

# **THE FRIENDS OF LIVERPOOL CATHEDRAL**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED  
30<sup>TH</sup> SEPTEMBER 2020**

**Charity Registration No. 1122672**

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# **THE FRIENDS OF LIVERPOOL CATHEDRAL**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020**

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The trustees are pleased to present their annual report for the year ended 30<sup>th</sup> September 2020.

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 and 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 (FRS102) (effective 1<sup>st</sup> January 2015).

### **OBJECTIVES AND ACTIVITIES**

The Objectives are:

- To assist the Chapter to fulfil its duty of worship and contribute to the repair, maintenance, improvement of and additions to the fabric, furnishings and vestments.
- To promote and support any charitable activities calculated to preserve and beautify the cathedral, its history and its music.

### **Public Benefit**

In considering the objectives and activities, the Trustees have considered the Charity Commission's guidance on Public Benefit to ensure that the organisation is meeting its Public Benefit requirements.

### **Membership**

Membership of the charity is open to all those who are interested in furthering the aims of the charity. The charity is managed by a committee, which reports to the members at the Annual General Meeting each year. The committee is responsible for maintaining accounting records and preparing financial statements for each financial period. They are also responsible for presenting the accounts to the Annual General Meeting together with an Independent Examiners' Report on the accounts.

### **ACHIEVEMENTS AND PERFORMANCE**

Before the pandemic the Friends of Liverpool Cathedral managed to hold two social evenings when Mr Bill Sergeant gave a talk on Noel Chavasse VC and Mr Zia Chaudhry spoke on 'Just your average Muslim'. All other events had to be cancelled including the Festival Service and the Annual General Meeting. Gifts to the Cathedral during this financial year included a new electric floor scrubber; the cost of hiring large television screens used in major services; covered the cost of repairs and restoration of the Cathedral Processional Cross. We paid for the making of a virtual tour of the Cathedral which was made available online as well as continuing to pay for the maintenance of the West End garden and the provision of flowers. We also sponsored the Choral Scholars. Because of the pandemic a one off payment was made to provide signage and equipment necessary for the continued use of the building.

### **FINANCIAL REVIEW**

Total income for the year was £44,787 (2019: £24,737) of which £5,000 (2019: £5,000), related to funding for projects upon which restrictions are placed.

Total expenditure for the year was £40,189 (2019: £30,684), leaving a surplus for the year of £4,598 (2019: deficit £5,947).

At 30<sup>th</sup> September 2020 the charity's reserves stood at £394,441 (2019: £389,843) of which £253,961 (2019: £257,761) represented restricted funds.

# **THE FRIENDS OF LIVERPOOL CATHEDRAL**

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020**

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### **Risk Management**

The main risks to which the charity is exposed as identified by the Trustees have been considered and systems have been established to mitigate those risks.

In accordance with the Constitution the Committee hold within their finances a sum of twenty thousand pounds to cover any debts or liabilities should the Charity be dissolved. No members of the committee receive any payment for their services and outgoing costs are kept to a minimum.

The Cathedral closed in the new year, the committee continued to function either by telephone or online.

Income was down and had to rely solely on subscriptions, donations and legacies. However, we have been able to continue supporting the Cathedral during these difficult times. We have not received any financial support from any other sources.

### **Reserves Policy**

It is the policy of the charity to maintain unrestricted funds, which are free reserves that allows the charity to continue its activities for three years' should no further funding be received.

As at the end of the financial year the unrestricted funds totalled £140,480. The charitable company requires £94,167 for three years' running costs.

### **PLANS FOR THE FUTURE**

It is hoped to resume the normal social events when it is right to do so. Hopefully the annual service and AGM will be held in July 2021.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Friends of Liverpool Cathedral is a registered charity, number 1122672, registered on 7<sup>th</sup> February 2008. It is governed by its constitution dated 13<sup>th</sup> July 2003, subsequently amended on 13<sup>th</sup> January 2008.

The Charity is managed by a Committee consisting of eleven members; five appointed by the Chapter of Liverpool Cathedral (Chapter), four elected by the Friends at the Annual General Meeting, a Chair personally appointed by the Chapter and also a Chapter representative.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Name</b>	The Friends of Liverpool Cathedral
<b>Charity Number</b>	1122672
<b>Address &amp; Office</b>	Liverpool Cathedral St James Mount Liverpool L1 7AZ
<b>Trustees</b>	During the year members of the Committee were as follows:
<b>Officers</b>	Mr David Hudson Alan S Matthews (Chair) Alice M Palmer Valerie Rooke (Treasurer) Mr Gratten Williams

**THE FRIENDS OF LIVERPOOL CATHEDRAL**  
**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020**

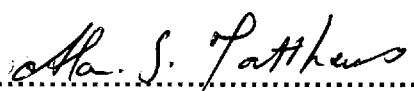
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**Other Committee Members** Alethea Fielding  
Phillip Holmes  
Edward Hughes  
Canon Robert G Lewis  
(Chapter representative)  
Michael Poole (Resigned 31<sup>st</sup> July 2020)  
Roy Redman  
Helen Roberts  
Dianne Rothwell  
Victoria Williams

**Independent Examiner** Graham Wright B A (Hons), FCA DChA,  
c/o LCVS  
151 Dale Street,  
Liverpool,  
L2 2AH

**Bankers** Barclays Bank PLC  
Lord Street  
Liverpool  
L2 1TD

**Signed on behalf of the Trustees**

  
.....  
**Alan Matthews,**  
**Trustee - Chair**

Date: 5th June 2021

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE FRIENDS OF LIVERPOOL CATHEDRAL

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I report on the accounts of the charity for the year ended 30<sup>th</sup> September 2020 which are set out on pages 5 to 12.

## Respective responsibilities of trustees and examiner

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

It is my responsibility to:

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

## Basis of independent examiner's statement

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

## Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act;
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

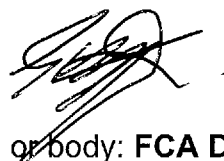
(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Mr Graham Wright**

Relevant professional qualification or body: **FCA DChA**

Address: **c/o LCVS 151 Dale Street, L2 2AH**

Dated: ..... 8 June 2021 .....



# THE FRIENDS OF LIVERPOOL CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>Income and endowments from:</b>					
Donations and legacies	2a	36,764	5,000	41,764	20,270
Other trading Activities	2b	912	-	912	1,701
Investments	2c	2,111	-	2,111	2,766
		-----	-----	-----	-----
<b>Total income</b>		<b>39,787</b>	<b>5,000</b>	<b>44,787</b>	<b>24,737</b>
		-----	-----	-----	-----
<b>Expenditure on:</b>					
Raising Funds		754	-	754	1,353
Charitable Activities	3	30,635	8,800	39,435	29,331
		-----	-----	-----	-----
<b>Total expenditure</b>		<b>31,389</b>	<b>8,800</b>	<b>40,189</b>	<b>30,684</b>
		-----	-----	-----	-----
<b>Net income/(expenditure), net movement in funds</b>		<b>8,398</b>	<b>(3,800)</b>	<b>4,598</b>	<b>(5,947)</b>
Total funds brought forward	8, 9	132,082	257,761	389,843	395,790
		-----	-----	-----	-----
<b>Total funds carried forward</b>	<b>7-9</b>	<b>140,480</b>	<b>253,961</b>	<b>394,441</b>	<b>389,843</b>
		=====	=====	=====	=====

The notes on pages 7 to 12 form part of these accounts.

All the above amounts relate to continuing activities of the charity.

**THE FRIENDS OF LIVERPOOL CATHEDRAL**  
**BALANCE SHEET AS AT 30<sup>TH</sup> SEPTEMBER 2020**

	Notes	30 <sup>th</sup> September 2020		30 <sup>th</sup> September 2019	
		£	£	£	£
<b>Fixed assets</b>	4		-		-
<b>Current assets</b>					
Debtors	5	-	-	-	-
Cash at bank and in hand		394,916		390,318	
		-----		-----	
		394,916		390,318	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	6	(475)		(475)	
		-----		-----	
<b>Net current assets</b>			394,441		389,843
			-----		-----
<b>Total assets less current liabilities</b>			<b>394,441</b>		<b>389,843</b>
			=====		=====
<b>Funds:</b>			£		£
Unrestricted funds	7, 8		140,480		132,082
Restricted funds	7, 9		253,961		257,761
			-----		-----
			<b>394,441</b>		<b>389,843</b>
			=====		=====

Approved and authorised for issue by the trustees on ..... 5th June 2021 ..... and signed on their behalf by:

  
 Alan Matthews  
 Trustee, Chair

  
 Valerie Rooke  
 Trustee, Treasurer



# THE FRIENDS OF LIVERPOOL CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

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### 1. Accounting Policies

#### **Basis of accounting**

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2015) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) (effective 1<sup>st</sup> January 2015) and Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

#### **Going concern**

The Charity has not been significantly impacted financially by Covid-19, due to the continuation of receiving regular donations. At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees have therefore adopted the going concern basis of accounting in preparing the accounts.

#### **Fund accounting**

Unrestricted funds are the charity's free reserves available for the trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

#### **Income recognition**

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from other trading activities relates to <sup>£</sup>outing and events and is recognised when the amount is certain.

Income from investment relates to bank interest received and is recognised when the amount is certain.

#### **Expenditure recognition**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

# **THE FRIENDS OF LIVERPOOL CATHEDRAL**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020**

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All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

### **Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# THE FRIENDS OF LIVERPOOL CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

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### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### Taxation

Income and gains are exempt from taxation as they are applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

### Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

## 2. Income and endowments from

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>a. Donations and legacies</b>				
Donations	2,476	5,000	7,476	7,090
Gift Aid	611	-	611	1,132
Legacies	22,748	-	22,748	-
Membership subscriptions	10,929	-	10,929	12,048
	<b>36,764</b>	<b>5,000</b>	<b>41,764</b>	<b>20,270</b>
	=====	=====	=====	=====
<b>b. Other trading activities</b>				
Outings and Events	912	-	912	1,701
	=====	=====	=====	=====
<b>c. Investments</b>				
Bank Interest	2,111	-	2,111	2,766
	=====	=====	=====	=====

# THE FRIENDS OF LIVERPOOL CATHEDRAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

## 3. Expenditure on charitable activities

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2020 £	Total 2019 £
To promote and support any charitable activities calculated to preserve and beautify the cathedral, its history and its music.	37,863	1,572	39,435	29,331
	=====	=====	=====	=====

### a. Analysed as follows:

	2020 £	2019 £
<i>Direct charitable expenditure:</i>		
Chapter gifts	37,863	14,000
Choral scholarship	-	8,638
Organ scholarship	-	5,000
	-----	-----
	<b>37,863</b>	<b>27,638</b>
	-----	-----
<i>Support &amp; Governance costs:</i>		
Office costs	1,000	1,053
Sundry expenses	25	39
Lawn master	72	126
Accountancy	475	475
	-----	-----
	<b>1,572</b>	<b>1,693</b>
	-----	-----
<b>Total expenditure on charitable activities</b>	<b>39,435</b>	<b>29,331</b>
	=====	=====

£8,800 (2019: £13,638) of the above expenditure is restricted expenditure

### b. Particulars of employees:

There were no employees during the year ended 30<sup>th</sup> September 2020 (2019: none).

The Trustees are not remunerated for their services.

No out of pocket expenses were reimbursed to trustees in the year (2019: £nil).

## 4. Tangible fixed assets

There were no tangible fixed assets as at 30<sup>th</sup> September 2020 (2019: nil).

## 5. Debtors

There were no debtors as at 30<sup>th</sup> September 2020 (2019: nil).

# THE FRIENDS OF LIVERPOOL CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

### 6. Creditors

	2020	2019
	£	£
Accruals	475	475
	=====	=====

### 7. Analysis of net assets between funds

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
<b>Unrestricted Funds</b>			
General Fund	-	55,666	55,666
Legacies	-	84,814	84,814
	-----	-----	-----
	-	140,480	140,480
	-----	-----	-----
<b>Restricted Funds</b>			
E Golby Legacy	-	248,961	248,961
Organ Scholarship Donation	-	5,000	5,000
	-----	-----	-----
	-	253,961	253,961
	-----	-----	-----
<b>Totals</b>	-	394,441	394,441
	=====	=====	=====

### 8. Unrestricted Funds

	Resources at Beginning of year	Movements in the Year		Resources at End of Year
	£	Income	Expenditure	£
	£	£	£	£
General Fund	70,016	17,039	(31,389)	55,666
Legacies	62,066	22,748	(-)	84,814
	-----	-----	-----	-----
	132,082	39,787	(31,389)	140,480
	=====	=====	=====	=====

**General Fund** is used to finance the charity's general activities and core costs as outlined in the Trustees' Report.

**Legacies** received to be used for the charity general activities and core costs.

# THE FRIENDS OF LIVERPOOL CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2020

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### 9. Restricted Funds

		<u>Movements in the Year</u>		
	Resources at Beginning of year £	Income £	Expenditure £	Resources at End of Year £
E Golby Legacy	257,761	-	(8,800)	248,961
Organ Scholarship Donation	-	5,000	(-)	5,000
	-----	-----	-----	-----
	<b>257,761</b>	<b>5,000</b>	<b>(8,800)</b>	<b>253,961</b>
	=====	=====	=====	=====

These are monies given to the Charity to be spent at the discretion of the Board of Trustees for specific charitable purposes, as follows:

**E Golby Legacy** – Contribution towards providing music in the Cathedral and build of the last section of the organ in the Cathedral and choral scholarship

**Organ Scholarship Donation** – Contribution towards organ scholarship

### 10. Guarantees and Other Financial Commitments

There are no financial commitments under non-cancellable operating leases (2019: £Nil).

### 11. Related Parties

There were no material related party transactions during this or the previous year which require disclosure.