

**THE FRIENDS OF GUILDFORD CATHEDRAL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

**Company Registration Number 00540920
(England and Wales)**

THE FRIENDS OF GUILDFORD CATHEDRAL

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**THE FRIENDS OF GUILDFORD CATHEDRAL
LEGAL AND ADMINISTRATION INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees The Very Revd D Gwilliams (Chairman)
 Canon M Morris (Vice Chairman)
 J Allen
 Canon M J D Bishop
 Col J Blake
 M Gwilliams (retired 3 February 2020)
 Canon SM Lloyd
 M Mulvaney
 Revd Canon A Townshend

Charity Registration number 250402

Company Number 00540920

Registered Office The Cathedral
 Stag Hill
 Guildford
 Surrey
 GU2 7UP

Independent Examiner Danielle Griffin FCA
 Moore (South) LLP
 Priors House
 Sydenham Road
 Guildford
 Surrey
 GU1 3RX

Investment Manager Charles Stanley & Co. Ltd
 70-72 Chertsey Street
 Guildford
 Surrey
 GU1 4HL

**THE FRIENDS OF GUILDFORD CATHEDRAL
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED
31 DECEMBER 2020**

The Trustees, who are also the Directors of the charitable company, are pleased to present their report together with the financial statements of the charitable company for year to 31 December 2020.

The legal and administrative information set out on the information page (page 1), forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice, Accounting and Reporting by Charities (FRS102 second edition).

History, objectives and activities of the Trust

The Friends of Guildford Cathedral was registered with the Charity Commissioners on the 22 July 1969. The Friends of Guildford Cathedral was incorporated on 19 November 1954. The charitable company is limited by guarantee and is governed by a set of Memorandum & Articles, amended by Special Resolutions dated 17 December 1968, 8 June 2008 and 17 July 2017.

The aim of The Friends of Guildford Cathedral is:

- Advance Christian religion for the benefit of the public in accordance with the statutes affecting the Cathedral Church of the Holy Spirit, Guildford, (the Cathedral) and Measures of the General Synod of the Church of England;
- To provide furnishings, embellishments and equipment for the Cathedral;
- To advance education of the public in religious fabric and assisting in the maintenance of the Cathedral.

Public benefit

When planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance for the advancement of religion.

Management, risk and governance arrangements

The Charity is administered by a Board of Trustees (the Executive Committee). Trustees are appointed or confirmed at the AGM. There is a minimum of 5 Trustees up to a maximum of 9. They retire by rotation and may serve for six years and shall only be eligible for re-election after a further period of two years. The Dean of Guildford will automatically become a Director and Chair of Trustees. No AGM was held in 2020, and those who were due to retire at the 2020 AGM had their terms extended by one year, in accordance with the Charity Commission guidance for the Covid-19 pandemic. Martin Gwilliams resigned in February 2020.

Directors may be appointed by the Board during the year (so long as the maximum number is not exceeded). Any director so appointed must retire at the next AGM; the members may fill any vacancies on the Board at the AGM. A trustee must be a member of the Friends, have a willingness to serve and be a fit and proper person.

The Trustees manage the day-to-day operations of the Charity through its Secretary and Honorary Treasurer. The Social Committee organises a programme of events, which are open both to members and non-members; no social events were able to be held in 2020. The Chairman of Trustees is responsible for the induction of any new Trustee which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures and the history and philosophical approach of the Charity. A new Trustee would receive copies of the previous year's annual report and accounts and a copy of the Charity Commission leaflet 'The Essential Trustee: What you need to know'.

**THE FRIENDS OF GUILDFORD CATHEDRAL
TRUSTEES ANNUAL REPORT FOR YEAR ENDED
31 DECEMBER 2020 (continued)**

The Trustees annually review the major strategic, business and operational risks which the Charity faces to ascertain that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen those risks.

Procedures and policy for grant making

Nominations for grants are elicited from the Chapter of the Cathedral and considered by the Trustees. The Trustees always seek feedback on the actual use of the grants given. The explanations and feedback received are sufficient for monitoring the quality of the grants made.

Achievements and performance of the Trust

During the year the charitable company has been able to continue its support for the Cathedral. The Social Committee raised £0 net (2019 - £1,058) from social activities to support the objectives of the charitable company. Grants of £52,354 were made in the year (2019 - £72,371).

Financial review

Total income for the year was £27,173 (2019 - £144,360), of which £10,851 (2019 - £121,637) came from legacies. Expenditure was £62,247 (2019 - £86,393), which included grants to the Cathedral amounting to £52,354 (2019 - £72,372) details of which are in note 9. This left a deficit of £35,074 (2019 - £57,967 surplus) before gains or losses on investments.

Unrestricted reserves were restructured in 2018, resulting from significant legacy income and the need to manage the associated risks, both seeking a reasonable return and ensuring that funds would be available for any grants which they chose to make. The 2019 result was an increase in income from dividends and interest, but the pandemic had an adverse effect on both 2020 income and values (2020 income - £6,803; 2019 - £9,056), as well as increased opportunity for capital growth from the COIF Investment account with CCLA.

Overall our investments incurred a loss of £8,295 at 31st December (2019 - £18,598 gain). This simply demonstrates the volatility of the market in a difficult year.

The decrease in legacies is largely responsible for the decrease in income. The strong reserve position has enabled the trustees to respond positively to grant request from Chapter, even though income was down. Costs were reduced due to a lack of activity. The trustees decided it was not appropriate or necessary to furlough our one, part-time staff member. The net result was a decrease in funds of £48,457 (2019 - £76,565 increase).

At 31st December 2020 our reserves totalled £328,486 (2019 - £371,855) of which unrestricted funds (free reserves) totalled £292,190 (2019 - £333,687) and endowed and restricted funds totalled £36,296 (2019 - £38,168).

**THE FRIENDS OF GUILDFORD CATHEDRAL
TRUSTEES ANNUAL REPORT FOR YEAR ENDED
31 DECEMBER 2020 (continued)**

Reserves

Our unrestricted reserves are at a significant level because of the recent inflow of legacy income. Our constitution does not permit or encourage us to simply hand them over to the Cathedral Chapter.

Following a review of reserves policy, it is the policy of the Trustees to maintain the free reserves of the charity, at a level which equates to *at least* twelve months running costs (£6,574 in 2020) and grants of *at least* £50,000. This provides sufficient funds to cover administration and support costs and to respond to emergency applications for grants which might arise from time to time. Unrestricted funds were above this level throughout the year in order to comply with the policy.

The trustees have previously responded positively to Chapter concerning several projects which Chapter is not yet in a position to implement. We have informally set aside a sum of £80,000 as a potential contribution, but have not formally established a designated fund, because these are not yet liabilities, both the amount and timing of any grant remaining to be decided. This reduces our “free reserves” (net unrestricted current assets excluding current investment assets and sums set aside) to £34,481 at the year end, which is below the *minimum* level required under the policy. The trustees are reviewing with Chapter the likelihood of the set aside sums being required in the next 2-3 years.

Investments

The investment portfolio is managed on a discretionary basis by Charles Stanley & Co. The Trust has chosen not to adopt formal ethical investment policies.

The trustees have opened a second account with Charles Stanley, so as to separate the Endowment Funds from the Unrestricted Reserves. This will allow us to grow the capital values of the Endowment Funds towards the value they might have reached with a balanced policy rather than focussing solely on income. No real progress was made on this aspiration in the exceptional circumstances of 2020. The trustees will use the balances in the Restricted Funds to continue making grants for the purposes intended, and may use unrestricted funds.

In order to minimise risk and diversify opportunity, the trustees have placed unrestricted assets in a variety of investment vehicles and bank deposit accounts. Towards the end of 2019, the trustees set guidelines as to the normal proportions of the total to be held in current or deposit accounts, invested for income or invested for growth. Placement of funds lay within these guidelines at the end of 2020. There have been no significant changes so far in 2021. The policy is due for review in 2022.

Future plans

The Trustees intend to continue providing grants to the Cathedral continuing the emphasis on the embellishment and maintenance of the Cathedral fabric, fittings and furniture. They consider projects as they arise.

Trustees Responsibilities

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

**THE FRIENDS OF GUILDFORD CATHEDRAL
TRUSTEES ANNUAL REPORT FOR YEAR ENDED
31 DECEMBER 2020 (continued)**

Company law requires the Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The report has been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102. The Trustees have taken the exemptions permitted by section 1A. In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This annual report was approved by the Board of Directors and Trustees on 2nd June 2021 and signed on their behalf by:



Chair
The Very Revd Dianna Gwilliams

Dated 2 June 2021

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES ON THE
UNAUDITED ACCOUNTS OF THE FRIENDS OF GUILDFORD CATHEDRAL
FOR THE YEAR ENDED 31 DECEMBER 2020**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2020, which are set out on pages 7 to 19.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 company as required by section 386 of the 2006 Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Danielle Griffin

Danielle Griffin FCA
Moore (South) LLP
Chartered Accountants
Priory House, Pilgrims Court
Sydenham Road
Surrey GU1 3RX

Date 9th July 2021

THE FRIENDS OF GUILDFORD CATHEDRAL
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR TO 31 DECEMBER 2020

| | Notes | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|------------------------------------|-------|----------------------------|-------------------------|--------------------------|-----------------------|-----------------------|
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 20,318 | 0 | 0 | 20,318 | 130,096 |
| Other trading activities | 3 | 52 | 0 | 0 | 52 | 5,208 |
| Investments | 4 | 6,147 | 255 | 401 | 6,803 | 9,056 |
| Total income | | <u>26,517</u> | <u>255</u> | <u>401</u> | <u>27,173</u> | <u>144,360</u> |
| Expenditure on: | | | | | | |
| Raising funds | 5 | 5,249 | 96 | 0 | 5,345 | 9,361 |
| Charitable activities | 6 | 55,437 | 0 | 0 | 55,437 | 75,255 |
| Other expenditure | 7 | 1,465 | 0 | 0 | 1,465 | 1,777 |
| Total expenditure | | <u>62,151</u> | <u>96</u> | <u>0</u> | <u>62,247</u> | <u>86,393</u> |
| Net gains/(losses) on investments | | <u>(5,863)</u> | <u>(2,432)</u> | <u>0</u> | <u>(8,295)</u> | <u>18,598</u> |
| Net income / (expenditure) | | <u>(41,497)</u> | <u>(2,273)</u> | <u>401</u> | <u>(43,369)</u> | <u>76,565</u> |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 333,687 | 33,922 | 4,246 | 371,855 | 295,290 |
| Total funds carried forward | | <u><u>292,190</u></u> | <u><u>31,649</u></u> | <u><u>4,647</u></u> | <u><u>328,486</u></u> | <u><u>371,855</u></u> |

The notes on pages 9 – 20 form part of these financial statements.

THE FRIENDS OF GUILDFORD CATHEDRAL BALANCE SHEET AS AT 31 DECEMBER 2020

Company registration number: 00540920

| | Notes | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|--|-------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Fixed Assets | | | | | | |
| Investments | 12 | 109,103 | 27,731 | 0 | 136,834 | 150,597 |
| Current Assets | | | | | | |
| Debtors | 13 | 1,175 | 0 | 0 | 1,175 | 130 |
| Current Asset Investment | 14 | 68,986 | 0 | 0 | 68,986 | 65,440 |
| Cash at Bank and in hand | 15 | 114,426 | 3,918 | 4,647 | 122,991 | 160,403 |
| | | <u>184,587</u> | <u>3,918</u> | <u>4,647</u> | <u>193,152</u> | <u>225,973</u> |
| Current Liabilities | | | | | | |
| Creditors: amounts falling due within one year | 16 | (1,500) | 0 | 0 | (1,500) | (4,715) |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Net Current Assets | | <u>183,087</u> | <u>3,918</u> | <u>4,647</u> | <u>191,652</u> | <u>221,258</u> |
| Total Assets less Current Liabilities | | <u>292,190</u> | <u>31,649</u> | <u>4,647</u> | <u>328,486</u> | <u>371,855</u> |
| Represented by | | | | | | |
| Funds | | | | | | |
| Unrestricted | | 292,190 | 0 | 0 | 292,190 | 333,687 |
| Restricted | 17 | 0 | 0 | 4,647 | 4,647 | 4,246 |
| Endowment | 18 | 0 | 31,649 | 0 | 31,649 | 33,922 |
| Total | | <u>292,190</u> | <u>31,649</u> | <u>4,647</u> | <u>328,486</u> | <u>371,855</u> |

For the year ending 31 December 2020 the charitable company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at 31 December 2020 and of its result for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions relating to Companies subject to the Small Companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board and authorised for issue on 2nd June 2021.

The Very Revd Dianna Gwilliams

Dianna Gwilliams

The notes on pages 9 - 20 form part of these financial statements.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

(a) Company Status

“The Friends of Guildford Cathedral” is a charitable company limited by Guarantee and not having a share capital incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the Legal & Administration Information given on page 1 of these financial statements.

The nature of the charity’s operations and principal activities are to raise monies for various projects to assist the finances of the Cathedral. Once projects have been completed, the expenditure is passed into the hands of the Chapter. The charitable company, therefore, has no title to assets comprised in the projects and no depreciation is required in respect of the expenditure incurred on these projects.

The charity constitutes a public benefit entity as defined by FRS102.

(b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011, and the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency and are rounded to the nearest pound.

(c) Income Recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be reliably measured and it is probable that the income will be received.

Donations and other forms of voluntary income are recognised when receivable by the charity. Gift aid is recognised in the period the donation it relates to was received.

Subscription income, including gift aid, is recognised in the year of receipt. Life subscriptions are recognised in the year of receipt.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (continued)

(c) Income Recognition (continued)

Legacies are accounted for at the earlier of:

- the date on which the charity is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or
- when a distribution is made from the estate.

Receipt of a legacy, in whole or part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income for other trading activities is recognised when it is received.

Investment income is recognised in the period the charity is entitled to receipt.

(d) Expenditure Recognition

All expenditure is accounted for on an accruals basis and is inclusive of irrecoverable VAT. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the obligation can be measured reliably.

Expenditure on raising funds includes costs of social events and investment manager's fees relating to the management of the investment portfolio.

Expenditure on charitable activities includes grants with relevant support costs.

- Grants are charged in the year they are approved for payment. No grants are deferred. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the charity.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

(e) Allocation of Support Costs

Support costs are those functions that assist the work of the charity but do not directly relate to fundraising costs or charitable activities. Support costs include back office costs, finance and payroll costs which support the charity's activities. These costs have been allocated between cost of raising funds and charitable activities. The bases on which support costs have been allocated are set out in note 8.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (continued)

(f) Fixed Asset Investments

Investments are recognised initially at cost which is normally the transaction price less transaction costs. Subsequently they are measured at market value with changes recognised as net realised or unrealised gains or losses on investments in the SoFA.

(g) Capitalisation

Purchases of equipment at less than £1,000 each will be written off in the year of purchase. Purchases in excess of this will have their depreciation rate/period decided as part of the agreement to purchase.

(h) Debtors

Trade and other debtors are recorded at settlement amount. Prepayments are valued at the amounts prepaid at balance sheet date.

(i) Current Asset Investments

Current asset investments include investments with a maturity greater than 3 months.

(j) Cash at Bank and in Hand

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

(k) Creditors

Trade and other creditors are recognised when the charity has a present obligation resulting from past events and can be measured or estimated reliably. Creditors are recognised at their settlement amounts.

(l) Financial Instruments

The trust 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.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (continued)

(m) Funds

Unrestricted reserves are funds that can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted reserves are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The charity's endowment funds represent those assets which must be held permanently by the charity. The invested capital is to be used to provide income for the charity which can only be spent as specified by the donor.

2. Donations and Legacies

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|---------------|-------------------------------------|----------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Donations | 485 | 0 | 0 | 485 | 799 |
| Legacies | 10,851 | 0 | 0 | 10,851 | 121,637 |
| Subscriptions | 7,714 | 0 | 0 | 7,714 | 6,553 |
| Gift Aid | 1,268 | 0 | 0 | 1,268 | 1,107 |
| | <u>20,318</u> | <u>0</u> | <u>0</u> | <u>20,318</u> | <u>130,096</u> |

In 2019 all donations and legacies were unrestricted.

3. Other Trading Activities

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|-----------------------------|-------------------------------------|----------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Social Events (see Note 10) | 0 | 0 | 0 | 0 | 5,208 |
| Trading income | 52 | 0 | 0 | 52 | 0 |
| | <u>52</u> | <u>0</u> | <u>0</u> | <u>52</u> | <u>5,208</u> |

There was no restricted income in 2019.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

4. Investments

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|-----------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Dividends | 5,460 | 255 | 401 | 6,116 | 8,224 |
| Interest | 687 | 0 | 0 | 687 | 833 |
| | <u>6,147</u> | <u>255</u> | <u>401</u> | <u>6,803</u> | <u>9,056</u> |

Included in 2019 was dividend income of £1,823 which was restricted.

5. Raising Funds

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|-----------------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Social events (see Note 10) | 0 | 0 | 0 | 0 | 4,150 |
| Publicity | 0 | 0 | 0 | 0 | 50 |
| Investment Manager fees | 857 | 96 | 0 | 953 | 995 |
| Support costs (see Note 8) | 4,392 | 0 | 0 | 4,392 | 4,166 |
| | <u>5,249</u> | <u>96</u> | <u>0</u> | <u>5,345</u> | <u>9,361</u> |

Included in 2019 were expenses for social events for £nil which was restricted.

6. Charitable Activities

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|----------------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Grants (see Note 9) | 52,354 | 0 | 0 | 52,354 | 72,371 |
| Support costs (see Note 8) | 3,083 | 0 | 0 | 3,083 | 2,884 |
| | <u>55,437</u> | <u>0</u> | <u>0</u> | <u>55,437</u> | <u>75,255</u> |

Included in 2019 were grants of £2,500 which was restricted.

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2020**

7. Other Expenditure

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|-----------------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Independent Examiner's fee | 1,200 | 0 | 0 | 1,200 | 1,170 |
| Accountancy | 0 | 0 | 0 | 0 | 300 |
| Trustee Indemnity Insurance | 252 | 0 | 0 | 252 | 294 |
| Legal fees | 13 | 0 | 0 | 13 | 13 |
| | <u>1,465</u> | <u>0</u> | <u>0</u> | <u>1,465</u> | <u>1,777</u> |

Other Expenditure all relates to the governance costs of the charity

All Other Expenditure in 2019 was unrestricted.

8. Analysis of Support Costs

| | Raising Funds £ | Charitable Activities £ | Other Expenditure £ | Total 2020 £ | Basis of Allocation |
|------------------------------|-----------------------|-------------------------------|---------------------------|--------------------|------------------------|
| Salaries (including Ers NIC) | 3,926 | 2,617 | 0 | 6,543 | Time |
| General expenses | 466 | 466 | 0 | 932 | Use |
| | <u>4,392</u> | <u>3,083</u> | <u>0</u> | <u>7,475</u> | |

9. Grants made to Guildford Cathedral

| | 2020 £ | 2019 £ |
|--|---------------|---------------|
| Support sub-organist's salary (live streaming work: advancement of religion) | 25,850 | 0 |
| Maternity leave cover (Schools & families: education) | 3,255 | 0 |
| AV equipment (for live streaming: advancement of religion) | 6,840 | 0 |
| IT upgrade (live streaming: advancement of religion) | 16,409 | 0 |
| From Arthur Mason Flower Fund | 0 | 500 |
| From Reginald Boeg Maintenance Fund | 0 | 2,000 |
| Replacement Grand Piano | 0 | 16,500 |
| Repair/Replacement Stewards badges | 0 | 623 |
| New Amplifier | 0 | 6,400 |
| Visitor Experience project | 0 | 35,000 |
| Support for Young People's work and website | 0 | 9,600 |
| Liturgical items including Great Cross | 0 | 1,748 |
| | <u>52,354</u> | <u>72,371</u> |

**THE FRIENDS OF GUILDFORD CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
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10. Social Events

No social events were organised during the year ; the first lockdown due to the pandemic occurred before any were scheduled, and there were no suitable opportunities thereafter. It is hoped to resume social events in the second half of 2021.

11. Salaries

The charity employs one part-time person. The Cathedral arrange for this salary to paid via its payroll (subject to PAYE). The costs for the employee are recharged monthly. The cost incurred was £6,542 (2019 - £6,414).

No member of the executive committee or any persons connected with them has received any remuneration, or reimbursed expenses.

12. Fixed Asset Investments

| | £ |
|------------------------------------|----------------|
| Market value at 1 January 2020 | 150,597 |
| Additions at cost | 38,544 |
| Equalisations | (148) |
| Disposals at carrying value | (40,323) |
| Net unrealised gain on investments | (11,836) |
| Market value at 31 December 2020 | <u>136,834</u> |
| Of which: | |
| Listed investments | <u>136,834</u> |

The following investments account for more than 5% of the listed investments:

| | 2020 | 2019 |
|--------------------------------------|------|------|
| Aviva Investors UK SVCS Ltd | 5.8% | 6.2% |
| Twenty Four Income Fund Ltd | | 7.2% |
| Henderson Investment | 7.7% | 7.1% |
| Legg Mason Investment Funds Rare | 5.7% | 5.0% |
| Schroder Income Maximiser | | 5.5% |
| Schroder Unit Trust Strategic Credit | 7.0% | 6.2% |
| First Trust Global Funds | | 5.2% |
| Murray International Trust | 5.8% | 7.4% |
| iShares | 5.9% | 7.9% |
| Personal Assets Trust | 5.6% | |
| Schröder Strategic | 5.9% | |
| Vanguard | 5.3% | |

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13. Debtors

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|---------------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Accrued income – interest | 1 | 0 | 0 | 1 | 56 |
| Gift Aid Claim | 1,174 | 0 | 0 | 1,174 | 744 |
| | <u>1,175</u> | <u>0</u> | <u>0</u> | <u>1,175</u> | <u>130</u> |

14. Current Asset Investment

| | 2020 £ | 2019 £ |
|--|---------------|---------------|
| CCLA Investment Account | | |
| Value at 1 January | 45,180 | 38,327 |
| Additions in year | 0 | 0 |
| Unrealised profit/(loss) in year | 3,541 | 6,853 |
| Value at 31 December | <u>48,721</u> | <u>45,180</u> |
| Shawbrook 12 month fixed rate accounts | 20,265 | 20,260 |
| | <u>68,986</u> | <u>65,440</u> |

In order to spread unrestricted funds as part of our Reserves/Investment policy, the trustees opened a 12-month notice account with Shawbrook Bank (via CAF) and a COIF Investment Fund account with CCLA. Both of these are regarded as Current Asset Investments from a Balance Sheet perspective, as they are both intended to remain in place for more than 6 months.

In July 2018, a CAF 12 Month Fixed Rate Saver account was opened with Shawbrook Bank (via CAF). It paid interest at 1.3% pa after 12 months, so the value upon maturity was £20,260. This should have been reinvested into a new CAF 12 Month Fixed Rate Saver account in July 2020, but Covid-19 delayed matters and the account was closed, with £284 being paid to the bank current account. A new Fixed Rate Saver account was opened with the balance (£20,265 including some interest); this will not pay interest until 10 August 2021. The value at 31 December 2020 was £20,265.

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15. Cash at Bank and in Hand

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|---------------------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Lloyds Current Accounts | 9,811 | 0 | 4,647 | 14,458 | 18,878 |
| CAF 60 day Account | 20,000 | 0 | 0 | 20,000 | 20,000 |
| CCLA Deposit Account | 78,315 | 0 | 0 | 78,315 | 112,086 |
| Charles Stanley Income Account | 773 | 255 | 0 | 1,028 | 1,224 |
| Charles Stanley Capital Account | 5,527 | 3,663 | 0 | 9,190 | 8,215 |
| | <u>114,426</u> | <u>3,918</u> | <u>4,647</u> | <u>122,991</u> | <u>160,403</u> |

16. Creditors

| | Unrestricted Funds £ | Endowment Funds £ | Restricted Funds £ | Total 2020 £ | Total 2019 £ |
|------------------|----------------------------|-------------------------|--------------------------|--------------------|--------------------|
| Creditors | 0 | 0 | 0 | 0 | 1,467 |
| Accrued expenses | 1,500 | 0 | 0 | 1,500 | 1,500 |
| Grants payable | 0 | 0 | 0 | 0 | 1,748 |
| | <u>1,500</u> | <u>0</u> | <u>0</u> | <u>1,500</u> | <u>4,715</u> |

17. Restricted Funds

| | At 1 January 2020 £ | Income £ | Expenditure £ | At 31 December 2020 £ |
|-----------------------------------|---------------------------|-------------|------------------|-----------------------------|
| Arthur Mason Flower Fund - income | 1,224 | 111 | 0 | 1,335 |
| Reginald D Boeg Legacy - income | 3,022 | 290 | 0 | 3,312 |
| | <u>4,246</u> | <u>401</u> | <u>0</u> | <u>4,647</u> |

Covid-19 meant that no appropriate grant opportunity arose in 2020 for either fund.

**THE FRIENDS OF GUILDFORD CATHEDRAL
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17. Restricted Funds (cont).

Restricted funds for year ended 31 December 2019

| | At 1 January 2019 £ | Income £ | Expenditure £ | At 31 December 2019 £ |
|-----------------------------------|---------------------------|--------------|------------------|-----------------------------|
| Arthur Mason Flower Fund - income | 1,276 | 448 | 500 | 1,224 |
| Reginald D Boeg Legacy - income | 3,647 | 1,375 | 2,000 | 3,022 |
| | <u>4,923</u> | <u>1,823</u> | <u>2,500</u> | <u>4,246</u> |

The charity resolved in February 2019 to make a grant of £500 from the Arthur Mason Flower Fund income towards the cost of Easter flowers. No similar opportunity arose in 2020.

The charity resolved in May 2019 to make a grant of £2,000 from the Reginald D Boeg Legacy income, as a restricted donation, to be spent only on the maintenance of the Cathedral building. No similar opportunity arose in 2020.

18. Endowment

| | At 1 January 2020 | Movements | At 31 December 2020 |
|------------------------------------|----------------------|----------------|------------------------|
| Arthur Mason Flower Fund - capital | 9,346 | (626) | 8,720 |
| Reginald D Boeg Legacy - capital | 24,576 | (1,647) | 22,929 |
| | <u>33,922</u> | <u>(2,273)</u> | <u>31,649</u> |

The investments were moved to a separate account in 2020, with the aim of building up their capital value. The pandemic has prevented any progress with this aim in 2020.

Endowment for year ended 31 December 2019

| | At 1 January 2019 £ | Movements £ | At 31 December 2019 £ |
|------------------------------------|---------------------------|----------------|-----------------------------|
| Arthur Mason Flower Fund - capital | 9,029 | 317 | 9,346 |
| Reginald D Boeg Legacy - capital | 23,768 | 808 | 24,576 |
| | <u>32,797</u> | <u>1,125</u> | <u>33,922</u> |

THE FRIENDS OF GUILDFORD CATHEDRAL
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18. Endowment (cont).

Mr A M Mason bequeathed a legacy of £10,000 to The Friends of Guildford Cathedral expressing the wish that this legacy should be named "The Arthur Mason Flower Fund" and invested in Gilt Edged Securities and that the income be used to buy flowers for the Cathedral and not for any other purpose. The value of the original investment of £10,000 has fallen due to the reduction in market value of the investments held at 31 December 2020.

Mr Reginald D Boeg bequeathed a legacy of £25,000 which must be retained and the income to be used for maintenance of the cathedral building. The value of the original investment of £25,000 has fallen due to the reduction in market value of the investments held at 31 December 2020.

19. Movement in Funds

| | At 1 January 2020 | Income | Expenditure | Realised/ Unrealised Gains / Transfers | At 31 December 2020 |
|--------------|----------------------|--------|-------------|---|---------------------------|
| | £ | £ | £ | £ | £ |
| General Fund | 333,687 | 26,517 | (62,151) | (5,863) | 292,190 |

| | At 1 January 2019 | Income | Expenditure | Realised/ Unrealised Gains / Transfers | At 31 December 2019 |
|--------------|----------------------|---------|-------------|---|---------------------------|
| | £ | £ | £ | £ | £ |
| General Fund | 257,570 | 142,537 | (83,893) | 17,473 | 333,687 |

20. Analysis of Net Assets Between Funds

| | Fixed Asset Investments | Current Assets | Current Liabilities | Total |
|--------------------|----------------------------|-------------------|------------------------|---------|
| | £ | £ | £ | £ |
| Unrestricted funds | 109,103 | 184,587 | (1,500) | 292,190 |
| Restricted funds | 0 | 4,647 | 0 | 4,647 |
| Endowment Funds | 27,731 | 3,918 | 0 | 31,649 |
| | 136,834 | 193,152 | (1,500) | 328,486 |

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20. Analysis of Net Assets Between Funds (cont).

Analysis of Net Assets between funds for year ended 31 December 2019

| | Fixed Asset Investments £ | Current Assets £ | Current Liabilities £ | Total £ |
|--------------------|---------------------------------|------------------------|-----------------------------|----------------|
| Unrestricted funds | 116,675 | 221,727 | (4,715) | 333,687 |
| Restricted funds | 0 | 4,246 | 0 | 4,246 |
| Endowment Funds | 33,922 | 0 | 0 | 33,922 |
| | <u>150,597</u> | <u>225,973</u> | <u>(4,715)</u> | <u>371,855</u> |

21. Controlling Party

The charity has no controlling party.

22. Related Party

6 (2019 - 6) Trustees made donations to the charitable company totalling £85 (2019 - £35)