

SOUTHERN CATHEDRALS FESTIVAL SOCIETY

SALISBURY 2022

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 OCTOBER 2022

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FLETCHER & PARTNERS

CHARTERED ACCOUNTANTS

SALISBURY

SOUTHERN CATHEDRALS FESTIVAL SOCIETY
TRUSTEES' REPORT AND STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2022

The Trustees present this report together with the financial statements of the Society for the year ended 31 October 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 6 to 7 and comply with the governing document, applicable law 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 effective from 1 January 2019. (Charities SORP FRS 102)

LEGAL STATUS

The Society is a registered Charity number 239593. It was established under a Deed dated 17 April 1963. A new Charity Commissioners Scheme was sealed on 19 June 2002.

TRUSTEES

EX OFFICIO : Secretary - Mrs Harriet Sawbridge
Treasurer - Dr James Fletcher
The Dean of Chichester - The Very Rev'd S Waine (resigned 22 Jan 2023)
The Dean of Salisbury - The Very Rev'd N Papadopoulos
The Dean of Winchester - The Very Rev'd C Ogle

PRINCIPAL OFFICERS

Dr James Fletcher - Treasurer
Mrs Harriet Sawbridge - Secretary

ADDRESS

: Crown Chambers, Bridge Street, Salisbury, SP1 2LZ

ADVISERS

BANKERS : Barclays Bank, 2/6 High Street, Salisbury, SP1 2YH

INDEPENDENT EXAMINER

: A J Radice, FCA, Guelder Cottage, Hanging Langford, Salisbury, SP3 4NW

SOLICITORS

: Parker Bullen, 45 Castle Street, Salisbury, SP1 3SS

OBJECTS

The object of the Society shall be to promote English Cathedral Music in the southern cathedrals of Chichester, Salisbury and Winchester, and in particular to arrange an annual Festival of Music in one of the three Southern Cathedrals in rotation. The object is for the benefit of the public who may attend the Festival's services and concerts.

POLICIES

In co-operation with the Dean and Residentiary Canons of the host Cathedral, the Trustees arrange annual festivals of English Cathedral Music with four or five days of services and concerts, based around the daily liturgy. The Society encourages patrons and sponsors to support the Festivals both by attendance and financial support by way of gift-aided subscriptions.

RESERVES POLICY

The Trustees of the Society are able to use surplus income over expenditure in furtherance of the Society's objectives. The policy is to maintain reserves at a level of one year's turnover, or thereabouts, in order to be able to pay the expenses of the next Festival if it had to be cancelled at short notice due to unforeseen circumstances.

INVESTMENT POLICY

Under the Deed, the Treasurer may invest any money received on behalf of the Society in any manner as he thinks fit and shall not be liable for any loss occasioned thereby. In accordance with the Trustee Act 2000, which came into force on 1 February 2001, the Trustees also have the powers to invest any sums of cash not required for immediate working purposes.

The current policy is to obtain sufficient income to help defray the costs of the Festivals. This is achieved by maintaining the Society's investment in the Central Board of Finance of the Church of England Investment Fund and investing any surplus cash in deposit accounts. These investments have been acquired in accordance with the powers in the governing document.

SOUTHERN CATHEDRALS FESTIVAL SOCIETY
TRUSTEES' REPORT AND STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 OCTOBER 2022
(Continued)

RISK MANAGEMENT

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

ORGANISATION

Under the terms of the Deed, the Society is managed by five ex-officio trustees, the secretary and treasurer being appointed annually. They meet twice a year, and have the power to co-opt additional trustees. Each cathedral's Director of Music is Festival Director in rotation according to where the next Festival is held. He forms a local Festival Committee which maintains its own records. Continuity is provided by the Secretary and Treasurer. Vacancies for the ex-officio trustee posts of Secretary or Treasurer are filled by personal recommendation. New trustees are trained by the trustee body.

KEY MANAGEMENT PERSONNEL REMUNERATION

The trustees consider the board of trustees and the three cathedrals' Directors of Music as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Festivals on behalf of the charity. All the trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in notes 4 and 8 to the accounts. The pay of the Directors of Music is reviewed annually and normally increased in accordance with average earnings.

TRUSTEES' RESPONSIBILITIES FOR THE PREPARATION OF ACCOUNTS

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Charity law 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 its incoming resources and application of resources for that period. In preparing those 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records which 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 Charities (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud or other irregularities.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

The 2022 Festival took place in Salisbury. The trustees were very pleased to hold a full festival after two years of COVID-19 restrictions.

PUBLIC BENEFIT

The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

REVIEW OF TRANSACTIONS AND FINANCIAL POSITION

In previous years festivals were kindly supported by donors and sponsors. In view of COVID-19 financial impact on individuals and businesses the trustees decided not to seek income from these sources in 2022. The Charity's total income for the year was £41,769 including investment income of £8,403. Expenditure for the year was £55,167 of which £48,907 was on direct charitable activities. The value of the investments decreased by £8,803. At the end of the year there was an overall deficit of £22,201 and the Society had net assets of £166,021, consisting entirely of unrestricted reserves, including investments of £90,162.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees confirm that the accounts comply with current statutory requirements, the Charity's governing document, and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Signed on behalf of the Trustees

J Fletcher
Trustee

Approved by the Trustees on

20th November 2023

SOUTHERN CATHEDRALS FESTIVAL SOCIETY
ACCOUNTS FOR THE YEAR ENDED 31 OCTOBER 2022
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE
SOUTHERN CATHEDRALS FESTIVAL SOCIETY

I report to the trustees on my examination of the accounts of the Southern Cathedrals Festival Society (the Trust) for the year ended 31 October 2022, which are set out on pages 4 to 8.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Signed Andrew Radice

Date 3rd May 2024

A J Radice FCA
Guelder Cottage
Hanging Langford
Salisbury

SOUTHERN CATHEDRALS FESTIVAL SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 OCTOBER 2022

	<u>Notes</u>	<u>Unrestricted Funds</u>	
		<u>2022</u>	<u>2021</u>
INCOME AND ENDOWMENTS FROM:			
Subscriptions, donations and sponsorship		8,403	7,138
Charitable activities			
Festival concerts and events		30,526	-
Investments	2	2,840	2,570
Total Income		<u>41,769</u>	<u>9,707</u>
EXPENDITURE ON			
Charitable activities			
Festival expenses	3	55,167	42,920
Total Expenditure		<u>55,167</u>	<u>42,920</u>
Net income/(expenditure) before investment gain/(loss)		(13,397)	(33,213)
Net Unrealised Gain/(Loss) on Investments	5	(8,803)	13,704
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>(22,201)</u>	<u>(19,509)</u>
Reconciliation of funds:			
Total funds at 1 November 2021		188,222	207,731
Total funds at 31 October 2022		<u>£166,021</u>	<u>£188,222</u>

The notes on pages 6 to 8 form part of these financial statements

SOUTHERN CATHEDRALS FESTIVAL SOCIETY**BALANCE SHEET****AT 31 OCTOBER 2022**

	Note	<u>2022</u>	<u>2021</u>
FIXED ASSETS			
Investments	5	90,162	98,965
CURRENT ASSETS			
Debtors	6	25,821	1,176
Cash at Bank		88,445	95,574
		<u>114,266</u>	<u>96,750</u>
LIABILITIES			
Creditors: Amounts falling due within one year	7	<u>(38,406)</u>	<u>(7,492)</u>
Net Current Assets		<u>75,860</u>	<u>89,258</u>
Total Net Assets		<u>£166,021</u>	<u>£188,222</u>
Representing			
THE FUNDS OF THE CHARITY			
Unrestricted funds		<u>£166,021</u>	<u>£188,222</u>

Approved by the Trustees on 20th November 2023

and signed on their behalf by J Fletcher
Trustee

The notes on pages 6 to 8 form part of these financial statements

SOUTHERN CATHEDRALS FESTIVAL SOCIETY
SALISBURY 2022
NOTES TO THE ACCOUNTS AT 31 OCTOBER 2022

1. ACCOUNTING POLICIES

a) **Basis of Preparation**

The accounts 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) effective from 1 January 2019 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. No material judgements have been made in applying the accounting policies and a key assumption is that the festival will continue to be supported by donors, patrons and other interested parties.

b) **Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that it will be received and the amount can be measured reliably. Therefore income is accounted for on a receipts basis with the exception of income tax recoverable, which is on the accruals basis. Income received in advance for the next year's Festival is deferred.

c) **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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure on charitable activities includes the direct costs of the Festivals, plus governance costs and support costs. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Support costs have been allocated between governance costs and other support costs. Governance costs are those involving the public accountability of the charity and compliance with regulation and good practice.

d) **Debtors**

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

e) **Cash at bank and in hand**

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

f) **Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

g) **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, except for investments which are valued at fair value at the balance sheet date.

h) **Investments**

Fixed asset investments are a form of basic financial instrument and are initially stated at their transaction value and subsequently measured at their fair value (market value) at the balance sheet date using the closing bid price. Gains and losses arising on the revaluation or disposal of investments during the year are included in the Statement of Financial Activities. Realised gains and losses are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

i) **Stocks**

Stocks of SCF ties are not valued in these accounts, as the amount is not significant.

SALISBURY 2022NOTES TO THE ACCOUNTS AT 31 OCTOBER 2022(Continued)

- j) Catering income has been netted off the costs of providing festival meals, rather than shown as an income resource. This is because different methods of supplying catering apply in each location and the trustees consider that the net cost is the more relevant figure.
- k) Taxation
As a registered Charity, the Society is not liable to UK corporation tax, income tax or capital gains tax. The Charity is not registered for VAT.
- l) Cash flow
These accounts do not include a cashflow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement.
- m) Funds
All the charity's funds are unrestricted and are available to spend on activities that further the purposes of the charity.

2. INVESTMENT INCOME

	<u>2022</u>	<u>2021</u>
Dividends on investments in Charitable Common Investment Funds	2,663	2,566
Deposit account interest	177	4
	<u>£2,840</u>	<u>£2,570</u>

3. CHARITABLE ACTIVITIES - including support costs

Festival expenses	<u>2022</u>	<u>2021</u>
Direct costs:		
Artists' fees and expenses	35,612	13,937
Online film fees	-	16,239
Venue costs and equipment hire	1,116	8,026
Printing and Advertising	6,869	-
Catering and Hospitality	4,801	-
Other direct costs	510	25
Support costs:		
Insurance	617	587
Accountancy services (Payroll, book-keeping, taxation)	1,872	1,806
Website cost	600	600
Governance costs:		
Accountancy services (Statutory accounts preparation)	2,796	1,200
Independent examination	375	500
	<u>£55,167</u>	<u>£42,920</u>

Chichester, Salisbury and Winchester cathedrals do not charge the charity for hiring the venues.

General volunteers whose contribution is vital to the running of the charity include members of organising committee, stewards and other people helping with running festival.

SALISBURY 2022NOTES TO THE ACCOUNTS AT 31 OCTOBER 2022(Continued)**4. EMPLOYEE COSTS**

The majority of the Chichester, Salisbury and Winchester Directors of Music, organists, lay clerks and lay vicars are employed and paid for performances during the Festival . There are no full-time employees.

	<u>2022</u>	<u>2021</u>
Fees	12,054	13,480
	<u>£12,054</u>	<u>£13,480</u>
Number of part-time employees	26	27

The charity considers its key management personnel comprise the trustees and the three Directors of Music. The total employment benefits including employer pension contributions of the key management personnel were £4,102 (2021: £3,786). No employee received emoluments of £60,000 or more in either year. Expenses paid to the trustees in the year totalled £Nil (2021: £Nil).

5. INVESTMENTS

	<u>2022</u>	<u>2021</u>
a) Market value at 1 November 2021	98,965	85,261
Change in value in the year	(8,803)	13,704
Market value at 31 October 2022	<u>£90,162</u>	<u>£98,965</u>
Historical cost at 31 October 2022	<u>£24,450</u>	<u>£24,450</u>

b) The investments held are 4358 CBF Church of England Investment Fund income shares, which is a Common Investment Fund for eligible charities, managed in accordance with the policies of the Church of England's Ethical Advisory Group. Investments represent unrestricted reserves of the charity.

6. DEBTORS

	<u>2022</u>	<u>2021</u>
Other debtors	25,821	1,176
	<u>£25,821</u>	<u>£1,176</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2022</u>	<u>2021</u>
Accrued Independent Examination and Accountancy Fees	4,553	3,773
Owed to host cathedral	32,098	-
Other creditors	1,755	3,719
	<u>£38,406</u>	<u>£7,492</u>

8. RELATED PARTY TRANSACTIONS

Fees including VAT totalling £3,888 (2021: £3,492) were paid to Fletcher & Partners, for accountancy services, a firm in which James Fletcher (trustee) is a partner. The payments were made in accordance with a resolution of the trustees under Charities Act 2011. As at the year end, outstanding amounts owed were £4,553 (2021: £3,348). No other remuneration or benefits were made to the trustees.