

REGISTERED CHARITY NO: 273973

THE ASSOCIATION OF

THE FRIENDS OF ROCHESTER CATHEDRAL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
ANNUAL REPORT OF THE COUNCIL

The Council is pleased to present their report together with the financial statements of the charity for the year ended 31 December 2023.

ADMINISTRATIVE DETAILS

Charity registration number	273973
Principal office	Garth House The Precinct Rochester Kent, ME1 1SX
Members of the Council	<div> <div>President - The Dean of Rochester -</div> <div>The Very Revd. Dr P J Hesketh, DL</div> </div> <div> <div>Vice-President</div> <div>The Revd. Canon Dr G Giles</div> </div> <div> <div>Chairman</div> <div>N Allan</div> </div> <div> <div>Vice-chairman</div> <div>T Wood - appointed</div> </div> <div> <div>Treasurer</div> <div>P Smith</div> </div> <div> <div>Chapter Clerk Representative</div> <div>S Lace</div> </div> <div> <div>Archdeaconry Representative</div> <div>M Chesterfield</div> </div> <div> <div>Archdeaconry Representative</div> <div>Canon A Vousden - retired</div> </div> <div> <div></div> <div>Mrs J Aldous - appointed</div> </div> <div> <div></div> <div>A Bawtree - retired</div> </div> <div> <div></div> <div>S Berry</div> </div> <div> <div></div> <div>D Carder</div> </div> <div> <div></div> <div>C Donaldson - retired</div> </div> <div> <div></div> <div>Mrs M Holtby - retired</div> </div> <div> <div></div> <div>Mrs B Jacobs</div> </div> <div> <div></div> <div>Mrs J Partington - retired</div> </div> <div> <div></div> <div>A Ratcliffe - retired</div> </div> <div> <div></div> <div>J Scott</div> </div> <div> <div></div> <div>Mrs B Smith - appointed</div> </div> <div> <div></div> <div>M Snoswell - appointed</div> </div> <div> <div></div> <div>Mrs A White</div> </div>

In addition the charity has the following posts:

Patron	HRH The Duchess of Kent, GCVO
Visitor	The Lord Bishop of Rochester
Independent Examiner	R C Abel FCA CTA Aggarwal & Co Ltd 5 London Road, Rainham Gillingham Kent, ME8 7RG
Bankers	Lloyds Bank plc 142/146 High Street Chatham Kent, ME4 4DQ
Investment Advisers	Cazenove Capital Management Ltd 12 Moorgate London, EC2R 6DA

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
ANNUAL REPORT OF THE COUNCIL

GOVERNANCE

Governing Document

The Association of the Friends of Rochester Cathedral is an unincorporated association governed by its constitution adopted 11 June 1977 with four subsequent amendments, the last of which was 17 December 2019.

Recruitment and appointment of trustees

The activities of the charity are vested in a Council. The members of the Council are its trustees for the purposes of charity law and throughout this report are collectively referred to as The Council.

The members of the Council who have served during the year are set out on page 1.

The Council consists of a President, Vice-President, Treasurer, not more than twelve elected members, three nominated Archdeaconry members and a maximum of two co-opted members.

They are elected as follows:

- The President is the current Dean of Rochester;
- The Vice-President is a Residentiary Canon of Rochester nominated by the Chapter;
- A Chairman is nominated from the elected Council members and ratified annually at the Annual General Meeting;
- A Vice-Chairman is elected annually by the Council at the first Council Meeting following the AGM;
- The Treasurer is elected annually at the Annual General Meeting;
- Archdeaconry representatives are appointed for a three-year period.
- One third of the elected members are appointed at the AGM; members who have served for two consecutive periods of three years shall not be eligible for further re-election until a period of one year has elapsed.

Organisation and decisions

The Council meets at least four times in each year. It has power to establish committees as necessary but all policy and financial matters shall be decided by the Council.

The Council consults and liaises with the Chapter as to the requirements of the Cathedral and particularly the condition and needs of its fabric and treasures. The Council makes proposals to the Chapter as to the manner in which the income and any permitted capital shall be spent to the greatest advantage of the Cathedral.

OBJECTIVES AND ACTIVITIES

Objects of the charity

The objects of the charity are to assist the Chapter to:

- preserve and maintain the fabric, fittings, ornaments, furniture and monuments of Rochester Cathedral and the lands used in connection therewith;
- preserve and maintain the worship and services in Rochester Cathedral;
- further the religious and charitable works of the Cathedral; and promote public interest in the charitable work and the life of the Cathedral.

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL

ANNUAL REPORT OF THE COUNCIL

Aims and activities

To achieve its objects, the charity:

- offers membership to all who are interested in the aims of the charity;
- consults and liaises with the Chapter as to the requirements of the Cathedral;
- makes grants to the Chapter of income and permitted capital; and
- offer members a number of social events and visits.

The Council has complied with the duty in section 17(5) of the Charities Act 2011 to have regard to guidance published by the Charity Commission on public benefit.

The public and members have continued to benefit from the charity's activities. The charity continues to make grants to the Chapter for projects to maintain and improve the Cathedral.

Putting on social events is another way in which the members and their guests benefit from the social interaction.

ACHIEVEMENTS AND PERFORMANCE

In 2022 we made a substantial contribution of £340,255 to the Cathedral to fulfil our commitment to provide £500,000 in total towards their lighting project. This year, 2023, was always going to be one of consolidation and a return to more regular levels of activity. This has proved to be the case, although we were delighted to receive a legacy of £19,615 which has boosted income.

Social events have taken place with a well attended Viennese concert which made a useful contribution to funds.

FINANCIAL REVIEW

Review of the activities

The accounts are for the year ended 31 December 2023. Total income during the period was £69,330, an increase over last year which was £37,659. The increase included a legacy for which the Council is grateful of £19,615. Also, there were more social events and investment income.

Expenditure decreased from £367,393 to £31,249. Last year included a substantial grant to the Chapter for the upkeep of the Garth. This year the grants were just £7,500, our regular contribution to for the upkeep. Other expenditure on social events and support costs reduce slightly.

With a gain on revaluation of the investments, the net movement in funds was an increase of £48,692, of which £7,085 is attributable to the endowment funds. At the year-end date the endowment funds stood at £842,064 and unrestricted income funds at £102,174.

Reserves policy

The Council has examined the level of free reserves (that is those funds not tied up in designated, restricted and endowment funds) the charity will require to sustain its operations over a period where income may be curtailed or delayed. The Council considers that the most appropriate level of free reserves at 31 December 2023 should equate to one year's average charitable income, excluding legacies. The Council's best estimate of the amount required is in the region of £50,000. The actual free reserves were £102,174.

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
ANNUAL REPORT OF THE COUNCIL

Investment policy

The Council has considered the most appropriate policy for investing the endowment funds which will be the main source of future income for the charity. It has found that specialised unit trusts designed for the charity sector meet its requirements to generate income and capital growth.

During the year our investments generated income of 3.5% and a capital growth of 1.2%, both of which are marked improvements over the performance in 2022. As we consider our investments to be of a long term nature, put in place to generate income, there is no proposal to consider further encashments at the present time.

Responsibilities of The Council

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the constitution. It is 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.

Approved by the Council on 15 April 2024 and signed on its behalf

P Smith

Treasurer

**INDEPENDENT EXAMINER'S REPORT
TO THE COUNCIL OF
THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL**

I report to the charity trustees ("the Council") on my examination of the accounts of the Association of the Friends of Rochester Cathedral ("the Charity") for the year ended 31 December 2023, which are set out on pages 6 to 10.

Responsibilities and basis of report

As the Council of the Charity, 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 Council's accounts 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 Commissioner under section 145(5)(b) of the 2011 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:

- accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- 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.

Richard Abel

R C Abel FCA CTA
Aggarwal & Co Ltd
Chartered Accountants

22 April 2024

5 London Road
Rainham
Gillingham
Kent, ME8 7RG

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	note	Unrestricted income funds £	Endowment funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME FROM:					
Donations and legacies		21,173	-	21,173	2,176
Charitable activities					
- membership subscriptions		9,967	-	9,967	8,645
- social events		8,379	-	8,379	4,309
- book of memory		180	-	180	60
Investments		29,631	-	29,631	22,469
Total incoming resources		69,330	-	69,330	37,659
EXPENDITURE ON:					
Charitable activities					
- grants to Chapter for the upkeep of Rochester Cathedral		7,500	-	7,500	340,255
- social events		4,642	-	4,642	3,090
- book of memory		-	-	-	80
- support costs	3	15,701	-	15,701	18,429
		27,843	-	27,843	361,854
Other costs					
- investment management fees		57	3,349	3,406	4,685
Total resources expended		27,900	3,349	31,249	366,539
NET INCOME (EXPENDITURE)		41,430	(3,349)	38,081	(328,880)
Gains on revaluation of investments (2022 : loss)		177	10,434	10,611	(50,724)
NET MOVEMENT IN FUNDS		41,607	7,085	48,692	(379,604)
Total funds brought forward		60,567	834,979	895,546	1,275,150
TOTAL FUNDS CARRIED FORWARD		102,174	842,064	944,238	895,546

All income and expenditure derive from continuing activities.

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

The notes on pages 8 to 10 form part of these financial statements.

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
BALANCE SHEET
AT 31 DECEMBER 2023

	note	2023		2022	
		£	£	£	£
FIXED ASSETS					
Investments	7		856,289		849,084
CURRENT ASSETS					
Stocks		1,364		1,364	
Debtors and prepayments		39		30	
Cash at bank and in hand		95,541		48,758	
		96,944		50,152	
CREDITORS: amounts falling due within one year					
Other creditors and accruals		(8,995)		(3,690)	
NET CURRENT ASSETS			87,949		46,462
TOTAL ASSETS LESS CURRENT LIABILITIES			944,238		895,546
FUNDS OF THE CHARITY					
Endowment funds	8		842,064		834,979
Unrestricted income funds			102,174		60,567
TOTAL CHARITY FUNDS			944,238		895,546

The notes on pages 8 to 10 form part of these financial statements.

Approved by the Council on 15 April 2024 and signed on its behalf

P Smith

Treasurer

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. STATUTORY INFORMATION

The Association of the Friends of Rochester Cathedral is an unincorporated association registered with the Charity Commission for England and Wales. The charity's registered number and principal address can be found on page 1.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

(a) Accounting basis and standards

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at fair value.

(b) Income

Income is included in the period to which it relates and allocated to specific endowment, restricted or unrestricted funds as appropriate in accordance with any wishes of the donor. Income is not included in the Statement of Financial Activities net of expenditure.

Income received in advance for activities for generating funds, such as social events, is deferred until the completion of the event. Such amounts received are shown on the balance sheet as deferred income. This income is not usually received more than one year in advance of the function.

(c) Volunteers and donated services and facilities

No value is incorporated into these financial statements for the services provided by volunteers or where services are provided to the charity as a donation that would normally be purchased from suppliers.

(d) Expenditure and recognition of liabilities

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 cost related to the category.

(e) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year

(f) Other financial instruments

The charity enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans to and from banks and other third parties. Basic financial instruments are recognised at amortised cost, with changes recognised in the Statement of Financial Activities.

(g) Stocks

Stocks are included at the lower of cost and net realisable value. Stocks consists of publications for resale.

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. ACCOUNTING POLICIES (continued)

(h) Funds structure

The charity has endowment funds which primarily must be held permanently by the charity, principally as investments. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Part of the endowment funds are expendable where the trustees can exercise the power to convert the property into income.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

3. SUPPORT COSTS

	2023	2022
	£	£
Salaries (of one part time employee)	9,019	9,971
Office rent and expenses	4,382	4,905
Insurance	575	554
Annual report, printing, postage and stationery	1,125	1,799
Independent examiner	600	1,200
	<u>15,701</u>	<u>18,429</u>

4. TRUSTEE REMUNERATION AND EXPENSES

Neither the trustees nor any person connected with them have received any remuneration or reimbursed expenses during the year.

5. RELATED PARTY TRANSACTIONS

There are no related party transactions in the current or preceding year.

6. TAXATION

The charity is a registered charity and no provision is considered necessary for taxation.

THE ASSOCIATION OF THE FRIENDS OF ROCHESTER CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. INVESTMENT ASSETS

	2023	2022
	£	£
Market value at beginning of year	849,084	1,074,493
Investments sold and cash withdrawn	-	(170,000)
Investment management fees	(3,406)	(4,685)
Net gains on revaluation (2022 : losses)	10,611	(50,724)
Market value at end of year	<u>856,289</u>	<u>849,084</u>
Investments comprise various managed unit funds:		
- UK and global equities	559,726	549,605
- Bonds	130,073	113,104
- Multi-asset funds	14,656	40,802
- Property	110,664	125,854
- Cash	41,170	19,719
	<u>856,289</u>	<u>849,084</u>

8. ENDOWMENT FUNDS

	Permanent	Expendable	Total
	£	£	£
Balance at 1 January 2023	715,577	119,402	834,979
Expenditure	(2,870)	(479)	(3,349)
Net gains on revaluation	8,942	1,492	10,434
Balance at 31 December 2023	<u>721,649</u>	<u>120,415</u>	<u>842,064</u>

9. ANALYSIS OF ASSETS BETWEEN FUNDS

	Unrestricted	Endowment	Total
	Funds	Funds	Funds
	£	£	£
Fixed assets investments	14,225	842,064	856,289
Cash at bank and in hand	95,541	-	95,541
Other net current assets	(7,592)	-	(7,592)
	<u>102,174</u>	<u>842,064</u>	<u>944,238</u>