

THE FRIENDS OF ELY CATHEDRAL CIO

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE FRIENDS OF ELY CATHEDRAL CIO
PARTICULARS OF THE CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2022

1.

TRUSTEES

The Very Reverend M P J Bonney, Dean of Ely (Chairman)

Mr E J Gifford (Chair of Council)

Mr R O Setchell (Honorary Treasurer)

Mr P L Back

Mrs A L Bishop

Mr S M Brooker

Mrs J Davie

Mrs S Farmer

Ms J I Fenton

Prof V Lewis

Miss D Man (co-opted 24 Jan 2023)

Mrs H Merrick

Canon J S Reveley

FRIENDS' OFFICER: Mrs S M Hunting

PRINCIPAL BANKERS: Lloyds Bank plc, Minster Place, Ely.

INDEPENDENT EXAMINER: Mrs Helena Wilkinson, Price Bailey LLP.

REGISTERED ADDRESS: The Chapter Office, The College, Ely, Cambs, CB7 4DL.

CHARITY REGISTRATION NO: 1157705

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and independently examined financial statements for the year ended 31 December 2022.

Objects of the Charity

The objects of the charity are to assist the Dean and Chapter of Ely in the advancement of the religious, pastoral, musical and educational work of the Cathedral including the preservation of its fabric and the ornaments and furnishings thereof.

The Trustees have considered the Charity Commission's guidance on public benefit, and they consider that the charity is fulfilling its obligations in this respect by achieving the above objectives.

Governing Document

The Charity is regulated by its Constitution dated 29 April 2014.

Organisation

There can be a maximum of 14 Trustees (there are 13 at present) comprising no more than 7 trustees elected at the annual general meeting of the members, 1 ex officio trustee (the Dean of Ely) and 6 trustees nominated by the Chapter of Ely Cathedral. Trustees shall hold office for three years but shall be eligible for re-election or nomination for up to three consecutive occasions.

The day to day administration is handled by the Friends' Officer, Mrs S M Hunting.

Gifts to Ely Cathedral up to a value of £40,000 are approved by the Trustees (Council) and those in excess of £40,000 must be approved by the members at the Annual General Meeting.

Trustee induction and training

New Trustees are selected from the local community, only if they have relevant experience, skills and enthusiasm to enable them to make a contribution to the administration of the charity. They are interviewed and, if they are willing to be appointed, they are formally proposed and seconded for appointment either at an Annual General Meeting or, if elected by the Dean and Chapter, by a meeting of that body. No formal training is given to new Trustees but they are briefed thoroughly as to the charity's activities.

Charity Governance Code

The seven principles that make up this code: organisational purpose, leadership, integrity, decision making risk and control, board effectiveness, diversity, openness and accountability, have all been considered by the Trustees who are satisfied that the charity meets these principles.

Development, Activities and Achievements

The Trustees approved gifts to Ely Cathedral during the period totalling £30,456 (2021 - £30,563). In addition £300,000 was pledged and approved by the members at the AGM on 14 October 2022 to support new lighting installation throughout the cathedral (2021 - £1,000,000). Gifts previously agreed and not taken up in full and now written back totalled £6,017 (2021 - £6,127), making a net charge in the financial statements of £324,439 (2021 - £1,024,436). A further £25,000 (2021 - £20,000) has been agreed since the year end and remains unpaid at the date of this report.

TRUSTEES' REPORT (continued)**FOR THE YEAR ENDED 31 DECEMBER 2022****Review of the Financial Position and Transactions**

The financial position of the Charity is strong and it is well able to meet the agreed gifts from funds which are readily available. In 2022 the total income of the Friends was £212,687 (2021 - £398,613), expenditure excluding gifts was £27,874 (2021 - £24,569). The value of the investments decreased by £112,044. As stated in the previous paragraph gifts totalled £324,439 leaving a deficit for the year of £251,670 (2021 - deficit £438,319)

Reserves Policy

Normal recurring expenditure can be met by the expected income of the charity. Reserves are required to enable the charity to assist Ely Cathedral with projects as and when required and the Trustees have agreed that reserves should not be allowed to fall below £50,000.

Fundraising

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate but does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face to face campaigns and received no fundraising complaints during the year.

Risk management

The Trustees have examined the charity's operations and considered the risks faced. In the opinion of the Trustees the charity has established the resources and review systems which, under normal circumstances, should allow any risks to be mitigated to an acceptable level in its day to day operations.

Investment Policy

Apart from the Designated Fund (see below), the trustees do not envisage holding funds for the long term. As referred to above, it is intended that reserves will not fall below £50,000 and this is covered by cash deposits and an investment in M&G Charifund income units which cost £15,245 several years ago and at 31 December 2021 had a value of £37,488. With regard to the Designated Fund, the fund is invested in the CBF Church of England Investment Fund with dividends received held in a deposit account pending expenditure or re-investment. The commitment to the cathedral to support the new lighting installation of £1,300,000 has necessitated the drawing down of this investment of which £1,270,000 had been withdrawn in 2021 and 2022. The investment has a balanced investment objective with low or medium risk and at 31 December 2022 had a value of £276,677.

On Behalf of the Trustees

Ed Gifford (Chair of Council)

24 April 2023

Independent Examiner's Report to the Trustees of The Friends of Ely Cathedral CIO

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022 which are set out on pages 5 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records ; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Signed:

*Helena Wilkinson BSc FCA DChA
Price Bailey LLP
Chartered Accountants
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ*

11 May 2023

THE FRIENDS OF ELY CATHEDRAL CIO
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

5.

	<u>Note</u>	2022 Unrestricted Funds £	2021 Unrestricted Funds £
Income:			
Subscriptions, donations and legacies	2	162,702	346,251
Fund raising	3	12,725	9,481
Investments	4	37,260	42,881
Total income		212,687	398,613
Expenditure:			
Raising funds	3	5,211	2,685
Charitable activities	5	347,102	1,046,320
Total expenditure		352,313	1,049,005
(Decrease) / Increase in value of investments	6	(112,044)	212,073
Net (expenditure) / income for the year being net movement in funds		(251,670)	(438,319)
Reconciliation of funds:			
Total funds brought forward		935,279	1,373,598
Total funds carried forward		683,609	935,279

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 7 to 13 form part of these accounts

BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022		2021	
		£	£	£	£
Fixed Asset					
Investments	6		314,165		1,596,209
Current assets					
Debtors	7	1,285		1,364	
Stock of merchandise for resale		1,138		2,051	
Bank account & cash		7,791		71,269	
Deposit accounts		1,207,738		231,095	
		1,217,952		305,779	
Current liabilities					
Creditors (amounts falling due within one year)	8	848,508		966,709	
Net current assets / (liabilities)			369,444		(660,930)
Total net assets			683,609		935,279
Funds	10				
Unrestricted funds			683,609		935,279

The financial statements on pages 5 to 13 were approved by the Council on 24 April 2023 and signed on its behalf by:

Ed Gifford (Chair of Council)

Richard Setchell (Honorary Treasurer)

The notes on pages 7 to 13 form part of these accounts

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES**a. Basis of Accounting**

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Charities Act 2011, and UK Generally Accepted Practice.

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

The financial statements are under the historical cost convention, modified to include investments at fair value. The financial statements are prepared in sterling which is the functional currency of the charity. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b. Going concern

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with the gains and losses on revaluation of these investments each year. This is covered in more detail in the performance and risk sections of the Trustees' annual report for more information.

The trustees have considered the effects of the Covid-19 pandemic and have concluded that it will not affect the going concern status of the charity.

c. Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. For legacies, entitlement is taken on a case by case basis as the earlier of the date on which the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

d. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings: (continued on next page)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (continued)

d. Expenditure (continued)

- Costs of raising funds includes support costs for the management of the investment portfolio, fund- raising and event organisation;
- Expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, the grant is only accrued when any unfulfilled conditions are outside the control of the charity.

e. Investment Fixed Assets

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their bid value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The Trust does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Investment income, gains and losses are allocated to the appropriate fund.

f. Tangible Fixed Assets

Equipment, furniture and fittings owned by the Charity are written off when acquired. It is considered that the realisable value of these items is not significant.

g. Funds

Restricted Funds are funds which have been given for particular purposes or projects.

Unrestricted funds are funds given for no particular purpose or projects, to be spent as Trustees decide.

h. Stocks

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value.

i. Cash at bank and in hand

Cash at bank includes cash held in current and deposit accounts.

j. Debtors

Other debtors are recognised at the settlement amount due

k. Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a payment to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

l. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at cost and subsequently measured at their settlement value. At the balance sheet date, fixed asset investments are recorded at market value and all other assets and liabilities are recorded at cost (which is their fair value). The investment note 6 details the original cost of the investments and their fair value (market value) recorded in the accounts.

m. Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, events or actions, actual results ultimately differ from these estimates. The trustees do not consider there to be any material estimates and judgements.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

2. Income from subscriptions, donations and legacies

	2022	2021
Subscriptions including gift aid claims	29,827	29,873
Donations	1,269	2,463
Legacies	131,606	313,915
	162,702	346,251

All relate to unrestricted funds in both years

3. Income from Fund Raising Activities

	2022			2021		
	Income	Expenses	Net	Income	Expenses	Net
Friends' social events	3,819	2,007	1,812	1,102	34	1,068
Christmas cards	8,012	2,858	5,154	7,457	2,310	5,147
Other Merchandise	894	346	548	922	341	581
	12,725	5,211	7,514	9,481	2,685	6,796

All relate to unrestricted funds in both years

4. Income from Investments

	2022	2021
Investment fund - dividends	24,290	41,822
Interest – deposits	12,970	1,059
	37,260	42,881

All relate to unrestricted funds in both years

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

5. Charitable Activities

Gifts to Ely Cathedral	2022	2021
Balance of gifts previously agreed and not taken up in full :		
Unrestricted Funds:		
Disability access ramp outside Lady Chapel	-	(4,575)
Sponsorship "The Earth" display	-	(1,552)
Streaming equipment	(6,017)	
 New gifts:		
Unrestricted Funds:		
Disability access ramp outside Lady Chapel	396	-
Streaming equipment	-	25,000
Choristers prize	60	50
Communion set	-	513
Chorister funding	-	5,000
Re-ordering St Catherine's Chapel	25,000	-
Music commission for 1350 year celebrations	5,000	-
	24,439	24,436
Designated Fund		
New lighting installation	300,000	1,000,000
 Total Gifts to Ely Cathedral	324,439	1,024,436
 Governance costs		
Printing, stationery, postage & telephone	1,411	1,392
Salaries	17,923	17,402
National insurance	1,291	1,183
Pension contributions	1,165	1,131
Sundry expenses	25	87
Accountancy fees	561	510
Furniture & equipment	287	179
	22,663	21,884
 Total	347,102	1,046,320

The average number of employees (part-time) during the period was 1 (2021 – 1)

No employee received emoluments of more than £60,000 during the year (2021 – None)

The total employee benefits of the key management personnel were £19,716 (2021 - £19,716)

The key management personnel were: Mrs S M Hunting (Friends Officer), Mr E J Gifford (Chair of Council) and Mr R O Setchell (Honorary Treasurer)

All relate to unrestricted funds in both years

THE FRIENDS OF ELY CATHEDRAL CIO
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11.

6. Investments

	Cost		Open market value	
	2022	2021	2022	2021
At beginning of year	1,051,084	862,151	1,596,209	1,230,673
Further investment	-	253,463	-	253,463
Investments sold	(808,486)	(64,530)	(1,170,000)	(100,000)
(Decrease) / Increase in value in year	-	-	(112,044)	212,073
At 31 December 2022	242,598	1,051,084	314,165	1,596,209
Comprising:				
2,551 M&G Charifund income units	38,614	38,614	37,488	39,699
13,391.01 CBF Church of England investment fund income shares	203,983	1,012,470	276,677	1,556,510
	242,597	1,051,084	314,165	1,596,209

	2022	2021
7. Debtors		
Income tax recoverable	358	447
Other debtors	927	917
	1,285	1,364

8. Creditors		
Ely Cathedral – re-imburement of expenses	10,201	12,274
Ely Cathedral – gifts	838,307	953,952
Other creditors	-	483
	848,508	966,709

9. Commitments approved since December 2022

Re-ordering of St Catherine’s Chapel	-	20,000
Chorister funding	25,000	-
	25,000	20,000

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

10. Fund Reconciliation

Current Year	At 31 December 2021	Income	Expenditure	Investment Gains/(Losses)	At 31 December 2022
Unrestricted Funds					
General fund	267,972	179,984	(52,313)	(2,211)	393,432
Designated fund	667,307	32,703	(300,000)	(109,833)	290,177
Total Funds	935,279	212,687	(352,313)	(112,044)	683,609
Prior Year	At 31 December 2020	Income	Expenditure	Investment Gains	At 31 December 2021
Unrestricted Funds					
General fund	169,529	142,764	(49,005)	4,684	267,972
Designated fund	1,204,069	255,849	(1,000,000)	207,389	667,307
Total Funds	1,373,598	398,613	(1,049,005)	212,073	935,279

The designated fund arose from substantial legacies which have been set aside to provide funds for major projects.

11. Analysis of Fund Assets and Liabilities

	Unrestricted Funds	Designated Fund	Total Funds
2022			
Investments	37,488	276,677	314,165
Bank current account & cash	7,791	-	7,791
Deposit accounts	379,856	827,882	1,207,738
Other current assets	2,423	-	2,423
Current liabilities	(34,126)	(814,382)	(848,508)
	393,432	290,177	683,609
2021			
Investments	39,699	1,556,510	1,596,209
Bank current account & cash	90,704	(19,435)	71,269
Deposit accounts	182,752	48,343	231,095
Other current assets	3,415	-	3,415
Current liabilities	(48,598)	(918,111)	(966,709)
	267,972	667,307	935,279

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2022

12. Trustees' Remuneration

During the period, no Trustee received nor waived any remuneration (2021 – nil). Expenses reimbursed to the Trustees in the year were Nil (2021 – Nil)

13. Related Parties

During the year the charity committed to gifts to Ely Cathedral totalling £324,439 (2021 - £1,024,436). The Very Reverend M J P Bonney is Dean of Ely Cathedral and Canon J S Reveley is a Residentiary Canon. There were no further related party transactions.