

Annual Report and Financial Statements Friends of Winchester Cathedral

For the Year Ended 31 March 2023

Index

Report of the Trustees	1 – 4
Report of the independent examiner	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 15

Report of the Trustees

The Trustees present their report and the associated financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Charity registration number

220218

Registered office

2 The Close
Winchester
SO23 9LS

Trustees

Chairman of the Board of Trustees:

Mr Bruce Parker

Treasurer:

Mr David Fellowes

Elected members:

Mrs Angela Forder-Stent (elected from 16 July 2022)

Miss Jenny Hilton

Ms Natalie Shaw (resigned on 31 December 2022)

Mr Nigel Spicer

Prof Tom Watson, vice-Chairman

Dr Cindy Wood

Mr Richard Green-Wilkinson (co-opted from 14 September 2021; elected on 16 July 2022)

Ex-officio member:

The Dean of Winchester, the Very Reverend Catherine Ogle

Members appointed by the Dean

The Precentor and Sacrist of Winchester Cathedral: the Reverend Canon Andrew Trenier

Mr George Medd, Lay Canon

Director

Mrs Lucy Hutchin

Investment advisers

Rathbone Investment Management Limited

Fiennes House, 32 Southgate Street, Winchester, SO23 9EH

Bankers

Barclays Bank plc

50 Jewry Street, Winchester, SO23 8TN

Independent examiner

Amanda Francis

Buzzacott LLP

130 Wood Street, London EC2V 6DL

Structure, governance and management

The charity is managed by a Board, the members of which also act as the charity's Trustees. The names of the Board members are set out on page 1. The governing document of the charity is its Constitution adopted at a Special General Meeting held on 14th July 2001 but since amended (most recently at the Annual General Meeting on 11th July 2015). Amongst other things, the Constitution provides for the appointment and election of Board members.

The Board is supported by a number of Committees, each chaired by an elected trustee, which have specific responsibilities for the detailed running of the charity and the achievement of its objects. Four Committees are at present established which cover Activities, Administration, Finance & Investments and Membership & Fundraising.

Objects

The charity's objects are to:

- assist the Chapter in maintaining the fabric and monuments and the fittings and furnishings of Winchester Cathedral and its associated ground-works within the precincts, excluding property used for residential or administrative purposes;
- stimulate interest in the Cathedral;
- encourage and support activities calculated to preserve and beautify the Cathedral, its music and its history.

The Trustees worked closely with the Chapter to ensure that Friends' support was channeled effectively to meet the charity's objectives.

Achievements

Events

During this year, talks have taken place in a hybrid format with good audiences attending in person and joining by Zoom. Six talks during the year were on subjects such as Cathedral glass, the history of church music, and Remembrance in Winchester. Canon Tess Kuin Lawton and Bruce Parker, the Friends' chairman, talked about their own careers. In October, the Annual Lecture featured the historian Michael Wood interviewing the renowned archaeologist, Martin Biddle, about the excavations in Winchester over the past sixty years. A day trip to Hereford took place in July, which had been postponed from June 2020. The regular monthly coffee mornings have continued with an ever-growing group of Friends enjoying the opportunity to meet socially. In July, the Friends' Festival was celebrated with well-attended morning tours, an afternoon AGM in the Cathedral, followed by tea and Festal Evensong.

Fundraising

After much planning, the Friends launched their public fundraising appeal towards the restoration of the Cathedral organ which is planned for Spring 2023 with two evening receptions in June and July. Friends were asked to donate via a tiered fundraising scheme whereby £1,000 was required to sponsor a 'Stop', £500 to sponsor a 'Note' and £250 for a 'Pipe'. By the autumn, the initial target of £100,000 had been exceeded and £130,000 was raised for this appeal. A wonderful response from our members.

Publications

The 91st edition of Winchester Cathedral Record was published in September and a copy provided to each member. The Record is supplemented by an online publication, Record Extra, which allows more scholarly and historical articles to be available to a wider audience. This year, two new Christmas card designs were produced and two old designs reprinted, all sold through the Friends' office and the

Cathedral shop. Again, this year, both mail-order and a free-delivery service was offered for local Friends, leading to a strong year of sales.

Volunteers

Volunteers have started helping in the Friends' office again, after a gap for Covid, to prepare mailings. Friends enthusiastically delivered the mailings five times this year, thereby saving a significant amount of postage costs.

Plans for 2023/24

The Friends plan to continue to run 'hybrid' talks in the future to attract a greater number of members attending in their preferred ways. Talks have already been arranged on the history of the *Hampshire Chronicle*, textiles throughout history, and medieval manuscripts; there will also be a summer concert sung by the Girl Choristers. In the autumn and winter, monthly talks will continue. A four-day holiday to Durham is planned for June. During this trip, Friends will visit three cathedrals and the workshops of Harrison and Harrison where the Cathedral's organ pipes are being refurbished. A day trip to Sherborne is also organised for August 2023.

Financial review

The Statement of Financial Activities on page 6 shows net income (i.e. a surplus) of £198,955 for the 2022/23 financial year (2021/22: £91,660).

During this past financial year trustees approved grants to Chapter totaling £262,399, of which £133,032 has been spent on the Organ Restoration, £32,978 is to be spent on a stone bridge-saw and £20,750 on the Inventory Project. Regular annual grants of £75,500 are included in the above total, the major items being £51,000 for the choirs and £16,500 for Gardens, Grounds and Trees in the Cathedral precincts. Full details of grants approved in the year are given in note 7 to the Financial Statements, on page 11.

We continue to benefit from a steady flow of income from legacies, this year amounting to £273,896 (2022: £176,499). We remain enormously grateful for this crucial source of income.

Our two portfolios (General and Legacy) have had a difficult year, under-performing against our agreed benchmark, and ended up showing losses, both realised and unrealised, of £35,770 (2021/22: gains of £11,674). The Trustees continue to review their 'attitude to risk', their latest Policy Statement being dated September 2020. The performance of our portfolios is closely managed by our investment managers and monitored by the Finance & Investment Committee.

The net profit from the sale of Christmas cards and publications was £3,027 (2021/22: £5,438), whilst our activities produced a net profit of £5,983 (2021/22: £9,037).

The charity has no subsidiary and associated undertakings. All investments held by the charity have been acquired in accordance with the powers available to the Trustees. The charity is not financially dependent upon any one individual or corporation but relies on the continuing support of all its members.

Reserves policy

The Trustees have agreed a policy to maintain reserves within the General Fund at such a level as would enable it, in the event of a sudden loss of income, to cover ongoing direct expenses of running the charity for a period of about nine months, and to cover annual grants to Chapter for a full year. The Board is content that the current level of reserves i.e. £778,553 meets this policy.

Risk management

The Trustees have streamlined and improved the charity's Risk Management Register which identifies areas of risk to which the charity is exposed in undertaking its activities and seeks to manage those risks.

While ultimate responsibility for risk management rests with the Board, for practical purposes the task of developing detailed risk assessment plans has been delegated to the Administration Committee, with input from the Finance & Investment Committee. These Committees regularly assess actual and potential risks arising and endeavour to mitigate them through the introduction of appropriate and effective systems and practices. The Administration Committee is responsible for the assessment of risks associated with governance & management, operational processes, environmental/external factors and compliance. The Finance & Investment Committee is responsible for the assessment of risks associated with finance and investment.

The Board receives full quarterly management accounts, which include a detailed analysis of the investment portfolio and regular reports from the portfolio manager, Rathbones.

The charity has also continued to work to improve its governance by the adoption of a conflict-of-interest policy, a safeguarding policy, employment policies and data protection. All Board members have undertaken training on safeguarding issues, using NSPCC material, and a Board member has taken on responsibility for the management of this policy.

Trustees' responsibilities for the financial statements

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

BY ORDER OF THE TRUSTEES

Bruce Parker
Chairman
Date:



23rd May 2023

Independent Examiner's Report to the Trustees of Friends of Winchester Cathedral

I report to the charity's Trustees on my examination of the financial statements of Friends of Winchester Cathedral for the year ended 31 March 2023, which are set out on pages 8 to 15.

Respective responsibilities of trustees and examiner

As the Trustees of the charity, you are responsible for the preparation of the financial statements of the charity 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 and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

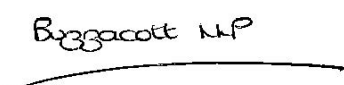
Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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

- accounting records were not kept in respect of Friends of Winchester Cathedral in accordance with section 130 of the 2011 Act; or
- the financial statements do not accord with those accounting records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

 Buzzacott LLP

Amanda Francis, Chartered Accountant (ICAEW)
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 31 May 2023

Statement of financial activities

	Note	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Income					
Voluntary income	2	372,682	136,555	509,237	274,636
Activities for generating funds	3	18,372	-	18,372	23,652
Investment income	6	8,906	-	8,906	5,338
Total income		399,960	136,555	536,515	303,626
Expenditure					
Costs of generating funds	4	12,943	4,790	17,733	12,474
Charitable activities	5	186,795	133,032	319,827	199,492
Total expenditure		199,738	137,822	337,560	211,966
Net income (expenditure) for the year		200,222	(1,267)	198,955	91,660
(Losses) / gains on investment assets	11	(35,770)	-	(35,770)	11,674
Net movement in funds		164,452	(1,267)	163,185	103,334
Fund balances brought forward		614,101	1,267	615,368	512,034
Fund balances carried forward		778,553	-	778,553	615,368

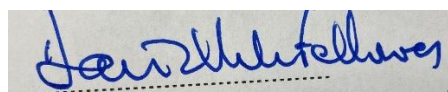
Balance sheet

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	-	508
Investments	11	503,825	416,908
		503,825	417,416
Current assets			
Stocks		872	445
Debtors	12	210,906	76,288
Cash on deposit		140,356	383,483
		352,134	460,216
Current liabilities			
Grants outstanding		52,823	253,057
Other creditors	13	24,583	9,207
		77,406	262,264
Net current assets		274,728	197,952
Total assets less current liabilities		778,553	615,368
Representing:			
Unrestricted funds	14	778,553	614,101
Restricted funds	14	-	1,267
Total funds		778,553	615,368

Charity Number - 220218

The financial statements were approved by the Board of Trustees on 23 May 2023

David Fellowes – Treasurer



23rd May 2023

The accompanying accounting policies and notes form part of these financial statements.

1 Principal accounting policies

Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

Going concern

The financial statements have been prepared on the basis that the charity is a going concern. When determining the going concern assessment the Trustees have considered the charity's activities, together with factors likely to affect its future development, performance and position; these are set out in the Trustees' Report. The Trustees consider that there are no material uncertainties on the charity's ability to continue its activities for the foreseeable future. The Trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations for a period of at least twelve months from the signing of these financial statements.

Income

Subscriptions

Following a decision by the Board of Trustees on 14th December 2022, life subscriptions are no longer amortised over a period of five years, but accounted for in the year in which they are received. The previously accrued £4,270 was therefore taken into account in the current year. No adjustment has been made to the prior year figures to reflect this change in policy given the immaterial impact.

Other subscriptions (including those under Gift Aid together with the associated income tax recoveries) are accounted for in the year in which they are received.

Legacies

Legacies are accounted for only upon evidence of entitlement, probable receipt and where the amount receivable can be estimated reliably after taking account of unknown costs and other uncertainties inherent in winding up estates.

Investment income

Investment income, including associated tax recoveries, is accounted for when receivable.

Allocation of expenditure

Costs of generating funds consists of investment management fees and costs associated with the events and activities of the charity (as detailed in note 3).

Costs of charitable activities include grants made and costs associated with the management of the charity, not included as direct costs.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulations and good practice. These costs include the fees of the independent examiner.

Grants to the Chapter of Winchester

Grants to the Chapter of Winchester are charged to the accounts for the period in which they are approved by the Board of Trustees.

Fixed assets

Items costing less than £500 are written off immediately to the statement of financial activities of the period in which they are purchased.

Depreciation is calculated so as to write off the cost of a capitalised asset, less its estimated residual value, over the useful economic life of that asset as follows:

Membership database - 5 years
Computer equipment - 5 years

Investments

Investments are included at their market value at the balance sheet date. Unrealised and realised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

Stocks

Stocks are valued at cost, less a provision for items considered slow moving.

Judgements in applying accounting policies and key sources of estimation uncertainty

In the preparation of the 2023 financial statements, it is the responsibility of the Trustees to make informed judgements and estimates in the provision of liabilities and expenses and in the assessment of going concern.

Friends of Winchester Cathedral acknowledges the requirements of this disclosure. As such the Trustees of the charity can confirm that there are no significant assumptions made or other key sources of estimation of uncertainty at the reporting date of 31 March 2023. The trustees consider the charity to be a going concern (see above).

2 Voluntary income

	2023 £	2023 £	2022 £	2022 £
	Unrestricted	Restricted	Unrestricted	Restricted
Subscriptions				
- Life members	8,655	-	3,043	-
- Under Gift Aid	57,255	-	59,592	-
- Other	16,789	-	17,714	-
- Refund of tax	14,727		16,286	
	<u>97,426</u>	<u>-</u>	<u>96,635</u>	<u>-</u>
Legacies	273,896	-	176,499	-
Donations	1,360	136,555	1,502	-
	<u>372,682</u>	<u>136,555</u>	<u>274,636</u>	<u>-</u>

3 Activities for generating funds

	Publications 2023 £	Activities 2023 £	Total 2023 £	Publications 2022 £	Activities 2022 £	Total 2022 £
Income	5,017	13,355	18,372	8,287	15,365	23,652
Expenditure	(1,990)	(7,373)	(9,363)	(2,849)	(6,328)	(9,177)
Net surplus	<u>3,027</u>	<u>5,982</u>	<u>9,009</u>	<u>5,438</u>	<u>9,037</u>	<u>14,475</u>

Activities include events, trips and lectures, and the Friends' annual festival, all of which are designed principally to meet the charity's objective to stimulate interest in the Cathedral and not primarily to raise funds.

4 Cost of generating funds

	2023 £	2023 £	2022 £	2022 £
	Unrestricted	Restricted	Unrestricted	Restricted
Publications	9,363	-	9,177	-
Fundraising costs	-	4,790	-	-
Management fees	3,580	-	3,297	-
	<u>12,943</u>	<u>4,790</u>	<u>12,474</u>	<u>-</u>

5 Charitable Activities

	2023 £	2023 £	2022 £	2022 £
	Unrestricted	Restricted	Unrestricted	Restricted
Grants to the Chapter of Winchester (note 7)	129,367	133,032	147,348	-
Management and administration (note 8)	57,428	-	52,144	-
	<u>186,795</u>	<u>133,032</u>	<u>199,492</u>	<u>-</u>

6 Investment income

	2023 £	2022 £
Interest on deposits	1,181	160
Income from investments	7,725	5,178
	<u>8,906</u>	<u>5,338</u>

7 Grants to the Chapter of Winchester
Grants to the Chapter of Winchester

	2023 £	2022 £
<u>Unrestricted:</u>		
Trees in Public Areas	9,000	7,800
Girls' Choir	17,000	16,500
Baker Choristership	17,000	16,500
Friends' Choristership	17,000	16,500
Cathedral Flowers	7,500	5,600
Planned Maintenance of Cathedral Precincts	7,500	9,000
Broderers	-	1,100
West End Christmas tree	500	500
1,000 Chairs in the Nave	1,681	240,679
Electric-powered Truck for maintenance team / gardeners	-	25,005
Fleeces for Cathedral staff	-	824
Inventory Project	20,750	-
Stone bridge-saw for Stonemasons' Department	32,978	-
Retrochoir Tiles Conservation Symposium	3,500	-
Repair / restoration of Nativity figures	-	199
Restoration / reinstatement of Dean Garnier Gate	-	11,262
East Window Project	(1,463)	(1,333)
	<u>132,946</u>	<u>350,136</u>
Visitor Centre – application was withdrawn	-	(200,000)
Unspent grant allocations written back	(3,579)	(2,788)
	<u>129,367</u>	<u>147,348</u>
<u>Restricted:</u>		
Windows project	1,267	-
Organs restoration	131,765	-
	<u>133,032</u>	<u>-</u>
	<u>262,399</u>	<u>147,348</u>

Grants written back in the prior year are primarily as a result of the cost of the anticipated work being lower than the original estimate on which the grant application was based, or in respect of which the work associated with the project was no longer required to be undertaken.

8 Management and administration expenditure

	2023	2022
	£	£
Staff costs:		
Wages and salaries	41,111	37,766
Pension costs	941	573
	<u>42,052</u>	<u>38,339</u>
Cathedral Record and Friends' Newsletters	2,406	2,016
Printing, copying and stationery	2,104	144
Office rent, telephone, insurance and maintenance	2,501	2,177
Postage	2,596	2,508
Staff training and advertising costs	125	160
Depreciation	508	677
Independent examination	1,350	1,260
Digitisation of Cathedral Record	-	-
Bank charges	2,135	2,200
Sundry expenses	1,651	2,663
	<u>57,428</u>	<u>52,144</u>

a. The average number of employees during the year was 3 (2021/22 – 3), all of whom worked part-time. No employee's emoluments exceeded £60,000.

b. No expenses were reimbursed to Trustees in the year (2021/22 - £nil).

9 Governance costs

The amount payable for the independent examination (inclusive of VAT not recoverable by the Charity) totals £1,350 (2022 - £1,260), and no amounts were paid to the examiner in respect of other services.

10 Tangible fixed assets

Computer equipment	Computer equipment	Total
	£	£
Cost		
At 1 April 2022	5,661	5,661
At 31 March 2023	<u>5,661</u>	<u>5,661</u>
Depreciation		
At 1 April 2022	5,153	5,153
Charge for the year	508	508
At 31 March 2023	<u>5,661</u>	<u>5,661</u>
Net book value		
At 31 March 2023	<u>-</u>	<u>-</u>
At 31 March 2022	<u>508</u>	<u>508</u>

11 Investments

Listed investments at market value

	General Portfolio	Legacy Portfolio	Total
	£	£	£
At 1 April 2022	197,855	219,053	416,908
Additions	-	125,909	125,909
Disposals	-	(3,222)	(3,222)
Change in market value	(15,249)	(20,521)	(35,770)
At 31 March 2023	<u>182,606</u>	<u>321,219</u>	<u>503,825</u>
Historical cost at 31 March 2023	<u>158,458</u>	<u>328,829</u>	<u>487,287</u>
Historical cost at 31 March 2022	<u>158,291</u>	<u>201,754</u>	<u>360,045</u>

Uninvested Cash of £27,084 (2021/22 - £36,875) was also held with Rathbones and is included in the balance sheet as cash on deposit.

12 Debtors

	2023 £	2022 £
Trade debtors	-	-
Sundry debtors including legacies receivable	209,965	75,317
Prepayments	941	971
	<u>210,906</u>	<u>76,288</u>

13 Creditors

	2023 £	2022 £
Sundry creditors	1,350	1,260
Deferred income	23,233	7,947
	<u>24,583</u>	<u>9,207</u>

14 Funds

	At 1 April 2022 £	Net surplus £	At 31 March 2023 £
Unrestricted funds	614,101	164,452	778,553
Restricted funds	1,267	(1,267)	-
Total funds	<u>615,368</u>	<u>163,185</u>	<u>778,553</u>

Five year summary

	2023	2022	2021	2020	2019
	£	£	£	£	£
Income					
Subscriptions:					
Life Membership	8,655	3,043	2,993	3,668	2,736
Gift-Aided (including tax)	71,982	75,878	70,372	61,105	54,513
Non Gift-Aided	16,789	17,714	26,804	27,591	22,337
	<u>97,426</u>	<u>96,635</u>	<u>100,169</u>	<u>92,364</u>	<u>79,586</u>
Legacies	273,896	176,499	50,019	408,338	123,104
Donations	137,915	1,502	11,030	5,855	23,053
Investment income	8,906	5,338	4,847	6,343	5,703
Other income	18,372	14,475	13,438	13,552	15,777
	<u>536,515</u>	<u>294,449</u>	<u>179,503</u>	<u>526,452</u>	<u>247,223</u>
Expenditure	<u>(75,161)</u>	<u>(55,441)</u>	<u>(51,113)</u>	<u>(60,209)</u>	<u>(59,351)</u>
Surplus of income over expenditure	461,354	239,008	128,390	466,243	187,872
Grants to the Chapter of Winchester	(262,399)	(147,348)	(181,581)	(564,564)	(93,533)
Surplus/(deficit) for the year	<u>198,955</u>	<u>91,660</u>	<u>(53,191)</u>	<u>(98,321)</u>	<u>94,339</u>
Investment gains/losses	(35,770)	11,674	63,823	(40,335)	5,125
Reserves brought forward	615,368	512,034	501,402	640,058	540,594
Reserves carried forward	<u>778,553</u>	<u>615,368</u>	<u>512,034</u>	<u>501,402</u>	<u>640,058</u>
Represented by:					
Fixed assets - tangible	-	508	1,185	2,084	487
Investments at market value	503,825	416,908	378,829	256,735	246,553
Deposits	140,356	383,483	362,346	432,455	425,051
Cash, stock and debtors	211,778	76,733	23,010	2,399	22,553
	<u>855,959</u>	<u>877,632</u>	<u>765,370</u>	<u>693,673</u>	<u>694,644</u>
Less:					
Grants outstanding	(52,823)	(253,057)	(240,400)	(177,571)	(39,148)
Other liabilities	(24,583)	(9,207)	(12,936)	(14,700)	(15,438)
	<u>778,553</u>	<u>615,368</u>	<u>512,034</u>	<u>501,402</u>	<u>640,058</u>