

FRIENDS OF WORCESTER CATHEDRAL
(Registered Charity No. 517009)

ANNUAL REPORT OF THE TRUSTEES

and

ANNUAL ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

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**FRIENDS OF WORCESTER CATHEDRAL
LEGAL AND ADMINISTRATIVE INFORMATION AS AT 31 MARCH 2022**

Registered Charity Number: 517009

Principal address: 8 College Yard
Worcester
WR1 2LA

Patrons: The Bishop of Worcester
The Bishop of Dudley
The Archbishop of Birmingham

President: The Venerable Robert Jones
(from 4 September 2021)

Trustees: Mrs Susan Thomas – Chairman *(from 4 Sept. 2021)*
Revd Canon Brian Gant – Vice Chairman
(Acting Chairman to 4 Sept. 2021)
Mr Brian Davey (Hon. Treasurer)
Mrs Elizabeth Wright (Hon. Secretary)
The Very Revd Dr Peter Atkinson – Dean of Worcester
Mr John Drage
Mrs Elayne Guest
Mrs Anita Mansell
Mr Tolu Peters
Mr Gregory Rowe
Mr Michael Schmeising
Ms Julie Slack

Non-voting member:

Ms Anette Leech

Independent Examiner: Sally Bishop FCA
Bishops Accountancy Ltd
Unit 3 Elgar Business Centre
Hallow, Worcester, WR2 6NJ

Bankers: Lloyds Bank plc
4 The Cross
Worcester WR1 3PY

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London EC4V 4ET

Investment Manager: EFG Harris Allday
Church Mews
Ombersely, WR9 0EW.

FRIENDS OF WORCESTER CATHEDRAL

ANNUAL REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

1. President

At the Annual General Meeting held on 4 September 2021 members were delighted to confirm the appointment of The Venerable Robert Jones, Archdeacon of Worcester, as President of the society.

2. Chairman

At the same meeting Mrs Susan Thomas was elected as Chairman of the society and warmly congratulated on her election by members present.

3. Governance and Management

The Trustees determine the policy and strategic management of the charity, comply with all other duties of Trustees as defined in the Charities Acts 2011 (as amended by the Charities Act 2022) and meet at least quarterly. Trustees and officers are elected at the Annual General Meeting, apart from the Dean (or alternate member of the Chapter) who is an *ex-officio* member of the Trustees. The Trustees are supported by three sub-committees: the Communications committee has broad oversight over the external communications of the charity, including such matters as the annual magazine and the content of the website; the Finance Committee supports the Treasurer with the oversight of all financial aspects of the work of the charity including the management of the investment portfolio; and the Events and Social Committee is responsible for the organization and delivery of all fund-raising social events of the charity. To ensure continuity and co-ordination across the charity the officers are *ex-officio* members of each sub-committee.

4. Objectives

The principal objective of the Friends of Worcester Cathedral is to provide financial support for the cathedral by making grants to Chapter, or other groups within the cathedral with Chapter support. To this end the charity raises funds through subscriptions & donations, receiving grants and legacies, running profitable social events, and the investment of funds.

5. Public Benefit

The Trustees are of the opinion that public benefit is provided by meeting its charitable purposes falling within the Charities Act 2011, and in particular by assisting with the upkeep of the fabric of a magnificent mediaeval cathedral, freely open to all, and by supporting its music, mission, and outreach. The Friends of Worcester Cathedral is a society open to all members of the public and activities are arranged which are open to members and non-members alike.

6. Performance

- a) **Grants:** During the year the Trustees have approved grants amounting to £19,500, being the Annual Music Grant of £17,500 and Annual Administration Grant of £2,000. The annual music grant has been increased by £2,500, the first increase for at least fifteen years, and will again

be reviewed before a grant is approved for 2022/2023. No other grant applications were made during the year. Payment of a grant authorised in 2018 for the conservation of the Christ in Majesty sculpture was much delayed as work was impossible during the pandemic, but the first instalment of that grant of £31,165 has now been paid, and the remaining £18,835 is due for payment during 2022/2023.

- b) **Income:** (See Notes 2 – 4 to the Accounts). Income remained stable overall, the total incoming resources of £31,000 being the same as last year. Within that overall figure there was a welcome return of financial contributions from successful social events amounting to £3,386. Subscriptions & Donations at just over £14,000 matched last year's figure, but Trustees recognize that this level of income is highly dependent upon members who regularly give far more than the minimum annual subscription rates, and upon several life memberships in each year. Investment income was reduced by £2,104, partly because of the sale of a few investments to raise cash for the society, and partly as a result of trading within the portfolio by our investment managers.
 - c) **Support Costs:** (See note 5 to the Accounts). Total support costs show a reduction of £1,976 on last year, reflecting the fact that this was the first full year without any costs for salaries and pensions following the Administrator's resignation in October 2020. There was a welcome return of advertising revenue which reduced the net cost of producing The Shield. Other support costs showed minor increases reflecting the return to a more 'normal' programme of events.
 - d) **Investments:** (See note 7 to the Accounts). During the year selected investments were sold which raised £21,296 to replenish depleted cash resources. In addition, normal trading within the portfolio continued, one effect of which was to somewhat reduce investment income as some fixed interest investments were sold and replaced with other investments with greater potential for capital growth. Unrealised profits of £7,725 and realised losses of £111 are recognized in the Statement of Financial Affairs. During the year the Trustees confirmed EFG Harris Allday as investment managers, and we continue to work closely with them in developing the portfolio.
 - e) **Activities:** It is pleasing to note that, as pandemic restrictions were gradually lifted, we were able to resume a programme of social events which members clearly appreciate. In addition to their social aspect these events have contributed £3,386 net to unrestricted funds.
7. **Financial Reserves:** (See note 9 to the Accounts). The society currently has restricted funds subject to specific conditions attached by donors of £56,755 at 31 March 2022. Broadly, these funds are available for the support of cathedral music. Unrestricted funds are amounts remaining out of unrestricted income after the deduction of grants and support costs and are available to finance further grants subject to Trustees approval and the terms of the current reserves policy.

During the year the Trustees have again reviewed the reserves policy and have confirmed the policy first approved on 27 February 2021, as follows:- "The Trustees having reviewed the finances of the charity have noted that restricted funds of £56,755 are for designated purposes only, and that they are held as cash or investments until such time as they are awarded as grants. Of the unrestricted funds (£200,107 as at 31 March 2022) the Trustees think it appropriate to set aside £60,000 as reserves. This policy to be subject to annual review".

8. Going concern:

The Trustees are confident that the society has sufficient financial resources to continue operating as a going concern, well able to continue in its role of supporting the life and work of the cathedral.

9. Membership:

The current membership of the society is as follows:-

Honorary Members	3
Individual Life Memberships	66
Joint Life Memberships	40
Individual Memberships	333
Joint Memberships	<u>113</u>
Total memberships	<u>555</u> = 721 people

Adjusted for deaths, resignations, and new memberships this represents a modest net gain of 7 memberships this year. In addition, there are currently 2 corporate members, 1 school and 6 PCCs enrolled as Friends of Worcester Cathedral. We are most grateful to them all for their continued support and financial contributions.

10. Chairman's Comments:

It was a surprise and honour to find myself Chairman of the Friends in their 90th anniversary year. We marked that milestone with an excellent Anniversary Dinner in the Chapter House. It was a very happy and enjoyable evening, and much appreciated after two long years of covid restrictions. It was a delight to have Ann Stallard join us, as her family had been some of the founding members of the Friends. Sadly, covid meant we had to cancel our Christmas event. We were eventually able to hold it in March 2022, when we had an enjoyable afternoon of poetry reading by the Dean and piano music played by our organ scholar Edward Byrne. The Friends had a stall in the cathedral's Spring Fayre selling many homemade items, which raised awareness of the Friends and contributed to our funds. As I write, we have just held an event to celebrate the Queen's Platinum Jubilee, an enjoyable afternoon visiting the Bishop's garden and the Old Palace garden followed by tea and cakes; unlike Coronation Day, the sun shone for us! We are planning more events in months to come, as part of a social programme that aims to provide fun and companionship for members as well as raise funds for our work of supporting the cathedral. My first year as Chairman has been a most memorable one, with celebrations of the Friends 90th birthday and the Queen's Platinum Jubilee. My thanks to the Honorary Secretary and Honorary Treasurer for all their hard work and support, which I very much appreciate.

Approved by the Trustees on 7 July 2022 and signed on their behalf by



Susan Thomas
Chairman.

FRIENDS OF WORCESTER CATHEDRAL
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022
STATEMENT OF TRUSTEES RESPONSIBILITIES

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 & 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 incoming resources and application of resources 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper 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 Charities (Accounts and Reports) Regulations 2008 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.

FRIENDS OF WORCESTER CATHEDRAL

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT EXAMINER'S REPORT

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 8 to 16.

Responsibilities and basis of report

As the charity's trustees 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 charity'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 charity 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 requirements 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 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.



Sally Bishop FCA
Bishops Accountancy Limited
Unit 3 Elgar Business Centre
Moseley Road, Hallow,
Worcester WR2 6NJ
Date: 7 July 2022

FRIENDS OF WORCESTER CATHEDRAL
(Registered Charity Number 517009)

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Incoming resources					
Voluntary incoming resources	2	17,885	-	17,885	19,118
Activities generating funds	3	3,386	-	3,386	110
Investment income	4	10,280	-	10,280	12,384
Total incoming resources		31,551	-	31,551	31,612
Support costs	5	4,687	-	4,687	6,663
Amount available for grants and reserves		26,864	-	26,864	24,949
Grants	6	19,500	-	19,500	69,500
Net incoming/(expended) resources		7,364	-	7,364	(44,551)
Gains/(losses) on investments		7,614	-	7,614	45,957
Fund balance at 1 April 2021		185,129	56,755	241,884	240,478
Fund balance at 31 March 2022		<u>200,107</u>	<u>56,755</u>	<u>256,862</u>	<u>241,884</u>

FRIENDS OF WORCESTER CATHEDRAL
(Registered Charity Number 517009)

BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Investments	7	251,251	265,012
CURRENT ASSETS			
Debtors		375	284
Deposit funds		16,947	37,358
Bank current account		<u>9,641</u>	<u>12,120</u>
		26,963	49,762
CREDITORS			
Amounts falling due within one year	8	(21,352)	(72,890)
Net current assets/ (liabilities)		5,611	(23,128)
NET ASSETS		<u>256,862</u>	<u>241,884</u>
ACCUMULATED FUNDS			
Unrestricted funds	9	200,107	185,129
Restricted funds	9	56,755	56,755
		<u>256,862</u>	<u>241,884</u>

Approved at a meeting of Trustees held 7 July 2022



Trustee



Trustee

FRIENDS OF WORCESTER CATHEDRAL
(Registered Charity No.517009)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

a. Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the 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 issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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 presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Incoming resources

Subscriptions, donations, legacies, grants, and other forms of voluntary income are recognised as incoming resources when received. Life Members subscriptions are recognised in full as incoming resources in the year of their receipt.

c) Resources expended

Support costs are accounted for following the usual conventions for accruals accounting unless immaterial in value. Grants are treated as expenditure in the year in which they are approved by Trustees and the offer conveyed to the Chapter and are subsequently shown as liabilities until they are paid.

d) Investments

Fixed Asset investments are stated at independently verified market value as at the Balance Sheet date.

e) Accumulated Fund and Reserves Policy

The Reserves Policy of the Friends of Worcester Cathedral is set out in the Trustees Annual Report and reviewed each year.

FRIENDS OF WORCESTER CATHEDRAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

f) Grants

The Friends make grants to projects put forward by the Chapter or proposed by other groups within the cathedral with Chapter support, and the amounts awarded are treated as liabilities until paid. No time limit is set on projects, but they are subject to a review every two years. If a project is cancelled the funds are released and become available for the charity's stated objectives. Some projects may take a considerable time to complete and may be subject to delays beyond the control of the Chapter or the Friends.

g) Related Party

The Friends of Worcester Cathedral is an independent charity not under the control of the Chapter. Therefore the Friends do not regard the Chapter of Worcester Cathedral as a 'related party' as defined in the Charity Commission Statement of Recommended Practice concerning accounts. However, the Dean is an ex-officio Trustee of the Friends, and the Friends work closely with the Chapter to achieve the principal objective of the charity which is to provide financial and other support to the cathedral for the upkeep of its fabric, its music, mission and outreach.

h) Pension Costs

Until October 2020 the Friends operated a defined pension scheme through the Chapter of Worcester Cathedral for one employee, and the contributions were charged to the Statement of Financial Activities in the year in which they were paid. There are currently no employees and therefore no pension costs in the year to 31 March 2022.

FRIENDS OF WORCESTER CATHEDRAL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£	£	£	£
2. Voluntary incoming resources				
Subscriptions, donations & gifts	14,291	-	14,291	14,075
Grants received	-	-	-	1,105
Legacies received	404	-	404	874
HMRC Gift Aid	3,190	-	3,190	3,064
Total:	17,885	-	17,885	19,118
3. Activities generating funds				
Events & functions	3,386	-	3,386	110
Total:	3,386	-	3,386	110
4. Investment income				
Dividends received	10,272	-	10,272	12,303
Interest received	8	-	8	81
Total:	10,280	-	10,280	12,384
5. Support costs				
Salaries	-	-	-	2,532
Pension costs	-	-	-	127
Printing – The Shield (net of adverts)	702	-	702	1,062
Printing & Stationery	1,137	-	1,137	652
Computer Equipment & Software	-	-	-	(87)
Independent Examiners fee	1,140	-	1,140	1,140
Insurance	449	-	449	453
Postage	848	-	848	463
Sundry costs	411	-	411	321
Total:	4,687	-	4,687	6,663
6. Grants approved				
Cathedral music	17,500	-	17,500	15,000
Chapter admin.	2,000	-	2,000	2,000
Cathedral Appeal grant	-	-	-	50,000
Choir grant (medals & cassocks)	-	-	-	2,500
Total:	19,500	-	19,500	69,500

FRIENDS OF WORCESTER CATHEDRAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

7. Investments

Valuation by EFG Harris Allday at 31 March 2022

Type	% of portfolio 2022	Market value £ 2022	% of portfolio 2021	Market Value £ 2021
Commercial Property	3.87	9,715	-	-
Fixed Interest Funds	11.11	27,917	16.99	45,033
Infrastructure Funds	8.54	21,469	8.28	21,966
UK Equities	31.30	78,632	35.91	95,157
North American Equities	2.08	5,225	1.80	4,762
Asia-Pacific Equities	4.75	11,933	4.98	13,187
Global Equities	31.22	78,451	29.25	77,515
Mixed Investment Funds	7.13	17,909	2.79	7,392
Total:		251,251		265,012

The original book cost of the investments now valued at £251,251 was £215,442

Reconciliation of movement in fixed asset investments	£
Carrying value at 1 April 2021	265,012
Additions at cost	31,416
Disposals at carrying value	(52,902)
Net gain on revaluation	7,725
Carrying value at 31 March 2022	251,251

8. Creditors

Falling due within one year

(There are no creditors falling due after more than one year)

	2022	2021
	£	£
Balance of Christ in Majesty Sculpture Grant	18,835	50,000
Balance of Cathedral Appeal Grant	-	20,000
Balance of Choir Grant	1,377	1,750
Other creditors	-	-
Accruals	1,140	1,140
Total:	21,352	72,890

FRIENDS OF WORCESTER CATHEDRAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

9. Movements in Funds

	Unrestricted	Restricted	Total
	Funds £	Funds £	Funds £
Balance at 1 April 2021			
Unrestricted	185,129	-	185,129
Restricted – Ede legacy (for cathedral music)	-	25,558	25,558
Restricted – Reece legacy – (for cathedral music)	-	31,197	31,197
Total:	185,129	56,755	241,884
Incoming resources (inc. unrealised gains on investments)	39,165	-	39,165
Expended resources - Unrestricted	(24,187)		(24,187)
- Restricted	-	-	-
Balance at 31 March 2022			
Unrestricted	200,107		200,107
Restricted – Ede Legacy		25,558	25,558
Restricted – Reece Legacy		31,197	31,197
Total:	200,107	56,755	256,862

Comparatives for movements in funds

	Unrestricted	Restricted	Total
	Funds £	Funds £	Funds £
Balance at 1 April 2020			
Unrestricted	181,223	-	181,223
Restricted – Ede legacy (for cathedral music)	-	25,558	25,558
Restricted – Reece legacy – (for cathedral music)	-	33,697	33,697
Total:	181,223	59,255	240,478
Incoming resources (inc. unrealised gains on investments)	77,569	-	77,569
Expended resources – Unrestricted	(73,663)	-	(73,663)
- Restricted	-	(2,500)	(2,500)
Balance at 31 March 2021			
Unrestricted	185,129		185,129
Restricted – Ede Legacy		25,558	25,558
Restricted – Reece Legacy		31,197	31,197
Total:	185,129	56,755	241,884

FRIENDS OF WORCESTER CATHEDRAL

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

10. Restricted funds

Restricted funds represent the unexpended balance of legacies received and held in trust for specific purposes specified by the legators, the Ede legacy 'for music and the organs' and the Reece legacy for 'choral music'. Of the original legacies amounting to £145,874 received in 2011, grants amounting to £89,119 have been approved in the years up to 31 March 2022.

11. Analysis of assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Investments	194,496	56,755	251,251
Current Assets	26,963	-	26,963
Creditors: falling due within one year	(21,352)	-	(21,352)
Total:	200,107	56,755	256,862

12. Trustees

The Trustees did not receive any remuneration for the year ended 31 March 2022, and no honoraria or expenses were paid to Trustees during the year (as in 2021).

13. Employees

The society had no employees during the year (2021, 1 person until October 2020).

14. Government Grants

No government grants were received during the year to 31 March 2022 (£1,105 in 2021).

15. Eleanor Shaw Trust

The Society receives income each year from the Eleanor Shaw Trust of a variable amount depending upon the Trust's income. The Trust were not able to make any distribution for the period from 1 October 2020 to 31 March 2021, but have resumed with a modest distribution of £404 in the year ended 31 March 2022.

FRIENDS OF WORCESTER CATHEDRAL

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Comparatives for the Statement of Financial Activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Incoming resources			
Voluntary incoming resources	19,118	-	19,118
Activities generating funds	110	-	110
Investment income	12,384	-	12,384
Total incoming resources	31,612	-	31,612
Support costs	6,663	-	6,663
Amount available for grants and reserves	24,949	-	24,949
Grants	67,000	2,500	69,500
Net incoming/(expended) resources	(42,051)	(2,500)	(44,551)
Gains/(losses) on investments	45,957	-	45,957
Fund balance at 1 April 2020	181,223	59,255	240,478
Fund balance at 31 March 2021	<u>185,129</u>	<u>56,755</u>	<u>241,884</u>