The Friends of Canterbury Cathedral

Annual Report and Financial Statements

For the year ended 31 March 2021

Charity Registration Number: 256575
The Friends of Canterbury Cathedral

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Legend of Photographs

Cover: After being closed for three months, the Cathedral was prepared for re-opening to Friends, visitors, and worshippers in June 2020
Page 3: In 2019, The Friends helped fund a new worship group, Sacred Space, for young adults and students in Canterbury. During lockdown, the group continued to meet via Zoom
Page 4: 37 sacks of the autumn mailing 2020
Page 5: (left) After successful fundraising by the Charity in 2019, new Copes for Canterbury were commissioned by the Cathedral; (right) Ian Roberts, a member of Music & Liturgy staff, undertook a sponsored 600-mile cycle ride to raise funds for FRIENDly Singing for Wellbeing, a project supported by the Charity
Page 6: The Charity gave two Grants to the Cathedral for the purchase of filming equipment (top) which made the live-streaming and recorded broadcast of worship possible. The Friends are acknowledged at the end of every act of worship. More than 20,000 people are now subscribing to the Cathedral’s You Tube channel; (bottom) The Charity gave a Grant for the purchase of video conferencing equipment which has allowed the Cathedral and the Charity to continue business during the pandemic
Page 7: Many Friends took part in the Big Picnic of Hope, a cross-cathedral initiative to promote socially-distanced interaction and supporting food banks during the pandemic
Page 8: (top left) FRIENDly Singing for Wellbeing (see page 8 and caption above) was launched in January 2020 (top right); during the pandemic lockdown, recorded sessions of FRIENDly Singing were streamed online via The Friends of Canterbury Cathedral You Tube channel (bottom)
Page 10: The Canterbury Cathedral Chronicle 2020 was initially distributed to Friends in April 2020 as an e-book. In October 2020, hard copies were mailed to all Friends
Page 31: Friends of Canterbury Cathedral 90th Anniversary Logo.
The Friends of Canterbury Cathedral

Council’s Annual Report for the year ended 31 March 2021

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 2021-22, and the audited financial statements for the year ended 31 March 2021. 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
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 in such matters as the recruitment and care of Friends, management of the Friends’ database, fundraising, organising Friends’ events, publications and the website. When needed, a working group of trustees (drawn from the Management Committee) meets with the Secretary to plan and progress specific projects.

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 managed by the Cathedral’s Finance Department.

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 Coronavirus pandemic has resulted in the Cathedral and Precincts being closed 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 Newsletters; monthly Friends’ fundraising events and the annual Chronicle. During normal times, when the Cathedral is open to visitors and public worship, 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 a new post-Eucharist coffee venture which takes place in the Cathedral Lodge on most occasions. This allows The Friends to not only assist with the Benedictine welcome given to the regular congregation and

Page 1
visitors but also allows volunteers to promote the work of The Friends and our active community to those attending. Just before the start of the financial year (23 March 2020), the Cathedral and Friends’ Office were closed and as a result income to the charity has reduced. To ensure the Friends’ Community remains in contact with the Charity and our Cathedral, weekly e-newsletters (The FRIENDly Friday Newsletter) (see pages 8-9) have been sent to all Friends for whom we are in contact via email. The newsletters have been exceptionally well-received by Friends and Cathedral volunteers, many of whom have circulated the newsletters to non-members (thus broadening the awareness of our Charity). We can credit this e-newsletter for the enrolment of most of our new members this year.

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 the Cathedral’s Finance Department with accounts 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 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 Coronavirus pandemic, many companies reduced or stopped dividends which, in the short-term, had a negative impact on investment income. In addition, the value of the investments was reduced during the early months of the year but has now recovered (see note 9).

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 have considered how best they can support the Chapter during the Coronavirus pandemic and as restrictions are lifted.

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.

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 an agreement of goodwill amongst other Cathedral departments; these include the assistance of Finance, Information Technology, and Events departments with whom the Charity already works closely for the benefit of running the Charity and maintaining the Friends’ community.

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 of Canterbury Cathedral

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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 Covid-19 pandemic has severely impacted our ability to recruit new members over the last year. The filming of the Cathedral’s online worship was made possible due to two Grants from the Charity which allowed the purchase of cameras and streaming equipment. At the end of every broadcast, a message reports that ‘This broadcast was made possible thanks to a gift from The Friends of Canterbury Cathedral’. We can attribute most enrolments in the past year to receipt of The FRIENDly Friday Newsletter (being passed on by a friend or relative) or the online worship.

We had hoped that 2020, being the Year of Pilgrimage and the Becket 2020 commemoration year, would offer us a great opportunity to recruit many new members. Alas, this has not been possible.
The Friends of Canterbury Cathedral

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New members were enrolled as follows:

<table>
<thead>
<tr>
<th>Membership type</th>
<th>2020-21</th>
<th>2019-20</th>
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<tbody>
<tr>
<td>Single</td>
<td>33</td>
<td>49</td>
</tr>
<tr>
<td>Joint</td>
<td>17</td>
<td>45</td>
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<tr>
<td>Family</td>
<td>2</td>
<td>3</td>
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<tr>
<td>Single Life</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Joint Life</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Single Life +65</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Joint Life +65</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Student</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Honorary Single Life</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Honorary Joint Life</td>
<td>2</td>
<td>0</td>
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In normal years, 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. This offer is also extended to visitors coming to Cathedral Open Gardens, Cathedral Open Day, and other similar events. 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 Welcomers and Guides during their training.

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. These Celebrations are held over the summer months and Friends are encouraged to join us for Evensong before adjourning to the Chapter Room of Cathedral 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. Unfortunately, two New Member Celebrations were cancelled in 2020 and two events planned for 2021 have had to be postponed until such time as the current restrictions for social distancing are lifted by the Government.
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Membership
The Dean and the entire Friends’ community extends a very warm welcome to the 79 individual new Friends who joined us in 2020-21. Honorary single and joint life membership equates to 6 individuals making a total of 85 individuals. 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 is fortunate to have received a number of generous legacies in the last year.

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, unless specifically asked to do so by a member. 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 2021, the Charity received no complaints about its fundraising activities. Whilst, in normal years, the Charity has a busy programme of fundraising events for members (see pages 7-9), our fundraising from such events has been curtailed this year.

In the last financial year, the Charity embarked on a specific fundraising project for the Cathedral: Copes for Canterbury. The target for this was £40,000 to have a special fabric created (based on an historic textile held in the Cathedral’s collections) in commemoration of Becket 2020. In fact this fundraising reached £48,000 and any funds surplus to the creation of the fabric, and vestments made from it, was donated to the Cathedral’s vestment fund.

In March 2021, Ian Roberts, a member of the Music & Liturgy Department at the Cathedral, generously committed to cycle 600 miles to raise funds specifically for FRIENDly Singing for Wellbeing (see pages 8-9). His target was £1,000 but a sum of £1,300 was raised for which the Charity is extremely grateful.
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The Friends’ office
The Friends’ office is located at 3 The Precincts and welcomes visitors between 10am-12 noon, and 2-4pm, Monday to Friday. The Office is closed to visitors outside of these times to allow staff to attend to administrative tasks. Our staff are Caroline Plaisted, Friends’ Secretary and Administrator, and Charlotte Thorkildsen, Administrative Assistant. 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. Following the outbreak of Covid-19 in the United Kingdom in March 2020, the office was closed to visitors on 18 March 2020 and whilst the office re-opened to visitors briefly in October 2020, we have mostly been closed to the public during this financial year.

Grants payable:

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

- Filming equipment to allow the online streaming of Cathedral worship during the pandemic.
- To assist with the costs of New Dawn, a project in which leading composers were commissioned to re-image well-loved classical works within the choral repertoire. There will be a concert in late 2021 during the Canterbury Festival, and an album of music released by Signum Records.
- The purchase of a video conferencing facility to assist the Cathedral in continuing its business during the pandemic but also to improve the Cathedral’s carbon-footprint in the future.
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- The purchase of a mobile catering facility to allow the Cathedral to improve its visitor welcome and assist income generation during the years to come.
- The purchase of an interim audio-visual system for the Cathedral to allow the streaming of live Cathedral Services for the benefit of the worldwide Anglican community; the equipment will also assist in the future income generation for the Cathedral when the building is hired for concerts, graduations, and other major events.

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.

During the pandemic, donors who supported us via the Charity’s Just Giving site were able to add Gift Aid to their donations if appropriate.

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

Events 2020-21

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. Many events, in particular Friends’ Day, 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.

A full and varied Programme of Events was planned for the year which included talks, day trips, New Member Celebrations, coffee mornings, special Friends’ Services, FRIENDly Carol Singing, and Friends’ Day. Family Friends’ events including the Animal Blessing Service, the Bookbag Blessing, and the Christmas Wreath and Easter Garden workshops were also planned. Almost all of these events had to be cancelled or postponed owing to the pandemic.
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In order to continue a sense of The Friends’ community, two pre-recorded talks were filmed by our Precentor (Friends’ trustee the Reverend Max Kramer) and nine pre-recorded FRIENDly Singing for Wellbeing films were uploaded to the Friends’ YouTube Channel. We also worked with colleagues at the History Departments of Canterbury Christ Church University and the University of Kent to stream six live online talks which were streamed via the Canterbury Christ Church University website. FRIENDly Singing for Wellbeing is a project supported by the Charity and live sessions are run by staff and led by Adrian Bawtree, Cathedral organist and Friends’ trustee. FRIENDly Singing is a free activity that anyone can attend although it is primarily for those living with dementia and their carers.

Friends’ Day was pre-recorded with reports from the Secretary, Chairman, Chairman of the Management Committee, and the Honorary Treasurer. There was a talk from Cressida Williams, Cathedral Archivist, about the heraldry in the Cloister – the re-emblazoning of which was one of the very first projects supported by the Charity. The Friends’ Day films were edited together and went live on the Friends’ pages of the Cathedral website on 19 September 2020: the original date designated as Friends’ Day for that year. Friends’ Day Evensong was able to be attended by some Friends (in accordance with the Government’s social distancing regulations at the time) and was also streamed live on the Cathedral website.

The FRIENDly Friday Newsletter (The FFN)

In order to keep a sense of Friends’ Community at a time when we were unable to meet and the Cathedral was closed, the Secretary began emailing The FRIENDly Friday Newsletter to Friends. This was a way to keep Friends informed of any online worship and talks available from the Cathedral and Charity. It also shared a number of online activities (many of which were in-line with the subject matters and places which would have been the topics explored in talks and day trips) that Friends could enjoy online whilst isolating at home. These include online theatre and music, online museum tours, virtual day trips, articles about the Cathedral and its artefacts, links to many social media sites which offered hope and advice, and an opportunity to share their own favourite places in the Cathedral.
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Many Friends shared the FFN with their families and neighbours and this offered us the opportunity of some of those recipients to enrol as Friends in their own right. The FFN is sent to about 2,500 Friends in 27 countries each week. During the year, 50 issues of the FFN were published.

The FFN is exceptionally well-received by Friends:

Just wanted to say how much I appreciate your weekly newsletters. They are terrific. This week the jigsaws were good. Several hours of interesting time!

The newsletters are great and I am so grateful for the regular worship. Canterbury’s clergy is wonderful. Thanks to them as well.

Many thanks again for the FRIENDly Friday Newsletters which we really appreciate and enjoy.

Thank you Caroline for the usual interesting and informative newsletter. It must keep you very busy finding all these sites. We appreciate everything you do.

I have not received this week's Newsletter for some reason. I very much enjoy and admire this weekly interlude and should have written before to say so! In short I miss it!

It was good to hear from you. We missed your news. I hope you are well.

Many thanks for your regular FRIENDLY Friday Newsletters. This weekend we should all be enjoying the various gardens around the Cathedral but, like so much, coronavirus has put a stop to that! Never mind there’s always next year.

You are certainly giving us happy times!

So much to read! Like you a Radio 4 fan and I have loved Doorstep Daughter it had the most wonderful ending didn’t it? So much to fill my weekend and what I love is the ability to access all the other letters you have sent and visit things again. I haven’t delved into this Friday’s yet, a treat to come! It’s such a luxury.

It is the intention to reduce the e-newsletter to a monthly publication once the Cathedral is open to the public again and Friends’ events have resumed.

Events planned for 2021-22

The Secretary has rebooked many of the events that were cancelled in or postponed from the 2020-21 year. These include a series of talks covering topics such as the historic and religious importance of salt, Saint Theodore of Tarsus, and Medieval pilgrimage. Subject to the successful lifting of Government guidelines on social distancing in June 2021, the Charity hopes to resume plans for Friends’ Day (which has been delayed until September in order to anticipate an attended day), live sessions of FRIENDly Music for Wellbeing, day trips, musical events, the Animal Blessing and Bookbag Blessing Services, the Advent Wreath and Easter Garden workshops. The Charity also hopes to be more involved with the Cathedral Discovery Days during the school holidays in order to promote Family Friends.

Legacies

We are enormously grateful to those Friends and their families who left legacies to the Charity during the year. In 2020-21 we remember and give thanks to Mrs Mary Constance Sidery, Miss Janet Laing Laing, Miss Jane Drorbaugh, Mr Richard Linforth, Mr Richard Carr, Mr Edward Thomas Hallé, and Miss Margaret Deadman.

Website

We update the Friends’ pages on the Cathedral website on a regular basis. A number of Friends enrol via the downloadable membership form on the site.
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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 then 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 in line with The Canterbury Journey livery when the project is completed in 2021; these plans have been delayed owing to the pandemic.

With the closure of the Cathedral for most of the year, and with social distancing restrictions during the very short period of time that the Cathedral was able to open, we were unable to have our usual team of volunteers at the Desk. The restrictions also prohibited us from being able to distribute our membership leaflets to visitors. To try to recompense for this, we worked with our colleagues in the Visits Department to ensure that the Charity was mentioned in the revised audio tour which was recorded for a downloadable App. The Charity was also mentioned at the end of all online worship with a written message: ‘This broadcast was made possible thanks to a gift from The Friends of Canterbury Cathedral’.

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. Our team of 26 volunteers are the best advertisement for the Charity and their support and enthusiasm is infectious.

Newsletter and Chronicle
We publish two 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 Chronicle is also displayed in the bedrooms of the Cathedral Lodge and circulated to all departments of the Cathedral. Following the restriction of Covid-19 at the end of the year, the usual Friends’ Easter mailing could not be despatched to members. As a result, the Chronicle and spring Newsletter were launched to as many Friends as possible via an online link to ensure that as many members as possible were included and are in touch with our community. A paper mailing was sent in October 2020.
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Financial performance

Donations and legacies including membership income came to £395,270 (2020: £418,044). Included in this figure were legacies receivable of £232,500 (2020: £229,123). 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 4% 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.

Also included within donations and legacies are donated services and facilities of £54,431 (2020: £53,989) representing staff costs paid by the Cathedral. The Charity is very grateful to the Chapter for this generous support.

Fundraising activities (principally Friends’ events) after costs broke even (2020: made a surplus of £16,460).

Investment income from funds managed on our behalf by Sarasin & Partners LLP generated an income yield of £30,935 (2020: £30,212) – approximately 3.4% (2020: 3.3%). The value of investments under management increased by approximately £168,481 during the year (2020: decreased by approximately £40,881), as a result of revaluation gains. The income from the fund is reinvested as it is received. Other shareholdings increased by £2,853 (2020: decreased by £6,633).

Bank interest of £791 was received in the year compared with £3,884 in 2020. This reflects a lower interest rate given by banks after paying significant donations to the Cathedral in the year and slightly lower average bank balances.

Grants payable: during the year, the Charity agreed to commit net total funding of £161,347 (2020: £648,482) 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 decreased from £79,135 in 2020 to £76,054 in 2021.

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 or music, for which funding is required. At the end of the financial year, funds totalled £1,947,061 and included free reserves of £1,933,061 (excluding designated and restricted funds). Of this £357,897 is due to legacies which were notified to trustees in 2019-20. The estates had still not been distributed at the year end.

Whilst the level of free reserves is significantly above the normal range, the Charity has discussed priorities for funding with the Cathedral and is holding funds for a future major project. Grants of £155,000 have been approved since the end of the financial year.

The Trustees believe that at the current time, given the Covid-19 pandemic, it is prudent to hold higher reserves than those required under the reserve policy. 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 Covid-19 will pose some challenges for the Charity, the Trustees believe that the Charity is financially robust enough to withstand these.
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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 41% of the Charity’s assets were held in cash at the year end (2020: 51%). 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) to 31 March 2021 was 25.2% (2020: -1.4%) against the benchmark agreed with investment managers of 25.5% (2020: -5.1%).

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 Canterbury Journey opportunities from 2021 onwards
- Use and broaden our abilities for marketing and administrating by using the new Cathedral-wide database and booking system which will be introduced as part of The Canterbury Journey
- 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
- In preparation for the new Cathedral Measure Act to be implemented, the Charity will be preparing to take on staff salaries and other running costs as necessary in the future

Acknowledgements
The Friends’ Council is indebted to Julie Wood (Director of Finance and Planning) and Gary Hovery (Assistant Accountant) of the Cathedral’s Finance Department for their invaluable assistance in maintaining the Friends’ financial records, to Caroline Plaisted and Charlotte Thorkildsen who staff the Friends’ Office and to the many Friends’ volunteers who help run the Friends’ Desk in the Cathedral so efficiently.
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 24 June 2021 and signed on its behalf.

Chairman:

The Very Revd Dr Robert Willis
Dean of Canterbury
The Friends of Canterbury Cathedral

Council’s Annual Report for the year ended 31 March 2021

Charity Registration Number: 256575

Trustees:
The Trustees of the Charity are the members of Council, listed on page 15.

Principal Officer:
Friends’ Secretary & Administrator: Miss Caroline Plaisted

Address of the Principal Office:
3 The Precincts
Canterbury
Kent
CT1 2EE

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

Auditor:
Buzzacott LLP
130 Wood Street
London, EC2V 6DL
The Friends of Canterbury Cathedral

Council’s Annual Report for the year ended 31 March 2021

First Friend on the Roll: Her Majesty the Queen

President: The Lord Archbishop of Canterbury

Patron: His Royal Highness The Prince of Wales

Chairman of the Council: The Dean of Canterbury, The Very Revd. Dr. Robert Willis

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 Robert Willis DL DCL DD – Chairman
Councillor Terry Westgate – The Lord Mayor of Canterbury (until October 2020)
Councillor Pat Todd – The Lord Mayor of Canterbury (from October 2020)
The Lady Colgrain of Ide Hill – Lord Lieutenant of Kent

Nominated by the Chapter of Canterbury
The Venerable Jo Kelly-Moore – Vice Chairman (until July 2020)
The Reverend Dr Emma Pennington, Canon Missioner – Vice Chairman (from July 2020)
Mr Iain Morris FCA – Treasurer
Mr Adrian Bawtree
Mrs Amanda Cottrell OBE JP DL
Mr Andrew Edwards (until July 2020)
Mrs Janice Reid

Nominated by the Friends’ Council
Mrs Sheila Castle (until March 2021)
Mr David Knight – Chairman, Management Committee (until March 2021)
The Reverend Max Kramer
Miss Janet Saunders
Dr John Williams MBE
The Friends of Canterbury Cathedral

for the year ended 31 March 2021

Independent auditor’s report to the trustees of The Friends of Canterbury Cathedral

Opinion
We have audited the accounts of The Friends of Canterbury Cathedral (the ‘charity’) for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’ (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

♦ give a true and fair view of the state of the charity’s affairs as at 31 March 2021 and of its income and expenditure for the year then ended;

♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

♦ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor’s responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the accounts, we have concluded that the trustees’ use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity’s ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.
The Friends of Canterbury Cathedral

for the year ended 31 March 2021

Independent auditor’s report to the trustees of The Friends of Canterbury Cathedral
(continued)

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor’s report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

♦ the information given in the trustees’ annual report is inconsistent in any material respect with the accounts; or

♦ sufficient accounting records have not been kept; or

♦ the accounts are not in agreement with the accounting records and returns; or

♦ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the trustees’ responsibilities statement, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.
The Friends of Canterbury Cathedral

for the year ended 31 March 2021

Independent auditor’s report to the trustees of The Friends of Canterbury Cathedral
(continued)

Auditor’s responsibilities for the audit of the accounts
Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

♦ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

♦ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011; and

♦ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees’ meetings.

We assessed the susceptibility of the charity’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur. Audit procedures performed by the engagement team included:

♦ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;

♦ Understanding how those charged with governance consider and address the potential for override of controls or other inappropriate influence over the financial reporting process; and

♦ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.
The Friends of Canterbury Cathedral

for the year ended 31 March 2021

Independent auditor’s report to the trustees of The Friends of Canterbury Cathedral

(continued)

To address the risk of fraud through management bias and override of controls, we:

♦ performed analytical procedures to identify any unusual or unexpected relationships; and

♦ performed substantive testing on expenditure including authorisation thereof.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

♦ reading the minutes of meetings of those charged with governance; and

♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the charity’s trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
The Friends of Canterbury Cathedral

Statement of financial activities
for the year ended 31 March 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

**Income from:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Donations and legacies</td>
<td>2</td>
<td>395,270</td>
</tr>
<tr>
<td>Fundraising activities</td>
<td>3</td>
<td>2,564</td>
</tr>
<tr>
<td>Investments and interest receivable</td>
<td>4</td>
<td>31,726</td>
</tr>
</tbody>
</table>

**Total**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>429,560</td>
</tr>
</tbody>
</table>

**Expenditure on:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising funds</td>
<td>5</td>
<td>2,564</td>
</tr>
<tr>
<td>Grants payable</td>
<td>6</td>
<td>161,347</td>
</tr>
<tr>
<td>Support and governance costs</td>
<td>7</td>
<td>76,054</td>
</tr>
</tbody>
</table>

**Total**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>239,965</td>
</tr>
</tbody>
</table>

**Net income/(expenditure) before gains/(losses) on investments**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>189,595</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>(259,017)</td>
</tr>
</tbody>
</table>

**Net gains/(losses) on investments**

|                          | 9     | 171,334 |
|                          | 10    | (47,514) |

**Net income/(expenditure) and net movement in funds**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11</td>
<td>360,929</td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>(306,531)</td>
</tr>
</tbody>
</table>

**Reconciliation of funds:**

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance brought forward at 1 April</td>
<td>13</td>
<td>1,586,132</td>
</tr>
<tr>
<td>Balance carried forward at 31 March</td>
<td>14</td>
<td>1,947,061</td>
</tr>
</tbody>
</table>

The above results reflect the total gains and losses of the Charity and arise wholly from continuing activities. Income in 2021 includes £4,870 being donations restricted to specific purposes (2020: £43,569) (see note 2 for more details). These donations had been fully utilised at 31 March 2021 other than a donation of £270 towards stained glass maintenance which is carried forward in restricted funds, and £1,000 towards future recordings which is carried forward also (see note 12).

The notes on pages 23 to 31 form part of these accounts.
The Friends of Canterbury Cathedral

Balance sheet at 31 March 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td>9</td>
<td>1,011,196</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>10</td>
<td>363,103</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>798,391</td>
<td>831,476</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,161,494</td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>11 (225,629)</td>
<td>(261,834)</td>
</tr>
<tr>
<td>Net current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>935,865</td>
<td>776,952</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,947,061</td>
<td>1,586,132</td>
</tr>
<tr>
<td>Charity funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted income fund</td>
<td>12</td>
<td>1,270</td>
</tr>
<tr>
<td>Unrestricted income funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General income fund</td>
<td>12</td>
<td>1,933,061</td>
</tr>
<tr>
<td>Designated income fund</td>
<td>12</td>
<td>12,730</td>
</tr>
<tr>
<td></td>
<td>1,945,791</td>
<td>1,585,982</td>
</tr>
<tr>
<td></td>
<td>1,947,061</td>
<td>1,586,132</td>
</tr>
</tbody>
</table>

The financial statements were approved and authorised for issue by the Council of The Friends of Canterbury Cathedral on 24 June 2021 and signed on its behalf by:-

........................................................................................................................................

........................................................................................................................................

The notes on pages 23 to 31 form part of these accounts.
The Friends of Canterbury Cathedral

Statement of Cash Flows
for the year ended 31 March 2021

<table>
<thead>
<tr>
<th>Note</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

Cash flows from operating activities

Net cash (used in) provided by operating activities  
A (34,129) 230,419

Cash flows from investing activities

Investment income and interest received  
31,726 34,096
Purchase of investments  
(28,730) (27,794)
Net cash provided by investing activities  
2,996 6,302

Change in cash and cash equivalents in the year  
(31,133) 236,721

Cash and cash equivalent as the start of the year  
838,905 602,184
Cash and cash equivalents at the end of the year  
B 807,772 838,905

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)  
360,929 (306,531)
Adjustments for:  
(Gains)/losses on investments  
(171,334) 47,514
Investment income and interest receivable  
(31,726) (34,096)
(Increase)/Decrease in debtors  
(155,793) 402,964
(Decrease)/Increase in creditors  
(36,205) 120,568
Net cash (used in) provided by operating activities  
(34,129) 230,419

B Cash and cash equivalents

Cash at bank and in hand  
798,391 831,476
Cash held by investment managers  
9,381 7,429
807,772 838,905

C Reconciliation of net debt

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>831,476</td>
<td>(33,085)</td>
</tr>
<tr>
<td>Cash held by investment managers</td>
<td>7,429</td>
<td>1,952</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>838,905</strong></td>
<td><strong>(31,133)</strong></td>
</tr>
</tbody>
</table>
The Friends of Canterbury Cathedral

Notes to the financial statement for the year ended 31 March 2021

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 2021 with comparative information given in respect to the year to 31 March 2020.

The financial statements have been prepared under the historical cost convention 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 pound.

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 and assessing the impact of the Covid-19 pandemic on the future of the organisation and in particular on whether it is appropriate to prepare the accounts on the basis of a going concern (see below);

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.
The Covid-19 pandemic has had a significant impact on the immediate capacity of the Charity to raise funds and predicted future investment income. However, the Charity has a healthy cash balance. 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.

**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 are 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.
The Friends of Canterbury Cathedral

Notes to the financial statement for the year ended 31 March 2021

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

Donated facilities

The value of donated services a gifts in kind provided to The Charity are recognised as income in the period that they are receivable, where the benefit can be reliably measured. An equipment 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 (including audit costs) 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.
The Friends of Canterbury Cathedral

Notes to the financial statement for the year ended 31 March 2021

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 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.

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 statement for the year ended 31 March 2021

2. Donations and legacies

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual subscriptions</td>
<td>50,586</td>
<td>51,797</td>
</tr>
<tr>
<td>Life Members’ subscrip.</td>
<td>11,686</td>
<td>4,500</td>
</tr>
<tr>
<td>Donations</td>
<td>46,067</td>
<td>78,635</td>
</tr>
<tr>
<td>Donated services (note 8)</td>
<td>54,431</td>
<td>53,989</td>
</tr>
<tr>
<td>Legacies</td>
<td>232,500</td>
<td>229,123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>395,270</td>
<td>418,044</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Donations Restricted</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howley Library</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td>Stained Glass</td>
<td>120</td>
<td>120</td>
</tr>
<tr>
<td>Copes for Canterbury</td>
<td>3,750</td>
<td>38,449</td>
</tr>
<tr>
<td>Future Recordings</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,870</td>
<td>43,569</td>
</tr>
</tbody>
</table>

3. Income from fundraising activities

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from events</td>
<td>2,564</td>
<td>41,120</td>
</tr>
<tr>
<td>Income from sale of goods</td>
<td>-</td>
<td>81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,564</td>
<td>41,201</td>
</tr>
</tbody>
</table>

4. Income from investments and interest receivable

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment income</td>
<td>30,935</td>
<td>30,212</td>
</tr>
<tr>
<td>Bank and other interest</td>
<td>791</td>
<td>3,884</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>31,726</td>
<td>34,096</td>
</tr>
</tbody>
</table>

5. Expenditure on raising funds

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of events</td>
<td>2,564</td>
<td>21,412</td>
</tr>
<tr>
<td>Publishing costs</td>
<td>-</td>
<td>3,329</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,564</td>
<td>24,741</td>
</tr>
</tbody>
</table>
The Friends of Canterbury Cathedral

Notes to the accounts for the year ended 31 March 2021

6. Expenditure on charitable activities: Grants payable

<table>
<thead>
<tr>
<th>Grants payable at 1 April 2020 (notes 11 and 12)</th>
<th>Paid in year</th>
<th>Grants approved/ (released) during the year</th>
<th>Grants payable at 31 March 2021 (note 12)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Chapter House Light &amp; PA System</td>
<td>27,868</td>
<td>(27,868)</td>
<td></td>
</tr>
<tr>
<td>Nave Vault Cleaning</td>
<td>5,883</td>
<td></td>
<td>5,883</td>
</tr>
<tr>
<td>Discovering Becket’s Pilgrims: ‘A New Assessment of the First Miracle Window’</td>
<td>12,076</td>
<td></td>
<td>12,076</td>
</tr>
<tr>
<td>High Vault (Conservation)</td>
<td>1,114</td>
<td></td>
<td>1,114</td>
</tr>
<tr>
<td>Friendly Teas starting February 2019 after Sunday Eucharist</td>
<td>3,550</td>
<td>(3,550)</td>
<td></td>
</tr>
<tr>
<td>Cathedral Disability Kiosk Update/Replacement</td>
<td>5,000</td>
<td>(4,492)</td>
<td>508</td>
</tr>
<tr>
<td>Event recording / Streaming facility</td>
<td>5,000</td>
<td>(5,000)</td>
<td></td>
</tr>
<tr>
<td>Series of talks, The Bible in Stained Glass</td>
<td>3,000</td>
<td></td>
<td>3,000</td>
</tr>
<tr>
<td>Faure Requiem</td>
<td>1,200</td>
<td>(1,200)</td>
<td></td>
</tr>
<tr>
<td>Sacred Space</td>
<td>1,500</td>
<td>(823)</td>
<td>677</td>
</tr>
<tr>
<td>Blessing of Book Bags &amp; Backpacks</td>
<td>324</td>
<td>(324)</td>
<td></td>
</tr>
<tr>
<td>Orchestral Mass July 2019</td>
<td>1,020</td>
<td>(1,020)</td>
<td></td>
</tr>
<tr>
<td>Friendly teas RSCM Festival Evensong October 2019</td>
<td>210</td>
<td></td>
<td>210</td>
</tr>
<tr>
<td>Interim sound system</td>
<td>101,450</td>
<td>(101,450)</td>
<td></td>
</tr>
<tr>
<td>Vestment Funds</td>
<td>38,449</td>
<td>9,606</td>
<td>14,266</td>
</tr>
<tr>
<td>Howley Library</td>
<td>15,000</td>
<td>(15,000)</td>
<td></td>
</tr>
<tr>
<td>Exhibition Showcases</td>
<td>-</td>
<td>9,772</td>
<td>9,772</td>
</tr>
<tr>
<td>Camera Equipment for Residential Clergy</td>
<td>-</td>
<td>1,739</td>
<td>1,739</td>
</tr>
<tr>
<td>New Dawn (Music premiered at 2021 Canterbury Cathedral)</td>
<td>-</td>
<td>2,200</td>
<td>2,200</td>
</tr>
<tr>
<td>Chapter Room Video Conference Facility</td>
<td>-</td>
<td>5,899</td>
<td>5,899</td>
</tr>
<tr>
<td>Mobile Catering Facility</td>
<td>-</td>
<td>3,530</td>
<td>3,530</td>
</tr>
<tr>
<td>AV System</td>
<td>-</td>
<td>156,468</td>
<td>156,468</td>
</tr>
<tr>
<td></td>
<td>222,644</td>
<td>(166,647)</td>
<td>217,343</td>
</tr>
</tbody>
</table>

Other than the amounts accrued as grants payable, there were no grant commitments at 31 March 2021.

(2020: £nil)

7. Expenditure on charitable activities

<table>
<thead>
<tr>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

**Support costs**
- Staff costs (see note 8) | 54,431 | 53,989 |
- Postage, printing and stationery | 5,231 | 8,396 |
- Office rent | 5,000 | 5,000 |
- Other office costs | 8,596 | 9,042 |

| 73,258 | 76,417 |

**Governance costs**
- Audit fees | 2,796 | 2,718 |

| 76,054 | 79,135 |
The Friends of Canterbury Cathedral

Notes to the accounts for the year ended 31 March 2021

8. Analysis of staff costs

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>£46,247</td>
<td>£46,765</td>
</tr>
<tr>
<td>Social security</td>
<td>£4,060</td>
<td>£4,131</td>
</tr>
<tr>
<td>Pension costs</td>
<td>£4,124</td>
<td>£4,093</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£54,431</td>
<td>£53,989</td>
</tr>
</tbody>
</table>

The average number of full-time-equivalent employees during the year was 2.0 (2020: 1.8), with all employee time involved in providing support services.

No member of staff had emoluments exceeding £60,000 (2020: none).

Staff employed in the support of The Friends of Canterbury Cathedral currently have employment contracts with The Chapter of Canterbury. The full costs of employment are included in note 7. The Chapter of Canterbury met these costs directly so they are included also as donations in kind (see notes 2 and 15). The staff were furloughed for part of the year and the Chapter of Canterbury received furlough grants of £11,609 towards the costs of these staff.

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 (2020: £nil).

9. Fixed Asset Investments

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK quoted investments:-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value 1 April</td>
<td>£801,751</td>
<td>£821,471</td>
</tr>
<tr>
<td>Additions</td>
<td>£28,730</td>
<td>£27,794</td>
</tr>
<tr>
<td>Unrealised investment gains/(losses)</td>
<td>£171,334</td>
<td>(£47,514)</td>
</tr>
<tr>
<td><strong>Market value 31 March</strong></td>
<td><strong>£1,001,815</strong></td>
<td><strong>£801,751</strong></td>
</tr>
<tr>
<td>Cash held within the investment portfolio</td>
<td>£9,381</td>
<td>£7,429</td>
</tr>
<tr>
<td><strong>Total fixed asset investments</strong></td>
<td><strong>£1,011,196</strong></td>
<td><strong>£809,180</strong></td>
</tr>
<tr>
<td><strong>The historical cost of the investments at 31 March was as follows:-</strong></td>
<td><strong>£617,651</strong></td>
<td><strong>£617,651</strong></td>
</tr>
</tbody>
</table>

All the principal investments are in units in a Common Authorised Investment Fund, which provides a spread of risk.
The Friends of Canterbury Cathedral

Notes to the accounts for year ended 31 March 2021

10. Debtors

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax recoverable</td>
<td>£1,182</td>
<td>£885</td>
</tr>
<tr>
<td>Prepayments</td>
<td>£4,024</td>
<td>£3,943</td>
</tr>
<tr>
<td>Payments made in respect of future events</td>
<td>-</td>
<td>£154</td>
</tr>
<tr>
<td>Legacies receivable</td>
<td>£357,897</td>
<td>£201,897</td>
</tr>
<tr>
<td>Other debtors</td>
<td>-</td>
<td>£431</td>
</tr>
<tr>
<td><strong>Total Debtors</strong></td>
<td><strong>£363,103</strong></td>
<td><strong>£207,310</strong></td>
</tr>
</tbody>
</table>

11. Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th>Description</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accruals</td>
<td>£2,796</td>
<td>£2,718</td>
</tr>
<tr>
<td>Amounts received for future events</td>
<td>-</td>
<td>£2,704</td>
</tr>
<tr>
<td>Grants payable (see note 6)</td>
<td>£217,343</td>
<td>£222,644</td>
</tr>
<tr>
<td>Amounts owed to related entities</td>
<td>£4,777</td>
<td>£33,611</td>
</tr>
<tr>
<td>Other creditors</td>
<td>£713</td>
<td>£157</td>
</tr>
<tr>
<td><strong>Total Creditors</strong></td>
<td><strong>£225,629</strong></td>
<td><strong>£261,834</strong></td>
</tr>
</tbody>
</table>

12. Funds of the Charity

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

<table>
<thead>
<tr>
<th>Description</th>
<th>As at 31.03.2020</th>
<th>As at 30.04.2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Restricted Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stained Glass</td>
<td>£150</td>
<td>£120</td>
</tr>
<tr>
<td>Copes for Canterbury</td>
<td>£3,750</td>
<td>(9,606)</td>
</tr>
<tr>
<td>Future Recordings</td>
<td>£1,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Restricted Funds</strong></td>
<td><strong>£150</strong></td>
<td><strong>£9,750</strong></td>
</tr>
<tr>
<td><strong>Designated Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Music projects</td>
<td>£12,730</td>
<td>£12,730</td>
</tr>
<tr>
<td><strong>Total Designated Funds</strong></td>
<td><strong>£12,730</strong></td>
<td><strong>£12,730</strong></td>
</tr>
<tr>
<td><strong>General Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,573,252</td>
<td>424,690</td>
<td>(78,618)</td>
</tr>
<tr>
<td>1,573,252</td>
<td>424,690</td>
<td>(78,618)</td>
</tr>
<tr>
<td><strong>Total General Funds</strong></td>
<td><strong>£1,586,132</strong></td>
<td><strong>£1,586,132</strong></td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>£1,586,132</strong></td>
<td><strong>£1,586,132</strong></td>
</tr>
</tbody>
</table>

General funds can be applied for any of the purposes for which the Charity was established.
The Friends of Canterbury Cathedral

Notes to the accounts for the year ended 31 March 2021

13. Designated income fund

<table>
<thead>
<tr>
<th>Designated Funds Movement</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance 1 April</td>
<td>£12,730</td>
<td>£13,750</td>
</tr>
<tr>
<td>Amounts utilised:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Orchestral Mass July 2019</td>
<td>-</td>
<td>(1,020)</td>
</tr>
<tr>
<td>Closing Balance 31 March</td>
<td>£12,730</td>
<td>£12,730</td>
</tr>
</tbody>
</table>

Income was designated in 2017/18 from the Dean’s 90th Anniversary Challenge for the future music projects. No expenditure took place in the year to 31 March 2021 as noted above.

14. Pensions

As part of the donated services made during the year by The Chapter, contributions were made to a money purchase scheme which was 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 by The Chapter of Canterbury were £4,124 (2020: £4,093). There were no outstanding contributions payable to the scheme at the year end (2020: £nil).

15. Related party transactions and Trustees’ remuneration

No remuneration was paid to the Trustees in the year (2020: £nil). No travel or other expenses were reimbursed to Trustees (2020 - £nil).

Donations by Trustees to the Charity during the year were £241 (2020: £270).

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. During the year the Chapter met staff costs of £54,431 (2020: £53,989). The Charity occupies premises owned by the Chapter for which a full rent is paid of £5,000 (2020: £5,000) together with all property related charges. The total value services £54,431 paid by the Chapter is included as donated services in the financial statements (2020: £53,989).

16. 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.