



The Friends of Canterbury Cathedral

Annual Report and Financial Statements

for the year ended 31 March 2024

Charity Registration Number: 256575

The Friends of Canterbury Cathedral

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The Friends of Canterbury Cathedral

Council's Annual Report for the year ended 31 March 2024

This Report

The Trustees (known as the Friends' Council) have pleasure in presenting their Annual Report. This contains details of the Charity's activities during the year, plans for 2024-25, and the independently examined financial statements for the year ended 31 March 2024. Council confirms that this report, and the financial statements of the Charity which follow, comply with all current and relevant statutory requirements.

Constitution

The Friends of Canterbury Cathedral was established in 1927 as an unincorporated Society '*of those who through the payment of an annual or life subscription wished to assist the Dean and Chapter in caring for the Cathedral and preserving it for posterity*'.

In June 1968, The Chapter of Canterbury established the Society as a charity. The Charity's current trust deed dated 3 December 2014 was lodged with the Charity Commission on 6 May 2015.

Council

Under the current Trust Deed, there may be up to 15 Trustees – comprising the Dean, the Lord Lieutenant of Kent, the Lord Mayor of Canterbury, a Residentiary Canon (all of whom are *ex-officio* Trustees), and up to five individuals nominated by The Chapter of Canterbury. Up to six further Trustees are nominated by Council in accordance with the Trust Deed. Other than those who hold office *ex-officio*, a Trustee's term of office is three years. That may be extended by a further three years, after which there must be a gap of at least one year.

New Trustees are provided with information and guidance published by the Charity Commission on the responsibilities and duties of a trustee.

Management of the Charity

Council meets four times a year and agrees the broad strategy and activities of the Charity. Oversight of day-to-day operations is delegated by Council to a Management Committee, comprising four members of Council and the Treasurer, which appoints and supervises the Secretary and Administrator of the Friends. The Management Committee's principal responsibilities, alongside the Secretary, are to assist Council with strategic planning and to act on behalf of Council. The Management Committee delegates such matters as the recruitment and care of Friends, management of the Friends' database, fundraising, organising Friends' events, publications and the Friends' pages on the Cathedral website to the Friends' Secretary and the Friends' Database Administrator and Membership Manager.

The Treasurer is responsible for monitoring income and expenditure and the management of assets and liabilities in accordance with the policies agreed by Council. Day-to-day accounting is administered by the Friends' Secretary and the Friends' Database Administrator and Membership Manager and by Chavereys Ltd Accountants.

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Principal risks and uncertainties

The Trustees have assessed the risks to which The Friends of Canterbury Cathedral is exposed and the steps which are being taken to minimise them. The slow recovery from the Coronavirus pandemic has impacted on the Cathedral in considerably reducing visitor numbers which remain at 20% below pre-2020 numbers; this affects our ability to raise awareness of our Charity in the Cathedral and has added to the risks faced by the Charity. The key risks and the manner in which they are mitigated are as follows:

Maintenance of the membership roll: The success of The Friends' community and the impact it has on the Cathedral is dependent on maintaining as large a number of Friends on the roll as possible. The Charity is fortunate in that Friends are very loyal and committed to the Charity's aims and retention of Friends as members is therefore strong. In order to maintain this, there are good communications with The Friends' community by way of public opening hours of The Friends' Office; twice-yearly printed *Newsletters*; monthly Friends' fundraising events and the annual *Chronicle*. The Charity is also promoted in the weekly Pew Sheet for Services in the Cathedral, especially important for one of the most-attended Services: Sunday Eucharist. Since January 2019, The Friends has sponsored the Post-Eucharist tea and coffee hospitality which takes place in the Cathedral Lodge on most Sunday mornings. This allows The Friends to not only assist with the Benedictine welcome given to the regular congregation and visitors but also allows us to promote the work of The Friends and our active community to those attending. *The FRIENDly Friday Newsletter* is sent out monthly to over two-thirds of our membership (those with an email address registered with the Charity) and remains a very popular part of membership benefits.

Finance and Investments: The administrative costs of running the Charity are kept to a minimum. The Honorary Treasurer maintains a close working relationship with the Charity's staff and our accounts are reviewed monthly and reported to the Management Committee on a regular basis. The Treasurer also makes a report on the financial position of the Charity at each Management Committee and Council meeting.

The funds held by the Charity are essentially of a short- to medium-term nature. Funds not required for at least 12 months are invested with a professional investment manager. Performance is monitored against agreed benchmarks. The investment policy is reviewed by Council each year.

As a result of the turbulent financial markets, dividends received from our investments have been variable. The Trustees continue to evaluate how this might impact on their capacity to assist the Cathedral over the next period. Following the steep rise in costs over the last two years, the Charity now warns Grant Applicants that it is not responsible for increased costs resulting from inflation; any such increase, and the precautions taken to avoid any increased costs, is the responsibility of the Grant Applicant and Chapter.

Grants and Donations: Trustees ensure that all requests from The Chapter of Canterbury meet the objects of The Friends. All applicants are required to complete a rigorous Grant Application form which is considered in detail by all Trustees. When projects are completed, Trustees require a Grant Completion and Impact Report to be completed to ensure that the Grant has been used successfully for its intended purpose. The Trustees require all Grant Applications to have been verified by the Senior Leadership Team on behalf of Chapter before they are considered by Council. This is to ensure accuracy of financial requests and also that all projects put forward are within the Cathedral's mission and delivery plan. During the year, Trustees agreed that in future, 10% of the Grant awarded will be withheld until satisfactory approval of the Completion and Impact Report of the Grant.

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Data Handling: The Charity is fully compliant with current data protection requirements and working within General Data Protection Regulation (GDPR) requirements which became law in May 2018. The Charity takes Data Protection very seriously and does not share Friends' data with third parties, other than with some departments of Canterbury Cathedral, so that they may deliver services (such as preparation of accounts) to the Charity. No other sharing of data takes place except where it is required by law. The Charity adheres to the Canterbury Cathedral Privacy Notice which can be found at <https://www.canterbury-cathedral.org/about/privacy-and-legal>. The Charity has just completed its second calendar year of working with the Donorfy database. This has further improved our data handling.

Staff: In the event of a sudden loss of Key Staff, the Trustees are in a position to maintain the Charity's objectives thanks to a Shared Service Level Agreement with other Cathedral departments; these include the assistance of Information Technology, Human Resources and Events departments with whom the Charity already works closely for the benefit of running the Charity and maintaining the Friends' community.



Friends enjoyed a tour of the Cathedral's gardens on Friends' Day, July 2023

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Objects

The objects of the Charity are:

- *to raise funds in order to make grants to the Dean and Chapter of Canterbury for the preservation of the fabric of Canterbury Cathedral; the general maintenance of the Cathedral; its activities and services; its ornaments and furnishings; and*
- *to assist and advise the Dean and Chapter and for members to give their personal services with promoting, as far as may be charitable in law, public interest in the Cathedral, its history and its work.*

All of the Charity's activities are guided by these objects.



The Friends' Grant for the Courtyard Gardens is an example of how the Charity fulfils its Objects

Public benefit

The Charity's principal objects are stated above which help to ensure the Cathedral's accessibility to visitors and worshippers from all over the world. The beauty and history of the building and its ornaments, the Cathedral's Services, music and educational facilities are open to all who enter the Precincts and the Friends play an integral part in the ministry of welcome and hospitality.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in determining the activities undertaken by the Charity.

Recruitment

The impact of Covid-19 has continued to affect our ability to recruit new members over the last year. Visitor numbers are 20% lower than those during pre-Covid times. However, the continued streaming of the Cathedral's worship and ministry was made possible due to two grants from the Charity in a previous financial year. These grants allowed the purchase of cameras and streaming equipment. A further grant in the 2021-2022 year allowed a considerable upgrade to the Cathedral's audio visual equipment. After every broadcast, a message reports that 'This broadcast was made possible thanks to a gift from The Friends of Canterbury Cathedral'. We have been able to attribute a number of enrolments due to this message.

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New members were enrolled as follows:-

Membership type	2022-23	2023-24
Single	94	71
Joint	61	52
Family	7	5
Single Life	4	
Joint Life	4	
Single Life +65	5	1
Joint Life +65	4	
Student	4	4
Single Under 30	3	
Honorary Single Life	3	
Honorary Joint Life		

Those who join as a Friend on the day of visiting the Cathedral are offered 15 months membership for the price of 12 months in their first year of membership (providing they have never been a Friend before). One of our crucial ways of engaging with visitors is via our Friends' Desk in the Cathedral and at Cathedral special events and public engagement (where appropriate). We also recruit via the Friends' web pages within the Cathedral website and via word-of-mouth from existing Friends who share their enthusiasm for our community and its work. We also promote our community to all new Cathedral Assistants and Guides during their training.



Friendly volunteers helped to welcome the Dean and Friends of St Albans Cathedral

New Friends are welcomed with a New Member's Pack and, within the first year of their membership, they are invited to attend a New Members' Celebration. At these Celebrations, Friends are encouraged to join us for Evensong before adjourning to the Community Studio or Chapter House for a reception. We are indebted to the Cathedral Guides and Virgers who, after the Cathedral has been closed to the general public, escort small groups of Friends around the Cathedral for tours. These occasions are an excellent opportunity for staff and Trustees to meet new Friends and for Friends to make friends amongst other new members of our community.

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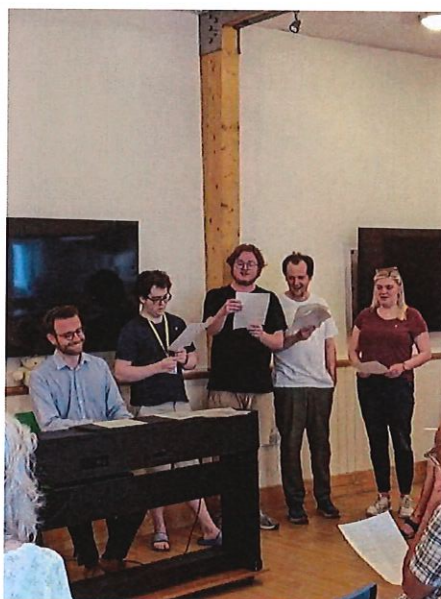
Membership

The Dean, and the entire Friends' community, extends a very warm welcome to the 200 individual new Friends who joined us in 2023-24. We thank new members for supporting the Charity through their membership and we thank all our members for being a Friend and a part of our community and for helping us to support the Cathedral in so many important ways.

Fundraising

Many Friends make regular donations, both large and small, over and above annual membership fees that help build up the Charity's funds. We are also fortunate to benefit from family trusts which donate to the Charity from time-to-time.

The Charity aims to achieve best practice in the way that it communicates with its members and supporters and takes care with the tone and accuracy of its communications to avoid any pressure on donors and to ensure that their data is protected. The Charity never sells data and never swaps data other than with other departments of Canterbury Cathedral (and only with a member's permission) to enable services to be delivered. The Charity manages its own fundraising activities and does not employ the services of professional fundraisers. The Charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year ended 31 March 2024, the Charity received no complaints about its fundraising activities. Whilst the Charity has a busy programme of fundraising events for members (see pages 8 and 9), it is aware of the importance of allowing members to attend some events free of charge, such as the FRIENDly Singing Sessions.



Jamie Rogers, Assistant Director of Music, leading a FRIENDly Singing for Wellbeing session with the Choral Scholars

The Friends' Office

The Friends' Office is located at Cathedral House, 11 The Precincts. The Office welcomes visitors between 10am-12 noon and 2-4pm, Monday to Wednesday and Friday. The Office is closed to visitors outside of these times to allow staff to attend to administrative tasks. During the year our staff were Caroline Plaisted, Friends' Secretary and Administrator, and David Wilcock, Database Administrator and Membership Manager. On occasions, such as in Spring and Autumn when twice-yearly mailings are despatched, the staff welcome the support of volunteers who give valuable time, assistance and good cheer, to this important task.

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Grants payable:

The grants gifted by the Charity to the Cathedral in the past year have been many and varied. They include:

- A further grant for the completion of the conservation of the Heaton and Baker altar frontal and superfrontal so that it can be returned to occasional use in the Cathedral (a larger grant for this project was awarded in the 2022-2023 financial year).
- A grant to purchase a barista coffee machine to assist with the Cathedral's food and beverage kiosk in The Precincts
- A grant to allow for the repair and conservation of the Quire Stall lights used by the Cathedral Choir and congregation
- A grant to assist with the urgent repairs and conservation of The Deanery



The repairs and conservation of The Deanery are being part-funded by The Friends

Gift Aid

Gift Aid is claimed on a monthly basis in accordance with HMRC online requirements. It is vital that all data is accurate and we are vigilant in updating our database on an on-going basis. We are grateful to all Friends who assist us in completing a new Gift Aid Declaration when informing us of updated address details.



Specific "Friends of Canterbury Cathedral" Gift Aid donation envelopes are available at the Friends' Desk for any visitors who wish to make donations to the Charity when they are in the Cathedral. These can be placed in the donation box on the Friends' Desk or in any of the collection boxes housed in the Cathedral. The same Gift Aid envelopes are also made available to worshippers attending the Friends' Day Evensong and the Friends' Christmas Carol Service.

We thank all Friends and visitors who are able to support us in raising extra funds through Gift Aid.

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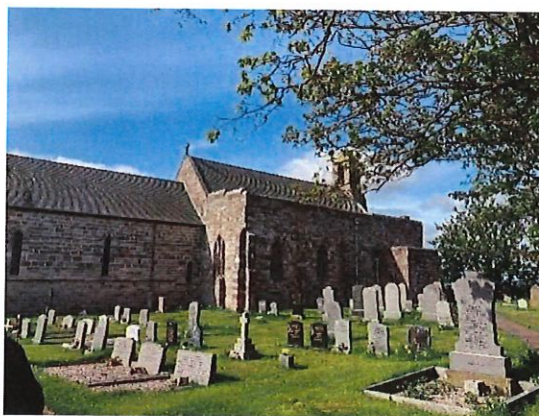
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Events 2023-24

The Friends' Events Programme not only forms an important part of the Charity's fundraising activities but is an important social aspect of our Friends' community. Some events offer Friends the chance to see the 'hidden' work of our Cathedral by way of talks and tours of departments which are not otherwise open to visitors and which, therefore, enhance membership. One of the highlights of our Charity's year is Friends' Day which has been held every summer since 1928. This is a chance for Friends to gather together and celebrate our Cathedral and also the work our community has done to support it during the previous year. Another highlight is our annual Christmas Service and Dinner. We were delighted to be able to hold this event at full capacity this year – the first time since Covid.

Other events during the year included a number of talks reflecting on both the history of our Cathedral, Kentish topics and also subjects from across the world. These talks covered the *History of Beer and Brewing in Kent*; *The Noble Fruit: Apples and Cider in Kent*; *Aphra Behn – Playwright, Poet and Spy*; *Tudor Canterbury*; *Canterbury in the Reign of the First King Charles*; *Prior Wibert's Wonderous Waterworks*; *Canterbury Cathedral's Gardens Through the Centuries*; *Setting it Out - Stone Masons at Canterbury Cathedral*; *The Ravenmaster – a Life with the Ravens at the Tower of London*; *Murder, Mayhem and Madness – the Belgian Royal Family*; *Off the Beaten Track in Early Christian Rome*; *The Textile Collections of Canterbury Cathedral*; and *Jan Van Eyck's Mystic Lamb*. Events attended by members of our Friendly community included a Coffee Morning and Quiz and a Coffee Concert as well as a late summer evening in the Campanile Garden entitled Cocktails and Clerks. The Friends also enjoyed a Wine Tasting led by a local vineyard.

An annual tradition for Friends is to visit another cathedral and during the year we travelled to Arundel Cathedral and also visited Arundel Castle. Some Friends travelled further afield and enjoyed a holiday in Northumbria.



Friends holidayed in Northumbria and visited Holy Island

In celebration of our royal patron, a spectacular *FRIENDly Coronation Prom* concert was given by the Central Band of the Royal British Legion which filled the Nave with Friends and guests from across the city and South East.

Continuing on from the successful launch of our partnership with the Royal School of Needlework in 2022, two needlework classes were taught by RSN tutor Helen Stevens and held in the Community Studio. The designs worked were uniquely inspired by the windows and textiles of the Cathedral collections. Students of both classes travelled from far and wide to be with us; both were instantly sold out.

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Events planned for 2024-2025

A varied programme of Friends' Events will be offered to the Friends' community during the year. These will include a series of talks one of which will continue our series on the history of Canterbury and this time will be The Church, Chapel and Controversy in Victorian Canterbury. Other talks will be on the Anglican Church in All the World, Richard III, Modern Art Installations at Canterbury Cathedral and Pre-Raphaelite Woman. Friends will travel to Westminster Abbey to hear The Purcell Club as well as enjoying other musical events closer to home: including a Summer Serenade in the Campanile Garden and a Coffee Concert in the Clagett Auditorium. There will also be a D-Day Commemoration Prom given by the Central Band of the Royal British Legion. As is our tradition, Friends will gather for our Carol Service and Dinner as well as Friends' Day in the summer. The annual Friends' Holiday will be to Devon.

Legacies

We are enormously grateful to those Friends and their families who left legacies to the Charity during the year. In 2023-24 we remember and give thanks to Miss C Banner, Miss C Boydell, Mr K Buzzard, Mr P Seymour, Miss A Shirley, Mrs K Smith, Miss P Smith, and Miss J Thirkell.

Website

We update the Friends' pages on the Cathedral website on a regular basis. The Charity gave a grant to the Cathedral to allow it to launch a new website. This has enabled The Friends' pages to include an online enrolment option which links directly to our database. This has been beneficial in expanding our ability to enrol new members. There is a branding on the website which acknowledges the Charity's grant supporting the website.

Friends' Desk

The Friends' Desk in the Cathedral is our opportunity to tell visitors what The Friends do and how people can join our community. This is situated in the South East Transept close to the tomb of the Black Prince. As this is a key point for visitors when they come to the end of their tour of the Cathedral, it is an ideal location for reaching out to pilgrims and tourists with news of the work of The Friends. Existing Friends and our volunteers, who are in attendance at the Friends' Desk six days of the week, continue to play a key role in recruiting thanks to their enthusiasm for the community we enjoy and the work that we do. The Friends' Desk is also an information point for forthcoming Friends' events. There are plans to update the Desk, subject to the necessary permissions, in the near future.

Volunteers

We are indebted to our volunteers who offer their time, talents, experience and enthusiasm to promote the Charity in so many ways both within and outside of the Precincts. We have a team of 17 volunteers who greet visitors at the Friends' Desk. These volunteers, and many others, also join us for various occasions when we offer hospitality to groups from other cathedrals who visit Canterbury. We also have a stalwart group of about 15 volunteers who help to prepare the twice-yearly mailings. Our volunteers are the best advertisement for the Charity and their support and enthusiasm is infectious.

Newsletter and Chronicle

We publish two printed *Newsletters* each year (in Spring and Autumn) in order to update Friends on our community's activities and events in and around the Cathedral. The *Chronicle* is published annually and is, in effect, the Cathedral's year book. The *Chronicle* is sent to all Friends with our Spring mailing and also to all national collection libraries in the UK. The *Chronicle* and the latest *Newsletter* and relevant *Programme of Events* are included in all New Members' Packs. The

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Chronicle is also displayed in the bedrooms of the Cathedral Lodge and circulated to all departments of the Cathedral. The *FRIENDly Friday Newsletter* is an e-newsletter which is circulated to those Friends on email at the end of every month.

Financial performance

Donations and legacies including membership income came to £310,030 (2023: £207,632). Included in this figure were legacies receivable of £188,328 (2023: £93,870). Historically, legacy income has funded a significant proportion of the grants made by the Charity to the Cathedral. We are extremely grateful to Friends who make a point of including a legacy to the Charity in their Wills. We are also grateful to the families of Friends who designate the Charity as the recipient of retiring collections at funerals and memorial services.

Friends may wish to be reminded that bequests to charitable organisations totalling 10% or more of the net value of an estate result in a 10% reduction in the rate of Inheritance Tax payable. It is therefore often possible for even quite modest bequests to result in a significant tax saving.

Fundraising activities (principally Friends' events) after costs raised a net £15,745 (2023: £10,629).

Investment income from funds managed on our behalf by Sarasin & Partners LLP and CCLA generated an income of £32,996 (2023: £30,897) a yield of approximately 2.9% (2023: 3.0%). The value of investments under management increased by £215,747 during the year having taken account of net additional units purchased and the revaluation gains. The income from the funds is reinvested as it is received. Other shareholdings decreased by £12.

Bank interest of £12,761 was received in the year compared with £nil in 2023.

Grants payable: during the year, the Charity agreed to commit net total funding of £449,888 (2023: £357,484) towards projects being undertaken by The Chapter of Canterbury. The detail is set out in note 6 to the financial statements.

Support costs (staff, premises and administrative expenses) plus governance costs have increased from £98,109 in 2023 to £114,950 in 2024. In 2022 the Charity agreed with the Cathedral that it should pay its own staff costs. The two employees have joint employment contracts with the Friends and Cathedral and the Charity is paying 80% of the staff costs which represents the split of duties between the two organisations.

Reserves policy

Council has determined that reserves of between £250,000 and £400,000 should be maintained. When reserves reach the upper level, Council enters into discussions with the Cathedral to identify projects which will enhance or restore the Cathedral fabric or support the worship and music for which funding is required. At the end of the financial year, funds totalled £1,652,287 and included free reserves of £1,628,027 (excluding designated and restricted funds). Whilst the level of free reserves is significantly above the normal range, the Charity is discussing priorities for funding with the Cathedral. The Trustees believe that, at the current time, given the fluctuating markets, it is prudent to hold slightly higher reserves than that required under the reserves policy.

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Over the next twelve to twenty-four months income may fall, especially that from investments. However, expenditure can, if necessary, be curtailed by reducing or deferring grant payments. Whilst the fluctuating markets will pose some challenges for the Charity, the Trustees believe that the Charity is financially robust enough to withstand these.

Investment policy and performance

Funds raised by the Charity and awaiting donation to the Cathedral are invested to produce optimum returns, whilst ensuring sufficient liquid funds are available to fulfil agreed commitments to the Cathedral. Around 46% of the Charity's assets were held in cash at the year end (2023: 36%). Funds are invested in accordance with the mandate approved by the Council, which *inter alia* requires the investment manager to follow the guidelines on the Ethical Investment Policy of the Church Commissioners.

The benchmark for the performance of the equity portfolio is the FTSE 100 Share Index or such other indices as may be agreed with the investment manager.

The rolling year total investment performance (income and increase in value of investments) for the calendar year 2023 was 8.9% against the benchmark agreed with investment managers of 11.7%. For the quarter to 31 March 2024, the performance was 5.4% against the benchmark of 6.4%.

Plans for future periods

In addition to the Friends' events mentioned earlier, and subject to limitations imposed by the Coronavirus pandemic, our aims remain to:

- Increase the number of Friends with our work and by engaging with visitors to the Cathedral
- Encourage existing Friends to all try to recruit another Friend in the coming year
- Continue to raise funds in furtherance of the Charity's objectives
- Encourage as many Friends as possible to consider leaving a legacy to the Charity
- Continue to develop our Family Friends' events to broaden the reach of our membership and engage our Charity with a younger audience
- Continue to develop our events programme to broaden the reach of our membership to all younger and more diverse age groups
- Broaden the reach of the Charity by embracing the opportunities offered by the completion of The Canterbury Journey (the Heritage Lottery Fund supported project from 2016-2023)
- Use and broaden our abilities for marketing and administration by using the new database and upgrading our booking system for ticketing events
- Update The Friends' Desk in the Cathedral in line with the design and graphics of The Canterbury Journey to attract more visitors to engage with our community and its work and introduce electronic enrolment and payment at the Desk, subject to technological and WiFi access

Acknowledgements

The Friends' Council is indebted to Iain Morris and Claire Jones at Chavereys for their invaluable assistance in maintaining the Friends' financial records, to Caroline Plaisted and David Wilcock who staff the Friends' Office, and to the Friends' volunteers who help run the Friends' Desk in the Cathedral so efficiently.

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Statement of Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for ensuring the preparation of the Annual Report and the Financial Statements is in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice applicable to smaller charities.

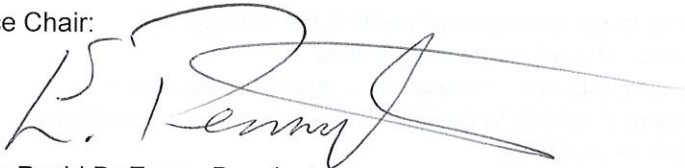
Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period. In preparing these financial statements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

- select suitable accounting policies and apply them consistently;
- observe the principles and methods of the Charities Statement of Recommended Practice;
- make judgments 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; 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 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 applicable law and the Charity's trust deed. They are also responsible for safeguarding the assets of the Charity and hence for the prevention and detection of fraud and other irregularities.

This report was approved by the Council of The Friends of Canterbury Cathedral on 20 June 2024 and signed on its behalf.

Vice Chair:



The Rev'd Dr Emma Pennington
Canon Missioner

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Charity Registration Number: 256575

Trustees:

The Trustees of the Charity are the members of Council, listed on page 14

Principal Officer:

Friends' Secretary & Administrator: Caroline Plaisted

Address of the Principal Office:

The Friends' Office
Cathedral House
11 The Precincts
Canterbury
Kent
CT1 2EH

Bankers:

Lloyds Bank plc
49 High Street
Canterbury
Kent
CT1 2SE

Investment Manager:

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Investment Manager:

CCLA Investment
1 Angel Lane
London
EC4R 3AB

Independent Examiner:

MA Crawley FCA STEP
Chartered Accountant
Whitstable
Kent

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President: The Lord Archbishop of Canterbury

Royal Patron: His Majesty The King

Chairman of the Council: The Dean of Canterbury, The Very Revd. Dr. David Monteith

Members of the Council:

The members of the Council who have acted at any time during the course of the financial year and up to the date of this report were:

Appointed under the Charity's Trust Deed (ex-officio)

The Dean of Canterbury, the Very Reverend Dr David Monteith
Jean Butcher – The Lord Mayor of Canterbury (from May 2023 until May 2024)
The Lady Colgrain – His Majesty's Lord-Lieutenant of Kent

Nominated by The Chapter of Canterbury

The Revd Dr Emma Pennington, Canon Missioner – *Vice Chairman*
Iain Morris FCA – *Treasurer*

Nominated by the Friends' Council

Patsy Barrett (from July 2023)
Rebecca Lilley (from July 2023)
Irene Nierzwicka (from July 2023)
Janet Saunders – *Chair Management Committee*
Dr John Williams MBE

Co-opted

Amanda Cottrell OBE JP DL
Janice Reid

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Independent Examiner's Report

Report to the Trustees of The Friends of Canterbury Cathedral on accounts for the year ended 31 March 2024

I report on the accounts of the Charity for the year ended 31 March 2024, which are set out on pages 16 to 28.

Respective responsibilities of Trustees and Examiner

The Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention

Basis of Independent Examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales. In connection with my examination, no material matters have come to my attention which gives me cause to believe that in any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts do not accord with such 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; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

MA Crawley FCA STEP
Chartered Accountant
Whitstable
Date: June 2024

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Statement of financial activities for the year ended 31 March 2024

	Note	2024 £ Unrestricted	2024 £ Restricted	2024 £ Total	2023 £ Total
Income from:					
Donations and legacies	2	284,150	25,880	310,030	207,632
Fundraising activities	3	44,678	-	44,678	36,424
Investments and interest receivable	4	45,757	-	45,757	30,897
Other incoming resources	4	15,111	-	15,111	13,391
Total		389,696	25,880	415,576	288,344
Expenditure on:					
Raising funds	5	28,933		28,933	25,795
Grants payable	6	434,128	15,760	449,888	357,484
Support and governance costs	7	114,950		114,950	98,109
		578,011	15,760	593,771	481,388
Net (expense)/ income before gains on investments		(188,315)	10,120	(178,195)	(193,044)
Net gain/ (loss) on investments	9	82,295		82,295	(63,836)
Net income and net movement in funds		(106,020)	10,120	(95,900)	(256,880)
<i>Reconciliation of funds:</i>					
Balance brought forward at 1 April		1,746,777	1,410	1,748,187	2,005,067
Balance carried forward at 31 March		1,640,757	11,530	1,652,287	1,748,187

The above results reflect the total gains and losses of the Charity and arise wholly from continuing activities.

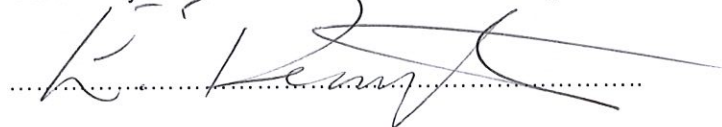
The notes on pages 19 to 28 form part of these accounts.

The Friends of Canterbury Cathedral

Balance sheet at 31 March 2024

	Note	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	9		1,555		0
Investments	10		<u>1,244,477</u>		<u>1,028,742</u>
			1,246,032		1,028,742
Current assets					
Debtors	11	96,376		99,719	
Cash at bank and in hand		<u>748,520</u>		<u>635,472</u>	
		844,896		735,191	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(438,641)</u>		<u>(15,746)</u>	
Net current assets			<u>406,255</u>		<u>719,445</u>
Net assets			<u><u>1,652,287</u></u>		<u><u>1,748,187</u></u>
Charity funds					
Restricted income fund	13		11,530		1,410
Unrestricted income funds					
General income fund	13	1,628,027		1,734,047	
Designated income fund	13	<u>12,730</u>		<u>12,730</u>	
			1,640,757		1,746,777
			<u><u>1,652,287</u></u>		<u><u>1,748,187</u></u>

The financial statements were approved and authorised for issue by the Council of The Friends of Canterbury Cathedral on 20 June 2024 and signed on its behalf by:-



The Rev'd Dr Emma Pennington, Canon Missioner, Vice Chair

The notes on pages 19 to 28 form part of these accounts.

The Friends of Canterbury Cathedral

Statement of Cash Flows for the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	A	<u>202,597</u>	<u>(338,633)</u>
Cash flows from investing activities			
Investment income and interest received		45,757	30,897
Purchase of investments		(140,659)	(27,968)
Purchase of fixed assets		<u>(1,866)</u>	<u>0</u>
Net cash provided by investing activities		<u>(96,768)</u>	<u>2,929</u>
Change in cash and cash equivalents in the year		105,829	(335,704)
Cash and cash equivalent as the start of the year		<u>649,667</u>	<u>985,371</u>
Cash and cash equivalents at the end of the year	B	<u>755,496</u>	<u>649,667</u>
A Reconciliation of net movement in funds to net cash (used in)/ provided by operating activities			
Net movement in funds (as per the Statement of Financial Activities)		(95,900)	(256,880)
Adjustments for:			
(Gain)/ loss on investments		(82,295)	63,836
Investment income and interest receivable		(45,757)	(30,897)
Decrease/(Increase) in debtors		3,343	(31,701)
Increase/ (Decrease) in creditors		422,895	(82,991)
Depreciation		<u>311</u>	<u>0</u>
Net cash provided by /(used in) operating activities		<u>202,597</u>	<u>(338,633)</u>
B Cash and cash equivalents			
Cash at bank and in hand		748,520	635,472
Cash held by investment managers		<u>6,976</u>	<u>14,195</u>
		<u>755,496</u>	<u>649,667</u>
C Reconciliation of net debt			
	2023	Cash flows	2024
	£	£	£
Cash at bank and in hand	635,472	113,048	748,520
Cash held by investment managers	<u>14,195</u>	<u>(7,219)</u>	<u>6,976</u>
	<u>649,667</u>	<u>105,829</u>	<u>755,496</u>

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

1 Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year ended 31 March 2024 with comparative information given in respect to the year to 31 March 2023.

The financial statements have been prepared under the historical cost convention (modified to include the revaluation of Investments at fair value) with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies or other notes to these financial statements.

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 (Charities SORP (FRS 102)) and with the Charities Act 2011.

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

The financial statements are presented in sterling and rounded to the nearest £.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates:

The items in the financial statements, where these judgements and estimates have been made, relate to assessing the probability of receipt of legacy income.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

As a result, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

Income recognition

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income comprises donations and legacies, investment income and interest receivable and income from fundraising activities.

Income from donations is included as income when the Charity is entitled to the income and the amount can be measured. Services donated to the Charity are included within the financial statements as both income and expenditure at their estimated fair value.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when it is receivable; this is normally upon notification from the bank of the interest payable or paid.

Income from fundraising activities, comprising mainly income from events, is recognised when the event takes place.

Legacies

Legacies are recognised in the statement of financial activities when the Trustees are satisfied that:

- the Charity is entitled to the legacy,
- the value of the legacy can be reliably estimated,
- the executors have established that there are sufficient surplus assets in the estate to pay the legacy and that receipt of the legacy is probable, and
- fulfilment of any conditions attached to the legacy is wholly in the control of the Trustees.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT.

Expenditure comprises direct costs and support costs. All expenditure is allocated to the relevant expenditure heading. The classification between activities is as follows:

- Expenditure on raising funds comprises fundraising expenditure ie the costs incurred in relation to events, goods sold and publishing the Chronicle.
- Expenditure on charitable activities includes all costs of grant making including support costs

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

Donated facilities

The value of donated services and gifts in kind provided to The Charity is recognised as income in the period that they are receivable where the benefit can be reliably measured. An equivalent amount is recognised as expenditure under the appropriate heading on the Statement of Financial Activities unless the gift is a fixed asset when it would be capitalised and depreciated over its useful economic life.

Grants payable

Grants payable are included in the Statement of Financial Activities in the year when approval is granted and when the recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued but are disclosed as financial commitments in the financial statements.

Support costs and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Charity, it is necessary to provide support in the form of personnel development, financial procedures and controls, provision of general office services and equipment and a suitable working environment.

Governance costs comprise the costs relating to the public accountability of the Charity and costs incurred in respect of its compliance with regulation and good practice.

- All support costs and governance costs are included within the expenditure of the one principal charitable activity of the Charity.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Office equipment 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to the Statement of Financial Activities.

Fixed asset investments

Listed 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either 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 and the carrying value at the year end. Realised and unrealised investment gains (or losses) are combined in the Statement of Financial Activities and are credited (or debited) in the year in which they arise.

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

Debtors

Debtors are recognised at their settlement amount less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specified purpose or amounts subject to donor imposed conditions as to use.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

Pensions

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme. The pension charge represents the amounts payable by the Charity to the scheme in respect of the year.

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

2	Donations and legacies	2024	2023
		£	£
	Annual & Life member subscriptions	53,514	66,765
	Donations	68,188	46,997
	Legacies	188,328	93,870
	Grants	-	-
		<u>310,030</u>	<u>207,632</u>

Within the total donations received were donations restricted as follows:-

Donations restricted	2024	2023
	£	£
Cathedral Clock	15,760	-
Herb Garden project	10,000	-
Stained Glass	120	50
	<u>25,880</u>	<u>50</u>

3	Other trading activities	2024	2023
		£	£
	Income from running events	44,648	35,759
	Income from sale of goods	30	665
		<u>44,678</u>	<u>36,424</u>

4	Income from Investments	2024	2023
		£	£
	Investment income	32,996	30,897
	Bank and other interest	12,761	-
		<u>45,757</u>	<u>30,897</u>

Other income	2024	2023
	£	£
Sale of capitalised assets	-	-
Sundry income	15,111	13,391
	<u>15,111</u>	<u>13,391</u>

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

5	Expenditure on raising funds	2024 £	2023 £		
	Cost of running events	20,268	18,215		
	Publishing costs	<u>8,665</u>	<u>7,580</u>		
		<u>28,933</u>	<u>25,795</u>		
6	Expenditure on charitable activities: Grants payable	Grants payable 1 Apr 23	Paid in year	Grants approved/ (released)	Grants payable 31 Mar 24
	Grants:				
	Deanery renovation project	-	-	424,860	424,860
	Candle holders in Quire - repairs	-	(8,415)	8,415	-
	Conservation of the Heaton and Baker altar front	-	(853)	853	-
	Donations:				
	Cathedral Clock – restricted fund	-	(15,760)	15,760	-
		<u>-</u>	<u>(25,028)</u>	<u>449,888</u>	<u>424,860</u>
7	Expenditure on charitable activities	2024 £	2023 £		
	Support costs				
	Staff costs (see note 8)	75,558	66,955		
	Postage, printing and stationery	5,195	4,541		
	Office rent	8,222	5,000		
	Other office costs	<u>25,975</u>	<u>21,613</u>		
		<u>114,950</u>	<u>98,109</u>		

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

8 Analysis of staff costs	2024	2023
	£	£
Wages and salaries	64,360	57,032
Social security costs	6,371	5,645
Pension costs	4,827	4,277
	<u>75,558</u>	<u>66,955</u>

The average number of full-time-equivalent employees during the year was 1.8 (2023: 1.8), with all employee time involved in providing support services.

No member of staff had emoluments exceeding £60,000 (2023: none).

The key management personnel of the charity are deemed to be its Trustees. No Trustee received any remuneration in respect to their role as members of key management during the year (2023: £nil).

9 Tangible Fixed Assets

	Office Equipment
	£
Cost	
At 31 March 2023	-
Additions	<u>1,866</u>
At 31 March 2024	1,866
Depreciation	
At 31 March 2023	-
Charge in year	<u>311</u>
At 31 March 2024	311
Net Book Value	
At 31 March 2024	<u>1,555</u>
At 31 March 2023	-

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

10 Fixed Asset investments	2024	2023
	£	£
<i>UK Quoted investments:</i>		
Market value 1 April	1,014,547	1,050,415
Additions	140,659	27,968
Unrealised investment (loss)/gain	82,295	(63,836)
Market value 31 March	<u>1,237,501</u>	<u>1,014,547</u>
Cash held within the investment portfolio	6,976	14,195
Total investments	<u>1,244,477</u>	<u>1,028,742</u>
Historical cost of the Quoted Investments at 31 March was as follows:-	842,342	701,682
All the principal investments are in units in a Common Authorised Investment Fund, which provides a spread of risk.		
11 Debtors	2024	2023
	£	£
Sales ledger	5,705	1,774
Gift Aid recoverable	1,278	1,244
Prepayments	4,793	3,099
Legacies receivable	84,600	93,602
Other Debtors	-	-
	<u>96,376</u>	<u>99,719</u>
12 Creditors: Amounts falling due within one year	2024	2023
	£	£
Purchase Ledger	4,238	-
Accruals	2,300	1,727
Amounts received for future Friends events	-	3,055
Grant commitments (see note 6)	424,860	-
Amounts owed to related entities	4,572	8,457
Other creditors	2,671	2,507
	<u>438,641</u>	<u>15,746</u>

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

13 Funds of the charity

At the year end the charity had funds in hand as follows:

	As at 01.04.2023	Income	Fundraising & other Expenditure	Grants / Donations	Gains/ (losses) on Investments	Transfer between Funds	As at 31.03.2024
	£	£	£	£	£	£	£
Restricted Funds							
Cathedral Clock	-	15,760	-	(15,760)	-	-	-
Herb Garden project	-	10,000	-	-	-	-	10,000
Stained Glass	410	120	-	-	-	-	530
Future Recordings	1,000	-	-	-	-	-	1,000
	<u>1,410</u>	<u>25,880</u>	<u>-</u>	<u>(15,760)</u>	<u>-</u>	<u>-</u>	<u>11,530</u>
Designated Funds							
Deanery Renovation	-	-	-	(424,860)	-	424,860	-
Music projects	12,730	-	-	-	-	-	12,730
	<u>12,730</u>	<u>-</u>	<u>-</u>	<u>(424,860)</u>	<u>-</u>	<u>424,860</u>	<u>12,730</u>
General Funds	<u>1,734,047</u>	<u>389,696</u>	<u>(143,883)</u>	<u>(9,268)</u>	<u>82,295</u>	<u>(424,860)</u>	<u>1,628,027</u>
	<u>1,734,047</u>	<u>389,696</u>	<u>(143,883)</u>	<u>(9,268)</u>	<u>82,295</u>	<u>(424,860)</u>	<u>1,628,027</u>
Total Funds	<u>1,748,187</u>	<u>415,576</u>	<u>(143,883)</u>	<u>(449,888)</u>	<u>82,295</u>	<u>-</u>	<u>1,652,287</u>

General funds can be applied for any of the purposes for which the Charity was established.

14 Designated income funds

Grant was awarded for the Deanery Renovation project in December 2023.
No expenditure was incurred for the Music projects fund in the year.

15 Pensions

Contributions were made to a money purchase scheme which is operated by The Chapter of Canterbury. The assets of the pension fund are held separately from those of The Chapter.

The contributions to the scheme paid were £4,827 (2023: £4,277). There were outstanding contributions of £2,725 payable to the scheme at the year end (2023: £nil).

The Friends of Canterbury Cathedral

Notes to the financial statements for the year ended 31 March 2024

16 Related party transactions and Trustees' remuneration

No remuneration was paid to the Trustees in the year (2023: £nil). No travel or other expenses were reimbursed to Trustees (2023 - £nil).

Donations by Trustees to the Charity during the year were £nil (2023: £nil).

The Chapter of Canterbury is the sole beneficiary of the Charity but the Charity is not controlled by The Chapter of Canterbury.

Grants payable to the Chapter during the year are as set out in note 6. The Charity occupies premises owned by the Chapter for which a full rent is paid of £8,222 (2023: £5,000) together with all property related charges.

17 Taxation

The Friends of Canterbury Cathedral is a registered Charity and therefore is not liable to Income Tax, Corporation Tax or Capital Gains Tax on income or gains derived from its charitable activities as they fall within the various exemptions available to registered charities.

