

Mrs E Sandison (Resigned 11 September 2021)

Mrs N O'Byrne

Mrs G Semple

Very Rev'd M Tavinor (Resigned 31 January 2021)

Mrs I Willmott (Appointed 11 September 2021)

Very Rev'd S Brown (Appointed 2 October 2021)

### **Recruitment and appointment of new Trustees**

Trustees are selected from those members of the Friends who are already closely involved in the work of the Friends and who participate in Cathedral and Diocesan activities. Nominations for all the officers and trustee vacancies are received prior to the AGM and are then elected by majority during the AGM.

The Dean of Hereford, as appointed by Hereford Cathedral, is an ex-officio trustee.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Organisational structure**

The decision-making body of the Friends were until 20 October 2018 the Executive Committee and Council, but after that date, as stated above, there is a single body, the Board of Trustees, who have sole responsibility for the work and funds of the Friends.

The administration of the Friends is co-ordinated by the Secretary, with the Treasurer responsible for finances and accounts, the Events' Secretary responsible for planning and arranging social events throughout the year, and the Membership Secretary for maintaining the membership records.

### **Charity Organisational Structure**

#### **Presidents**

The Rt Rev'd The Lord Bishop of Hereford  
The Lord Lieutenant of Herefordshire  
The Lord Lieutenant of Shropshire

#### **Vice-Presidents**

The Very Rev'd M Tavinor Dean of Hereford (until January 2021)  
The Very Rev'd S Brown Dean of Hereford (from October 2021)

#### **Honorary Vice-Presidents**

Mrs J Chase MBE  
The Very Rev'd M Tavinor Dean Emeritus of Hereford (from September 2021)

### **Board of Trustees**

#### **Officers**

#### **Chairman**

Mr D A Barrat

#### **Vice-Chairman**

Dr B J Roderick

#### **Hon. Treasurer**

Wg Cdr P Hereford OBE

#### **Hon. Secretary**

Dr T D Roderick

#### **Hon. Membership Secretary**

Mrs E Hillman

#### **Hon. Events' Secretary**

Mrs I Howlett

#### **Catering Secretary**

Mr D Owen

#### **Elected Members**

Mrs E Sandison (until September 2021)  
Mr P R Harris  
Mrs N O'Byrne  
Mrs G Semple  
Mrs I Willmott (from September 2021)

#### **Ex-officio Trustee**

The Very Rev'd M Tavinor Dean of Hereford (until January 2021)  
The Very Rev'd S Brown Dean of Hereford (from October 2021)

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Induction and training of new trustees**

The Trustees attend regular committee meetings and share in discussion and decision making at these meetings.

The trustees' report was approved by the Board of Trustees.

Mr D A Barrat

**Trustee**

8 March 2022

# THE FRIENDS OF HEREFORD CATHEDRAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FRIENDS OF HEREFORD CATHEDRAL

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I report to the trustees on my examination of the financial statements of The Friends of Hereford Cathedral (the charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard 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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: 26 April 2022

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

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		Unrestricted funds	Unrestricted funds
		2021	2020
	Notes	£	£
<b><u>Income from:</u></b>			
Donations and legacies	2	4,129	18,127
Subscriptions	3	7,141	7,716
Investments	4	14,577	14,629
Publicity and events		12,243	3,805
<b>Total income</b>		<u>38,090</u>	<u>44,277</u>
<b><u>Expenditure on:</u></b>			
Publicity and events	5	1,075	160
Charitable activities	6	20,184	41,877
Other expenditure	10	265	301
<b>Total resources expended</b>		<u>21,524</u>	<u>42,338</u>
Net gains/(losses) on investments	11	68,518	26,846
<b>Net movement in funds</b>		85,084	28,785
Fund balances at 1 January 2021		521,350	492,565
<b>Fund balances at 31 December 2021</b>		<u><u>606,434</u></u>	<u><u>521,350</u></u>

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

All income and expenditure derive from continuing activities.

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

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	Notes	2021		2020	
		£	£	£	£
<b>Fixed assets</b>					
Investments	12		506,543		489,003
<b>Current assets</b>					
Trade and other receivables	13	5,245		6,531	
Cash at bank and in hand		121,616		51,494	
		<u>126,861</u>		<u>58,025</u>	
<b>Current liabilities</b>	14	(26,970)		(25,678)	
Net current assets			99,891		32,347
<b>Total assets less current liabilities</b>			<u>606,434</u>		<u>521,350</u>
<b>Income funds</b>					
Unrestricted funds			606,434		521,350
			<u>606,434</u>		<u>521,350</u>

The financial statements were approved by the Trustees on 8 March 2022

Mr D A Barrat  
Trustee

# THE FRIENDS OF HEREFORD CATHEDRAL

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

---

### 1 Accounting policies

#### Charity information

The Friends of Hereford Cathedral is an unincorporated charity and its principal address is stated on the legal and administrative information page.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are included at their fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 1 Accounting policies

(Continued)

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

Deferred income includes amounts received in respect of trips and events to be undertaken in the next financial year.

Subscriptions are accounted for only when they are received. Life members' subscriptions are taken into the income and expenditure account in ten equal instalments commencing in the year of receipt.

Investment income has been included on the date payable and bank deposit interest has been included on the accruals basis.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### 1.6 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

### 1.9 Taxation

The charity is exempt from corporation tax on its charitable activities.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	2,157	14,067
Legacies receivable	1,972	4,060
	<u>4,129</u>	<u>18,127</u>
<b>Legacies receivable</b>		
Rev W Massey	1,000	-
Ms D E M Bennett	-	3,060
Ms J C Balding	-	1,000
Mr E Bulman	272	-
R Godsall	200	-
Ms M Wright	500	-
	<u>1,972</u>	<u>4,060</u>

As at 31 December 2021, the charity had been notified of one residuary legacy the value of which is uncertain as the executor is taking steps to liquidate the assets in the estate; however it is expected to be approximately £86,000. At a meeting of the Board of Trustees on 8 March 2022, no further information has been received and so this legacy has not been provided for.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 3 Subscriptions

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	<b>£</b>	£
Membership subscriptions	7,141	7,716
	<u>7,141</u>	<u>7,716</u>

### 4 Investments

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	<b>£</b>	£
Income from listed investments	13,849	13,550
Interest receivable	728	1,079
	<u>14,577</u>	<u>14,629</u>

### 5 Publicity and events

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2021</b>	2020
	<b>£</b>	£
<u>Fundraising and publicity</u>		
Staging fundraising events	1,075	160
	<u>1,075</u>	<u>160</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 6 Charitable activities

	2021 £	2020 £
Annual report	891	1,408
Grant funding of activities (see note 7)	16,809	36,413
Share of support costs (see note 8)	432	1,254
Share of governance costs (see note 8)	2,052	2,802
	<u>20,184</u>	<u>41,877</u>

### 7 Grants payable

	2021 £	2020 £
Grants to Dean and Chapter of Hereford Cathedral:		
- Choral grant	15,000	15,000
- Gardens	645	163
- Denton Monograph booklet	-	250
- Camera	-	1,000
- Cathedral Appeal	-	20,000
- Chapter Room kitchen	60	-
Donations to Churches	1,104	-
	<u>16,809</u>	<u>36,413</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Printing and stationery	90	-	90	474
Postage	342	-	342	780
Accountancy & Independent Examiner's fees	-	1,620	1,620	1,548
Printing and stationery	-	90	90	474
Postage	-	342	342	780
	<u>432</u>	<u>2,052</u>	<u>2,484</u>	<u>4,056</u>
Analysed between				
Charitable activities	<u>432</u>	<u>2,052</u>	<u>2,484</u>	<u>4,056</u>

Printing and stationery and postage have been allocated 50%:50% (2020: 50%:50%) between support costs and governance costs, which is considered an appropriate split according to usage.

Governance costs includes payments to the accountants of £540 (2020: £525) for independent examination fees.

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 4 of them were reimbursed a total of £1,078 expenses (2020: 3 were reimbursed £701).

#### Trustees' expenses

During the year the following Trustees were reimbursed the following expenses in relation to charitable expenses incurred on behalf of the Charity:

	Nature of expenses	£
Mr D Barrat	Microwave for kitchen	60
Mr D Owen	Refreshments	15
Dr B J Roderick	Refreshments & event expense	333
Mrs E M Hillman	Postage	670
		<u>1,078</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Other expenditure

	Unrestricted funds	Total
	2021	2020
	£	£
Financing costs	265	206
Other expenditure	-	95
	<u>265</u>	<u>301</u>

### 11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	68,518	26,846
	<u>68,518</u>	<u>26,846</u>

### 12 Fixed asset investments

	Listed investments £	Cash or cash equivalents £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	438,025	50,978	489,003
Valuation changes	68,518	-	68,518
Disposals	-	(50,978)	(50,978)
	<u>506,543</u>	<u>-</u>	<u>506,543</u>
At 31 December 2021	506,543	-	506,543
<b>Carrying amount</b>			
At 31 December 2021	<u>506,543</u>	<u>-</u>	<u>506,543</u>
At 31 December 2020	<u>438,025</u>	<u>50,978</u>	<u>489,003</u>
		<b>2021</b>	<b>2020</b>
		£	£
Investments at fair value comprise:			
Investment Fund		193,948	169,566
Property Fund		45,830	40,110
UK Equity Fund		115,981	98,588
Global Equity Fund		<u>150,784</u>	<u>129,761</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 12 Fixed asset investments (Continued)

506,543	438,025
<u>506,543</u>	<u>438,025</u>

#### Fixed asset investments revalued

All funds are held by the Central Board of Finance of Church of England and are valued as per the stock market at the year end.

The FTSE 100 at 31 December 2021 was 7385 (2020: 6461).

Historical cost at 31 December 2021 was £279,355 (2020: £279,355).

### 13 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Other receivables	-	1,286
Prepayments - Trips	5,245	5,245
	<u>5,245</u>	<u>6,531</u>

### 14 Current liabilities

	2021	2020
	£	£
	<b>Notes</b>	
Deferred income	<b>15</b>	24,130
Other payables		1,548
	<u>25,350</u>	<u>25,678</u>
	<u>26,970</u>	<u>25,678</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 15 Deferred income

	2021 £	2020 £
Deferred income: Life membership	5,197	6,742
Deferred income: Trips	20,153	17,388
	<u>25,350</u>	<u>24,130</u>

Deferred income is included in the financial statements as follows:

	At 1 Jan 2021 £	Released to incoming resources £	Deferred in the year £	At 31 Dec 2021 £
Deferred income				
Life membership	6,742	(1,545)	0	5,197
Fundraising events and trips	17,388	(1,859)	4,624	20,153
	<u>24,130</u>	<u>(3,404)</u>	<u>4,624</u>	<u>25,350</u>

Life membership subscriptions are released in ten equal instalments commencing in the year of receipt.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

# THE FRIENDS OF HEREFORD CATHEDRAL

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	2,157	14,067
Legacies	1,972	4,060
<b>Charitable activities</b>		
Subscriptions	7,141	7,716
Publicity and events	12,243	3,805
<b>Investment income</b>		
Dividend income	13,849	13,550
Deposit account interest	728	1,079
<b>Total incoming resources</b>	<u>38,090</u>	<u>44,277</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Events	1,075	160
Printing, stationery & postage	432	1,254
Annual report	891	1,408
Grants payable & donations	16,809	36,413
<b>Governance</b>		
Accountancy	1,620	1,548
Printing, stationery & postage	432	1,254
<b>Other expenditure</b>	265	301
<b>Total resources expended</b>	<u>21,524</u>	<u>42,338</u>
<b>Net gains/(losses) on investments</b>	68,518	26,846
<b>Net income/(expenditure)</b>	<u><u>85,084</u></u>	<u><u>28,785</u></u>

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**THE FRIENDS OF HEREFORD CATHEDRAL**

England & Wales - Charity number 215663

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# Accounts

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Rec 15/4/20

Charity Registration No. 215663

**THE FRIENDS OF HEREFORD CATHEDRAL  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE FRIENDS OF HEREFORD CATHEDRAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr D A Barrat Dr T D Roderick Wg Cmdr P J Hereford OBE Dr B J Roderick Mrs E Hillman Mr P R Harris Mr D Owen Mrs I Howlett Mrs E Sandison Mrs N O'Byrne Mrs G Semple (Appointed 26 September 2020)
<b>Charlty number</b>	215663
<b>Prinicipal address</b>	5 College Cloisters Hereford Herefordshire HR1 2NG
<b>Independent examiner</b>	Hawkins Priday Ltd 5 Bridge Street Hereford HR4 9DF
<b>Bankers</b>	Central Board of Finance of the Church of England Senator House 85 Queen Victoria Street London EC4V 4ET  Barclays Bank Plc 1/3 Broad Street Hereford HR4 9BH  United Trust Bank 80 Haymarket London SW1Y 4TE

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# THE FRIENDS OF HEREFORD CATHEDRAL

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 6
Independent examiner's report	7
Statement of financial activities	8
Statement of financial position	9
Notes to the financial statements	10 - 17
Detailed statement of financial activities	18

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **Objectives and activities**

#### **The Objects of the Charity**

- 1) To encourage the Community in general, and persons of the Diocese in particular, to interest themselves in Hereford Cathedral, its precincts, worship, music, history and education.
- 2) To maintain or assist in maintaining the fabric and furnishings of the Cathedral, and to supplement the resources of the Dean and Chapter available for such maintenance.
- 3) To undertake any such work as shall, in the opinion of the Council, improve and beautify the Cathedral, its precincts, worship, music and education, subject to the consent of the Dean and Chapter.
- 4) To receive subscriptions and donations and to raise funds for all or any of the objects of the Society and to expend them in such manner as the Society shall think fit.
- 5) To do all such things as are conclusive or ancillary to the carrying out of any of the Society's objects.

#### **Aims of the Charity**

To foster interest in the care and preservation of the Cathedral through the financing of particular projects and by involving members and others in activities arranged by the Friends in the diocese.

All our charitable activities are undertaken to further our charitable purposes for the public benefit.

#### **Main objective for the year**

Particular projects have been supported as detailed in the attached accounts. In the forthcoming year, the Friends will continue to consult with the Dean and Chapter in support of various current and future projects.

#### **Charity's strategies**

To maintain the investments of the Charity to provide adequate income to finance current and future projects.

#### **Significant Activities**

These are detailed in the 87th annual report to the members.

#### **Public benefit**

In drafting this report, the Trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. It does this by assisting in the work of the Cathedral (including worship, fabric, education).

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Achievements and performance**

No one expected 2020 to turn out the way it did; the much-heralded celebration to mark the 700th anniversary of the canonisation of Saint Thomas of Hereford was suddenly brought to a halt in March 2020 in the face of the COVID-19 pandemic, following the lockdown and resultant unprecedented closure of the Cathedral. By the nature of the Cathedral's activities and the unpredictability of donations and legacies there can be a wide variation in our financial and related achievements and performance; 2020 was no exception. Little that was planned could be achieved by way of fundraising and although we received welcome legacies totalling £4,060 we were, in particular, very grateful to receive numerous donations in response to our having to launch an Appeal amongst the Friends in an effort to compensate for the lack of fund-raising income. As at 31 December 2020 the Appeal had realised £13,582. Our belief, that the careful husbandry of finances built up over the years should continue, certainly paid off; it is a distinctive feature of our work and has proved its' worth as we hope to assist in ensuring the long-term future of our Cathedral.

Despite the setbacks the Friends were again active in 2020 in assisting the Dean and Chapter in its maintenance of the fabric, its worship, music and education. A total of £36,413 was given to the Dean and Chapter in various grants during the year. The Trustees continued to provide the Choral Grant increasing the annual sum to £15,000; they financed securement of a digital camera that has enhanced the quality of live streaming services, so timely during the lockdown, and they continued to subsidise the work of the Friends Volunteer Gardeners. Of greater significance, the Trustees responded to a request from the Dean's Finance Committee of the Cathedral to help allay the serious deficit accruing from the effective shut down of the Cathedral during the lockdown. As a rule, and according to the Friends' Constitution, your Trustees only make grants to the Dean and Chapter '...to assist them in maintaining the fabric and furnishings of the Cathedral and to fund any such work as shall improve and beautify the Cathedral and its precincts'. However, given the parlous state of the Cathedral's finances, your Trustees considered that there was enough scope within the terms of a further clause in the Constitution to enable the Friends '...to supplement the resources of the Dean & Chapter available for...maintenance'. After some deliberation, the Trustees decided that an unrestricted grant of £20,000 should be made to the Dean and Chapter. Full details of the grants made to the Dean and Chapter will be found earlier in the annual report.

As well as providing financial support to the Cathedral, the Trustees would normally arrange a series of events for members with a social and educational purpose. But, again due to the pandemic, the planned pilgrimage to Canterbury in the summer of 2020 had to be postponed along with the programmed visits to Churches in Monmouthshire with Tim Bridges. The annual series of lectures had also to be cancelled although we did manage to arrange 2 virtual lectures on zoom. The Friends' Weekend in June was cancelled and replaced by a virtual AGM in the autumn.

### **Control factors**

By regular reporting to the Trustees the current financial position is adequately monitored.

### **Financial review**

#### **Results for the year**

For the year ended 31 December 2020 net movement in funds amounted to £28,785 (2019: £69,113). Net assets amounted to £521,350 (2019: £492,565).

Details of the financial position of the Charity are set out in the following accounts.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Reserves Policy

At the balance sheet date the Charity held £521,350 (2019: £492,565) of unrestricted reserves. The Charity retains the level of resources to ensure that capital is adequate to provide income to meet its regular donations. Out of the investments held, £438,025 (2019: £411,179) is held in fixed asset investments and £50,978 (2019: £50,000) in cash deposits. These investments generate income to be used in support of the Dean and Chapter.

Free reserves amounting to £32,347 (2019: £31,386) enable the Charity to carry out its day to day activities.

### Principal Funding Sources and Investment Policy

The long-term aim is to follow a low risk strategy consistent with protecting and enhancing the Charity's financial resources. Our investments are therefore diversified as far as possible. About one fifth of the finances are held in cash deposits, of which around a quarter is with the Central Board of Finance (CBF) and the rest with United Trust Bank. The accounts are regularly reviewed by the Finance Group of the Trustees in the light of interest rates and the cash needs of the Friends at any given time.

The remainder of the assets are in a range of stocks and shares funds held with the CBF and administered by the investment managers CCLA (Churches, Charities and Local Authorities). The advantage of this form of investment is the higher rate of return, ranging from 4-6% a year, but it is important to remember that these (Stock Exchange) investments are designed to last for at least 10-15 years, thereby giving the potential for long term capital growth as well as higher annual rates of return compared with cash deposits.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### Future Plans

It remains the policy of the Friends to continue its programme of careful financial husbandry in order to contribute to the work of the Cathedral, its precincts, fabric, worship, music, history and education. The Friends will continue to encourage wide participation in and support of the policy of the Dean & Chapter.

### Structure, governance and management

The charity is controlled by its governing document which is registered with the Charity Commission and constitutes an unincorporated charity.

The Society was formed in the autumn of 1932 for the purpose of gathering around the Cathedral, in association with the Dean and Chapter, a body of supporters who were anxious to take some share in caring for it and preserving it for posterity. Regulations were revised in April 1949, amended January 1979 and June 2006 and revised further in June 2013. In 2018 the Council and the Executive Committee reviewed the constitution and governance and agreed on a rationalisation of the committee structure which will now have one committee to be known as the Board of Trustees. The constitutional amendments were carried *nem. con.* at a Special Meeting of the Friends, on 20 October 2018. The new Constitution came into effect immediately and the Charity Commission was informed of the changes.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D A Barrat  
Dr T D Roderick  
Wg Cmdr P J Hereford OBE  
Dr B J Roderick  
Mrs E Hillman  
Mr P R Harris  
The Very Rev'd M Tavinor (Retired 31 January 2021)  
Mr D Owen  
Mrs I Howlett  
Mrs E Sandison  
Mrs N O'Byrne  
Mrs M Yates (Retired 26 September 2020)

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# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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Mrs G Semple

(Appointed 26 September 2020)

### **Recruitment and appointment of new Trustees**

Trustees are selected from those members of the Friends who are already closely involved in the work of the Friends and who participate in Cathedral and Diocesan activities. Nominations for all the officers and trustee vacancies are received prior to the AGM and are then elected by majority during the AGM.

The Dean of Hereford, as appointed by Hereford Cathedral, is an ex-officio trustee.

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### **Organisational structure**

The decision-making bodies of the Friends were until 20 October 2018 the Executive Committee and Council, but after that date, as stated above, there is a single body, the Board of Trustees, who have sole responsibility for the work and funds of the Friends.

The administration of the Friends is co-ordinated by the Secretary, with the Treasurer responsible for finances and accounts, the Events' Secretary responsible for planning and arranging social events throughout the year, and the Membership Secretary for maintaining the membership records.

### **Charity Organisational Structure**

#### **Presidents**

The Rt Rev'd. The Lord Bishop of Hereford  
The Lord Lieutenant of Herefordshire  
The Lord Lieutenant of Shropshire

#### **Vice-Presidents**

The Rt Rev'd The Bishop of Ludlow  
The Very Rev'd Dean of Hereford

#### **Honorary Vice-President**

Mrs J Chase MBE

#### **Board of Trustees**

##### **Officers**

##### **Chairman**

Mr D A Barrat

##### **Vice-Chairman**

Dr B J Roderick

##### **Hon. Treasurer**

Wg Cdr P Hereford OBE

##### **Hon. Secretary**

Dr T D Roderick

##### **Hon. Membership Secretary**

Mrs E Hillman

##### **Hon. Events' Secretary**

Mrs I Howlett

##### **Catering Secretary**

Mr D Owen

##### **Elected Members**

Mrs M Yates (retired 26 September 2020)  
Miss B Sandison  
Mr P R Harris  
Mrs N O'Byrne  
Mrs G Semple (with effect 26 September 2020)

##### **Ex-officio Trustee**

The Very Rev'd M Tavinor Dean of Hereford (retired 31 January 2021)

# THE FRIENDS OF HEREFORD CATHEDRAL

## TRUSTEES' REPORT (CONTINUED)

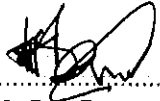
*FOR THE YEAR ENDED 31 DECEMBER 2020*

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### **Induction and training of new trustees**

The Trustees attend regular committee meetings and share in discussion and decision making at these meetings.

The trustees' report was approved by the Board of Trustees.



Mr D A Barrat

Trustee

Dated: 15<sup>th</sup> April 2021

# THE FRIENDS OF HEREFORD CATHEDRAL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE FRIENDS OF HEREFORD CATHEDRAL

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I report to the trustees on my examination of the financial statements of The Friends of Hereford Cathedral (the charity) for the year ended 31 December 2020.

#### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

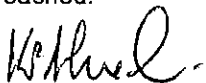
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Mr Kelvin Paul Alexander FCCA  
Hawkins Priday Ltd  
Chartered Certified Accountants  
5 Bridge Street  
Hereford  
HR4 9DF

Dated: 16 April 2021

# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b>Income from:</b>			
Donations and legacies	2	18,127	20,473
Subscriptions	3	7,716	7,877
Investments	4	14,629	14,115
Publicity and events		3,805	12,882
<b>Total income</b>		<b>44,277</b>	<b>55,347</b>
<b>Expenditure on:</b>			
Publicity and events	5	160	3,007
Charitable activities	6	41,877	46,216
Other expenditure	10	301	321
<b>Total resources expended</b>		<b>42,338</b>	<b>49,544</b>
Net gains/(losses) on investments	11	26,846	63,310
<b>Net movement in funds</b>		<b>28,785</b>	<b>69,113</b>
Fund balances at 1 January 2020		492,565	423,452
<b>Fund balances at 31 December 2020</b>		<b>521,350</b>	<b>492,565</b>

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

All income and expenditure derive from continuing activities.

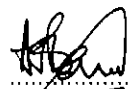
# THE FRIENDS OF HEREFORD CATHEDRAL

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Investments	12		489,003		461,179
<b>Current assets</b>					
Trade and other receivables	13	6,531		5,531	
Cash at bank and in hand		51,494		46,651	
		<u>58,025</u>		<u>52,182</u>	
<b>Current liabilities</b>	14	(25,678)		(20,796)	
Net current assets			<u>32,347</u>		<u>31,386</u>
<b>Total assets less current liabilities</b>			<u>521,350</u>		<u>492,565</u>
<b>Income funds</b>					
Unrestricted funds			<u>521,350</u>		<u>492,565</u>
			<u>521,350</u>		<u>492,565</u>

The financial statements were approved by the Trustees on 15/04/2021.



Mr D A Barrat  
Trustee

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Charity information

The Friends of Hereford Cathedral is an unincorporated charity and its principal address is stated on the legal and administrative information page.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, with the exception of certain financial instruments which are included at their fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

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

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

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

Deferred income includes amounts received in respect of trips and events to be undertaken in the next financial year.

Subscriptions are accounted for only when they are received. Life members' subscriptions are taken into the income and expenditure account in ten equal instalments commencing in the year of receipt.

Investment income has been included on the date payable and bank deposit interest has been included on the accruals basis.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### 1.6 Non-current investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less.

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	14,067	1,567
Legacies receivable	4,060	18,906
	<u>18,127</u>	<u>20,473</u>
<b>Legacies receivable</b>		
Ms D E M Bennett	3,060	2,734
Ms P M Holman	-	1,172
Mrs B Kidd & Mr W Kidd	-	5,000
Mr D Plowman	-	10,000
Ms J C Balding	1,000	-
	<u>4,060</u>	<u>18,906</u>

### 3 Subscriptions

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Membership subscriptions	7,716	7,877

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	13,550	13,618
Interest receivable	1,079	497
	<u>14,629</u>	<u>14,115</u>

### 5 Publicity and events

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	160	3,007
	<u>160</u>	<u>3,007</u>

### 6 Charitable activities

	2020	2019
	£	£
Annual report	1,408	1,344
Grant funding of activities (see note 7)	36,413	40,982
Share of support costs (see note 8)	1,254	1,207
Share of governance costs (see note 8)	2,802	2,683
	<u>41,877</u>	<u>46,216</u>

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Grants payable

	2020	2019
	£	£
Grants to Dean and Chapter of Hereford Cathedral:		
- Choral grant	15,000	12,000
- Gardens	163	977
- Denton Monograph booklet	250	-
- Camera	1,000	-
- Cathedral Appeal	20,000	-
- Signage project	-	8,000
- St Thomas booklet	-	750
- Chapter Room kitchen	-	779
- Friends Office	-	1,929
- Organ Loft CCTV	-	9,447
- St Ethelbert House refurbishment	-	7,000
Donations to Churches	-	100
	36,413	40,982
	36,413	40,982

#### Commitments

A commitment for funding of £1,000 for muffles for the Cathedral bells has been made in preparation for the obsequies surrounding the eventual death of HM The Queen.

### 8 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Printing and stationery	474	-	474	618
Postage	780	-	780	589
Accountancy & Independent Examiner's fees	-	1,548	1,548	1,476
Printing and stationery	-	474	474	618
Postage	-	780	780	589
	1,254	2,802	4,056	3,890
	1,254	2,802	4,056	3,890
Analysed between Charitable activities	1,254	2,802	4,056	3,890
	1,254	2,802	4,056	3,890

Printing and stationery and postage have been allocated 50%:50% (2019: 50%:50%) between support costs and governance costs, which is considered an appropriate split according to usage.

Governance costs includes payments to the accountants of £525 (2019: £500) for independent examination fees.

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

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### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 3 of them were reimbursed a total of £701 expenses (2019: 4 were reimbursed £1,830).

#### Trustees' expenses

During the year the following Trustees were reimbursed the following expenses in relation to charitable expenses incurred on behalf of the Charity:

	Nature of expenses	£
Mrs I Howlett	Postage	31
Dr T D Roderick	Postage	25
Mrs E M Hillman	Stationary & Postage	645
		<u>701</u>

### 10 Other expenditure

	Unrestricted funds	Total
	2020	2019
	£	£
Financing costs	206	321
Other expenditure	95	-
	<u>301</u>	<u>321</u>

### 11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	26,846	63,310
	<u>26,846</u>	<u>63,310</u>

### 12 Fixed asset investments

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Fixed asset investments (Continued)

	Listed investments £	Cash or cash equivalents £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	411,179	50,000	461,179
Valuation changes	26,846	978	27,824
At 31 December 2020	438,025	50,978	489,003
<b>Carrying amount</b>			
At 31 December 2020	438,025	50,978	489,003
At 31 December 2019	411,179	50,000	461,179

	2020 £	2019 £
Investments at fair value comprise:		
Investment Fund	169,566	158,613
Property Fund	40,110	42,207
UK Equity Fund	98,588	101,336
Global Equity Fund	129,761	109,023
	438,025	411,179

#### Fixed asset investments revalued

All funds are held by the Central Board of Finance of Church of England and are valued as per the stock market at the year end.

The FTSE 100 at 31 December 2020 was 6461 (2019: 7542).

Historical cost at 31 December 2020 was £279,355 (2019: £279,355).

### 13 Trade and other receivables

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Other receivables	1,286	286
Prepayments - Trips	5,245	5,245
	6,531	5,531

# THE FRIENDS OF HEREFORD CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 14 Current liabilities

	Notes	2020 £	2019 £
Deferred income	15	24,130	19,320
Other payables		1,548	1,476
		<u>25,678</u>	<u>20,796</u>

### 15 Deferred income

	2020 £	2019 £
Deferred income: Life membership	6,742	7,707
Deferred income: Trips	17,388	11,613
	<u>24,130</u>	<u>19,320</u>

Deferred income is included in the financial statements as follows:

	At 1 Jan 2020 £	Released to incoming resources £	Deferred in the year £	At 31 Dec 2020 £
Deferred income				
Life membership	7,707	(1,715)	750	6,742
Fundraising events and trips	<u>11,613</u>	<u>(378)</u>	<u>6,153</u>	<u>17,388</u>
	<u>19,320</u>	<u>(2,093)</u>	<u>6,903</u>	<u>24,130</u>

Life membership subscriptions are released in ten equal instalments commencing in the year of receipt.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

# THE FRIENDS OF HEREFORD CATHEDRAL

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

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	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	14,067	1,567
Legacies	4,060	18,906
<b>Charitable activities</b>		
Subscriptions	7,716	7,877
Publicity and events	3,805	12,882
<b>Investment income</b>		
Dividend income	13,550	13,618
Deposit account interest	1,079	497
<b>Total incoming resources</b>	<u>44,277</u>	<u>55,347</u>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Events	160	3,007
Printing, stationery & postage	1,254	1,207
Annual report	1,408	1,344
Grants payable & donations	36,413	40,982
<b>Governance</b>		
Accountancy	1,548	1,476
Printing, stationery & postage	1,254	1,207
<b>Other expenditure</b>	301	321
<b>Total resources expended</b>	<u>42,338</u>	<u>49,544</u>
<b>Net gains/(losses) on investments</b>	26,846	63,310
<b>Net income/(expenditure)</b>	<u><u>28,785</u></u>	<u><u>69,113</u></u>

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