



THE ASSOCIATION OF ENGLISH CATHEDRALS

REPORT OF THE EXECUTIVE COMMITTEE AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

**Company No. 06726262
Charity Registration: 1128254**

**Registered Office:
8 Kingswood Drive
London SE19 1UR**

THE ASSOCIATION OF ENGLISH CATHEDRALS

Contents	Page
Report of the Executive Committee	1- 7
Report of the Independent Examiner	8
Statement of Financial Activities	9-10
Income and Expenditure Account	11
Balance Sheet	12
Statement of cash flows	13
Notes to the Accounts	14 - 17

THE ASSOCIATION OF ENGLISH CATHEDRALS

REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDING 31 DECEMBER 2020

The members of the Executive Committee have pleasure in presenting their report and the financial statements of the Association for the year ended 31 December 2020 which are also prepared to meet the requirements for a directors' report and accounts for Companies Acts purposes.

The financial statements comply with the Companies Act 2006, the Charities Act 2011, the Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)).

Reference and administrative information

Principal address

The principal address of the Association is:

8 Kingswood Drive
London
SE19 1UR

Executive

The names of the persons who were members of the Executive Committee (trustees of the charity and directors of the company) at any time during the year ended 31 December 2020 or have been appointed since that date were as follows:

The Very Rev'd Adrian Dorber, Dean of Lichfield (Chair)
Mr David Bilton, Chapter member, Newcastle Cathedral
The Very Rev'd Roger Bush, Dean of Truro (resigned June 2020)
Mrs Annabelle Boyes, Receiver General and Canon Treasurer, Winchester Cathedral (resigned September 2020)
Mr David Coulthard, Communar, Chichester Cathedral (appointed November 2020)
Ms Emma Davies, Registrar, St Paul's Cathedral (appointed November 2020)
The Very Rev'd Rogers Govender, Dean of Manchester
The Very Rev'd Peter Howell-Jones, Dean of Blackburn
The Very Rev'd David Hoyle, Dean of Westminster (resigned July 2020)
The Rev'd Canon Dr Jessica Martin, Residentiary Canon, Ely Cathedral (appointed June 2020)
The Very Rev'd David Monteith, Dean of Leicester (appointed July 2020)
The Rev'd Canon Aidan Platten, Canon, Norwich Cathedral
Mrs Caroline Robinson, Treasurer, Chelmsford Cathedral (resigned September 2020)
The Rev'd Canon David Stone, Sub-Dean, Coventry Cathedral
The Rev'd Canon Celia Thomson, Canon, Gloucester Cathedral
The Very Rev'd Andrew Tremlett, Dean of Durham

Senior staff

Mrs Sarah King, Executive Director

Principal advisers

Bankers

The Co-operative Bank
PO Box 250, Delf House
Southway
Skelmersdale WN8 6WT

Independent Examiner

Mr Richard Gurd FCCA
6 The Close
Salisbury
SP1 2EF

THE ASSOCIATION OF ENGLISH CATHEDRALS

Structure, governance and management

Governing document

The Association of English Cathedrals was established as an unincorporated association in 1990. The company limited by guarantee number 06726262 was incorporated on 16 October 2008 and became a registered charity on 25 February 2009. The Association is governed by its Articles of Association as adopted on 14 June 2016.

The members of the Association are the administrative bodies of the 42 English Anglican Cathedrals. Westminster Abbey, St George's Chapel, Windsor, St German's Cathedral, Isle of Man and St Davids Cathedral are associate members. In the event of the Association winding up, each member undertakes to contribute an amount not exceeding £10. Upon the winding up or dissolution of the Association, all remaining assets shall be given or transferred to another charity having the same or similar objects to the Association in accordance with charity law.

Organisational structure and decision making

The trustees of the Association of English Cathedrals are known as Executive Committee members and are also the company directors. The management of the Association is vested in the Executive Committee, which is responsible for delivery of the Association's objects and setting the strategic direction. The Committee manages and exercises all the powers of the charity in accordance with the Memorandum and Articles of Association.

The Executive Committee is assisted in its work by a number of working groups, formed of Executive Committee members and others with relevant expertise and experience. The working groups are formed to deliver specific projects and meet as and when required. Notes of all meetings are given to the Executive Committee.

The Executive Committee delegates day-to-day running of the Association to the Executive Director, Sarah King.

Executive Committee recruitment and appointment

The members elect nine members of the Executive Committee. The nine members must include no fewer than four deans and no fewer than four other Chapter members (excluding administrators); no fewer than three members must come from each Province of the Church of England. There are three ex-officio trustees: the Chair of the College of Deans, the Chair of the Cathedrals Administration and Finance Association and another member of the Executive Committee of that Association. At every annual general meeting one-third, or the number nearest to (but not greater than) one third, of the elected Committee members retire from office, but are eligible for re-appointment by the members. Those standing down are those who have been longest in office since their last appointment or re-appointment. There is no fixed term for appointment as a Committee member.

The Executive Committee has the power to co-opt new members but those co-opted have to stand for election at the following annual general meeting. Co-options are made to provide an appropriate balance of skills, experience and gender, and to ensure that cathedrals of different types and with a geographical spread are represented on the Committee.

Remuneration

Staff salaries are reviewed annually in July and any increase is in line with the pay rises given at Lichfield Cathedral.

THE ASSOCIATION OF ENGLISH CATHEDRALS

Objectives and activities

Object

The object of the Association of English Cathedrals is to advance the Christian religion for the benefit of the public in accordance with the doctrines of the Church of England and to further the mission of the Anglican religion by:

- (1) Supporting the English Anglican cathedrals (the members of the Charity) and Westminster Abbey, St George's Chapel, Windsor, St German's Cathedral, Isle of Man and St Davids Cathedral in their work of advancing the Christian religion by representing the common interests of cathedrals both in national and ecclesiastical contexts.
- (2) Working with the National Church Institutions and other parts of the Church of England in furthering the mission and work of cathedrals;
- (3) Working with the Churches' Legislation Advisory Service and other appropriate ecumenical bodies in furthering the mission and work of cathedrals;
- (4) Working with the Government and its agencies to represent the interests of cathedrals and achieve an environment where cathedrals are enabled to fulfil their mission and work;
- (5) Debating and proposing policies and other matters affecting cathedrals, including their role in advancing education; community development; arts, culture and heritage; and environmental protection and improvement. Also assisting in developing their role in promoting religious and racial harmony and equality and diversity; and
- (6) Encouraging the development and sharing of best practice between cathedrals.

Information about the activities undertaken during the year is set out below in the section describing achievements and performance. The Executive members consider that all activities undertaken have been for the public benefit, and that they have paid due regard to guidance from the Charity Commission in determining what work is done.

Executive Committee

The membership of the Executive Committee changed during the year. Roger Bush stood down at the Annual General Meeting, and Jessica Martin was elected to fill the vacancy arising. In addition, Adrian Dorber and Celia Thomson were re-elected to the Committee. David Hoyle stood down as the Chair of the College of Deans, and resigned from his ex-officio trusteeship; his successor as Chair of the College of Deans, David Monteith, joined the Committee. Both Annabelle Boyes and Caroline Robinson resigned from the Executive Committee of the Cathedral Administration and Finance Association (CAFA) and also resigned as AEC Executive members. The CAFA Executive appointed its new Chair, David Coulthard, and Emma Davies to fill the two ex-officio vacancies.

Achievements and performance

The Executive Committee met on five occasions during the year to discuss matters of interest to the members, agree actions and review progress. An Annual General Meeting (AGM) attended by representatives of the Association's members was held as usual in June. Due to the restrictions arising from the Covid-19 pandemic, only one meeting, in January, was held in person. All other meetings including the AGM were held using Zoom.

Many of the AEC's regular activities were disrupted by the pandemic, including the provision of induction training for new Chapter members. Of the three training courses planned for 2020, only one was run: the first at York Minster in February. Induction courses are an invaluable opportunity for those attending to understand more about the role and ways of working of cathedrals and to develop a bigger picture of cathedral life, enabling them to discharge their responsibilities with greater knowledge and skill. Two training courses were held using Zoom in March 2021.

THE ASSOCIATION OF ENGLISH CATHEDRALS

The Committee continues to work closely with the Church of England's National Safeguarding Team and the cathedral lead on safeguarding matters, the Very Rev'd Stephen Lake, Dean of Gloucester, to ensure that cathedrals are alert to and implement best practice in safeguarding; it recognises the importance of providing the best possible care to children and adults at risk in cathedral contexts. The AEC worked with the National Safeguarding Team to facilitate the review of various policies and procedures including a framework for safeguarding training for cathedral clergy, staff and volunteers.

The AEC has continued to work with the National Church Institutions (NCIs), led by the Third Church Estates Commissioner, on supporting the smooth progression of the new Cathedrals Measure through its legislative stages. The Cathedrals Measure received its final approval from General Synod in November 2020, and has now been passed to Parliament before receiving the Royal Assent. Cathedral representatives worked with NCI staff on implementation projects including the drafting of guidance to complement the legislation. The Executive Director was a member of the Cathedral Support Group, the group within the NCIs with responsibility for implementation.

The Communications Project, which aims to improve the profile of cathedrals in traditional and social media at a national level and encourage the development of communications skills in cathedrals, played a key role in keeping cathedrals in the public eye through the vicissitudes of the Covid-19 pandemic and in supporting cathedrals in their response to the pandemic. In line with plans agreed in 2019, the project's two media professionals worked an extra half day each week, increasing the time each spends working to one and a half days a week. This has again increased in 2021 to the agreed level of two days a week each. The additional time was well used in telling stories of what cathedrals were doing through lockdowns and closures, and as they re-opened during the summer and into the autumn, affirming that cathedrals were still at the centre of their communities. As a result of the pandemic, public worship moved online, replacing or additional to in-person services, and websites and social media have become key cathedral interfaces with a world with lockdowns and restrictions. The AEC's social media activity grew through the year, reaching people who are less likely to read traditional media and informing them of ways to engage with their cathedrals. A Project Board, chaired by David Stone with members drawn from communications specialists working in cathedrals, oversees the Project on behalf of the Committee.

Plans for continued roll out of peer reviews in 2020 and early 2021 were disrupted by the Covid-19 pandemic. Only one of the scheduled reviews took place before the March lockdown; all others were postponed as disruption continued. The Project Board met by Zoom on a number of occasions to discuss options for project roll out. Consideration was given to undertaking the reviews virtually. As the review process is not an audit, where individual documents are reviewed and questions answered, it was felt that it continued to be essential to visit cathedrals in order to understand the context of Chapters' mission, join in worship, see the building and meet people face to face in order to get under the skin of an individual cathedral. The Board was also aware that the impact of Covid-19 on cathedrals has been severe and recognised that reduced staff teams would find it harder to prepare, particularly as strategic and business plans were reviewed and revised in the light of changing circumstances. Although the Board was keen to maintain momentum, it did not want to add to stress and pressure whilst there were other priorities. As the vaccine roll out continues and the government has set out a roadmap for reopening, plans are being made to resume the programme of peer reviews in the autumn of 2021. Executive members are grateful to those who serve on the Project Board, and particularly to the Dean of Sheffield (the Board's Chair), Paul Robinson, and Heather Smith who resigned during the year. New Board members have been appointed by the Committee to fill the vacancies.

The Chapter Training Project to provide training to Chapters in the areas of financial management and sustainability, governance, and strategic marketing for growth continued. Most Chapters have completed the programme but a few sessions are still to be held. The pandemic delayed completion

THE ASSOCIATION OF ENGLISH CATHEDRALS

as most of the remaining Chapters would prefer an in person meeting although one successful online session was held. The Church Commissioners, as the project's funders, and the Executive Committee have received reports on the project's progress and effectiveness.

The remit of the Cathedral Projects Support Panel was extended to major churches on 1 April 2020 and the Panel was renamed the Cathedral and Major Church Projects Support Panel. The Project Board continues to be chaired by Peter Howell-Jones; the Chair and Secretary of the Major Churches Network joined the Board. The AEC entered into a memorandum of understanding with the Network as it manages the day to day affairs of the project. Nick Chapple was appointed as Major Church Co-ordinator, joining Anne Locke who continues to support cathedrals as the Cathedrals Co-ordinator. The pandemic has impacted the work of the Panel, with very few in-person visits able to take place. The volume of requests for assistance from cathedrals has diminished, although for cathedrals and especially major churches requests for assistance with strategic planning remained strong. Strategic planning workshops have been adapted and are being delivered successfully online. Reports on the project's progress were made regularly to the Committee and also to the project funders, Allchurches Trust and the Church Commissioners.

The pandemic has had a significant impact on plans for the new initiative for 2020: '2020 Year of Cathedrals Year of Pilgrimage'. Preparations for the year were almost complete when the first lockdown was announced in March 2020, resulting in the postponement and then cancellation of most events programmed for the year as they were not compatible with the restrictions resulting from the pandemic. A few cathedrals were able to host 'Cathedrals at Night' evenings successfully in a Covid-safe way. These were well attended and much appreciated. There are plans to use the resources which are salvageable and the remaining funding to support cathedrals as they re-open and to encourage visitors to return to cathedrals confidently.

The AEC has continued its membership of the Churches Legislation Advisory Service and the Charity Tax Group so that it can work with the wider church and charity sector, and also to provide information to cathedrals on relevant legislative changes and developments in charity taxation. These memberships have proved advantageous as the AEC has been working with the two organisations and HMRC to find a resolution to an issue relating to cathedrals and VAT which resulted in the issuing of new HMRC guidance in February 2021.

The AEC, as a member, works closely with the Heritage Alliance, the biggest alliance of heritage interests in England furthering the interests of heritage organisations. It is also a member of the Heritage Alliance's Historic Religious Buildings' Group. The AEC continues to work in partnership with the Association of Leading Visitor Attractions, sharing information and participating in webinars and meetings, ensuring that cathedrals, which are important tourist attractions, are supported in improving their visitor offers. These relationships are always valuable but have proved even more so as the AEC has worked to assist cathedrals in assessing and minimising the impact of the Covid-19 pandemic on their activities and finances.

Executive members and the Executive Director worked with government departments and other national bodies on a number of issues relating to cathedrals and appropriate action has been taken to represent the interests of cathedrals by commenting on forthcoming legislation, both church and state. Since the Covid-19 pandemic started, the AEC has been active in responding to calls for information about its impact on cathedrals and in making representations to the government and the NCIs on behalf of cathedrals.

The Executive Director provided support to cathedrals in a number of areas, facilitating meetings using Zoom for members of the various cathedral networks, and also produced good practice papers and guidance notes, assisting cathedrals in their work.

THE ASSOCIATION OF ENGLISH CATHEDRALS

Financial review

Results of the period

Income was £19,284 less than expenditure (2019: income exceeded expenditure by £283,680). Unrestricted income exceeded expenditure by £16,273 (2019: unrestricted income exceeded expenditure by £6,189), and restricted income was £35,557 less than expenditure (2019: income exceeded expenditure by £277,491).

Income of £194,133 was lower than in 2019 (£478,611). Grant income was considerably lower, at £72,580 (2019: £381,834), as in 2019 the AEC received a number of grants for projects which started in that year and continued into 2020 and subsequent years.

Expenditure was higher than the previous year at £213,417 (2019: £194,931), with high levels of project activity in the first three months and thereafter work on projects pursued where possible. Due to lower activity levels in the autumn, the AEC has taken advantage of the second round of Coronavirus Job Retention Scheme support, with three members of staff on flexi-furlough from November to the date of this report. This will extend the life of the projects on which they work by slowing the rate of drawdown on grants. The AEC has not been entitled to any other forms of government coronavirus support.

Reserve policy and future prospects

Reserves are needed to bridge the gap between the spending and receiving of resources and to cover unplanned expenditure. Income from subscriptions and contributions to employment costs and the Communications Project is received at one point in the year, whereas expenditure, including salary payments, continues throughout the year. Whilst the Executive always seeks to fund projects with grants, reserves are also needed to fund projects which are important to cathedrals nationally which can arise from time to time. In normal times Executive Committee members aim to maintain a reserve equivalent to six months unrestricted and recurring restricted expenditure for cash flow purposes. In 2020, the target reserves level was £46,500. The Committee is rebuilding reserves to the desired level through subscriptions, the primary source of unrestricted income, and controlling expenditure. The reserves policy is reviewed annually when the budget for the following year is approved.

At the year end, free reserves were £34,268 (2019: £17,995).

Fundraising activity

The Association does not currently employ anyone dedicated to fundraising, nor does it use external fundraisers or commercial participators. The Association has not received any complaints about its fundraising activities and practices.

Risk management

The members of the Executive regularly consider the risks which the Association may face. They are satisfied that there are adequate reserves in place to mitigate any financial risk, and deem any reputational risk to be slight. The principal risk facing the Association is the loss of the Executive Director, which is mitigated by a three-month notice period and adequately documented work. In respect of other risks, they consider there are adequate contingency plans appropriate to the size of the Association in place to lessen their effect.

Plans for future periods

The Executive Committee continues to review how it can best support cathedrals in their work. It will continue to run and establish projects which support Chapters and staff working in cathedrals to develop well-governed, strategically focussed and sustainable cathedrals. Over the next year, plans include assisting with strategic planning and resource reviews through the Cathedral and Major Church Project Support Panel as cathedrals re-assess their operations in the light of the impact of

THE ASSOCIATION OF ENGLISH CATHEDRALS

the pandemic, recommencing the Peer Review Project in the autumn, and working with cathedrals through the Year of Cathedrals Year of Pilgrimage Project to attract visitors back to cathedrals. The Committee is intending to host a second National Cathedrals Conference in May 2022 in Newcastle. A working group has been established to work on the detail and raise sponsorship to make the Conference viable.

Going concern

The Executive Committee expects the Association to have adequate resources to continue in operational existence for the foreseeable future. It continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the Association of English Cathedrals for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland).

Company law 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 charitable company and of the income and expenditure of the charitable company for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011 and the provisions of the Memorandum and Articles of Association. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to the Independent Examiner

To the knowledge and belief of the Executive Committee, there is no relevant information of which the charitable company's Independent Examiner is not aware, and it has taken all necessary care to ensure and establish that the Independent Examiner is aware of any relevant information.

By order of the Executive Committee

Adrian Dorber
Chair

6 May 2021

THE ASSOCIATION OF ENGLISH CATHEDRALS

REPORT OF THE INDEPENDENT EXAMINER TO THE MEMBERS OF THE EXECUTIVE COMMITTEE OF THE ASSOCIATION OF ENGLISH CATHEDRALS

I report to the trustees on my examination of the accounts of the above charity for the year ended 31 December 2020, which are set out on pages 9 to 16.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 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.

I report on the accounts of the Association for the year ended 31 December 2020, which are set out on pages 9 to 16.

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 which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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:

6 May 2021

Richard Gurd
FCCA

THE ASSOCIATION OF ENGLISH CATHEDRALS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds £	Restricted funds £	Total 31.12.20 £
Income from donations				
Membership subscriptions		23,000	-	23,000
Grants	5	-	72,580	72,580
Coronavirus Job Retention Scheme		3,064	-	3,064
		26,064	72,580	98,644
Income from charitable activities				
Contributions to staff costs	5	-	37,750	37,750
Contributions to Communications Project		-	55,851	55,851
Chapter training course fees		600	-	600
Other income		-	-	-
		600	93,601	94,201
Income from investments				
Bank deposit interest		1,288	-	1,288
Total income		27,952	166,181	194,133
Expenditure on:				
Charitable activities				
Staff costs	6	-	36,905	36,905
Executive meetings	7	1,221	-	1,221
Working groups		631	-	631
2020 Year of Cathedrals etc. Project	6	-	59,656	59,656
Cathedral & Major Church Projects Support Panel 6		-	24,299	24,299
Chapter Training		500	119	619
Communications Project		-	47,338	47,338
Peer Review Project	6	-	19,407	19,407
Economic and Social Impacts Survey		-	17,078	17,078
Grant to CSCC Covid impacts survey		2,000	-	2,000
Conferences		324	-	324
English cathedrals website		1,866	-	1,866
Subscriptions		927	-	927
		7,469	204,802	212,271
Other				
Insurance		498	-	498
Other		648	-	648
		1,146	-	1,146
Total expenditure		8,615	204,802	213,417
Net income/ (expenditure)		19,337	(38,621)	(19,284)
Transfers between funds		(3,064)	3,064	-
Net movements in funds		16,273	(35,557)	(19,284)
Reconciliation of funds:				
Total funds brought forward		17,995	328,856	346,851
Total funds carried forward		£34,268	£293,299	£327,567

THE ASSOCIATION OF ENGLISH CATHEDRALS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted funds £	Restricted funds £	Total 31.12.19 £
Income from donations				
Membership subscriptions		18,000	-	18,000
Grants	5	-	381,834	381,834
		<i>18,000</i>	<i>381,834</i>	<i>399,834</i>
Income from charitable activities				
Contributions to staff costs	5	-	37,750	37,750
Contributions to Communications Project		-	37,300	37,300
Chapter training course fees		2,655	-	2,655
Other income		-	-	-
		<i>2,655</i>	<i>75,050</i>	<i>77,705</i>
Income from investments				
Bank deposit interest		1,072	-	1,072
Total income		21,727	456,884	478,611
Expenditure on:				
Charitable activities				
Staff costs	6	-	37,084	37,084
Executive meetings	7	7,014	-	7,014
Working groups		1,187	-	1,187
2020 Year of Cathedrals etc. Project	6	-	21,512	21,512
Cathedral Projects Support Panel	6	-	18,312	18,312
Chapter Training		4,010	33,081	37,091
Communications Project		-	34,899	34,899
Peer Review Project	6	-	34,505	34,505
Conferences		295	-	295
English cathedrals website		1,086	-	1,086
Subscriptions		866	-	866
		<i>14,458</i>	<i>179,393</i>	<i>193,851</i>
Other				
Insurance		437	-	437
Other		643	-	643
		<i>1,080</i>	-	<i>1,080</i>
Total expenditure		15,538	179,393	194,931
Net income/ (expenditure)		6,189	277,491	283,680
Transfers between funds		-	-	-
Net movements in funds		6,189	277,491	283,680
Reconciliation of funds:				
Total funds brought forward		11,806	51,365	63,171
Total funds carried forward		£17,995	£328,856	£346,851

THE ASSOCIATION OF ENGLISH CATHEDRALS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31.12.2020 £	Year ended 31.12.2019 £
Income		
Membership subscriptions	23,000	18,000
Grants	72,580	381,834
Contributions to staff costs	37,750	37,750
Contributions to Communications Project	55,851	37,300
Coronavirus Job Retention Scheme	3,064	-
Chapter training courses fees	600	2,655
Bank interest	1,288	1,072
Other income	-	-
<i>Total income</i>	<i>194,133</i>	<i>478,611</i>
Expenditure		
Executive meetings	1,221	7,014
Staff costs and expenses	36,905	37,084
Chapter training courses	500	4,010
2020 Year of Cathedrals Year of Pilgrimage Project	59,656	21,512
Cathedral & Major Church Projects Support Panel expenses	24,299	18,312
Chapter Training Project	119	33,081
Communications Project	47,338	34,899
Peer Review Project	19,407	34,505
Economic and Social Impacts Survey	17,078	-
Grant for CSCC Covid impact survey	2,000	-
Working groups	631	1,187
Subscriptions	927	866
English cathedrals website	1,866	1,086
Conferences	324	295
Insurance	498	437
Other	648	643
<i>Total expenditure</i>	<i>213,417</i>	<i>194,931</i>
Operating surplus/ (deficit) for the year	<u>(£19,284)</u>	<u>£283,680</u>

This Income and Expenditure Account is included in the Financial Statements in compliance with the Companies Act 2006.

THE ASSOCIATION OF ENGLISH CATHEDRALS

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	Year ended 31.12.2020 £	Year ended 31.12.2019 £
Current assets:			
Debtors and prepayments	3	1,641	582
Cash at bank		331,819	356,488
		333,460	357,070
Liabilities:			
Creditors: amounts due within one year	4	(5,893)	(10,219)
Net current assets		<u>£327,567</u>	<u>£346,851</u>
The funds of the Charity:			
Restricted funds	5	293,299	328,856
Unrestricted funds		34,268	17,995
Total Charity funds		<u>£327,567</u>	<u>£346,851</u>

The company is entitled to exemption from audit under Section 477(2) of the Companies Act 2006 for the year ended 31 December 2020.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with Section 386 of the Companies Act 2006 and;
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 393 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Approved by the Executive Committee on 6 May 2021 and signed
on their behalf by:

Adrian Dorber
Chair

THE ASSOCIATION OF ENGLISH CATHEDRALS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Year ended 31.12.2020 £	Year ended 31.12.2019 £
Cash flows from operating activities:		
Cash receipts	191,204	477,539
Cash payments	(217,161)	(190,366)
<i>Net cash(used)/ provided by operating activities</i>	<i>(25,957)</i>	<i>287,173</i>
Cash flows from investing activities:		
Interest	1,288	1,072
<i>Net cash provided by investing activities</i>	<i>1,288</i>	<i>1,072</i>
Change in cash in the reporting period	(24,669)	288,245
Cash at beginning of the reporting period	356,488	68,243
Cash at end of the reporting period	£331,819	£356,488
Reconciliation of net income to net cash flow from operating activities		
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	£ (19,284)	£ 283,680
Adjustments for:		
Interest	(1,288)	(1,072)
(Increase)/ decrease in debtors	(1,059)	(377)
Increase/ (decrease) in creditors	(4,326)	4,942
Net cash provided/ (used) by operating activities	(25,957)	287,173
Analysis of cash		
	Year ended 31.12.2020 £	Year ended 31.12.2019 £
Cash at bank	331,819	356,488
Total cash	£331,819	£356,488

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020

I ACCOUNTING POLICIES

Accounting convention

The Financial Statements are prepared under the historical cost convention.

The format of the Financial Statement accords with the Statement of Recommended Practice "Accounting and Reporting by Charities" (Charities SORP (FRS102)), the Charities Act 2011, and with applicable UK accounting standards.

Incoming resources

Incoming resources are recognised when they are invoiced (for example subscriptions) or when received (including donations and bank interest). Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the Statement of Financial Activities.

Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Association to pay out resources.

Fund accounting

Unrestricted funds are available to use to further any of the purposes of the Association.

Restricted funds are given for particular areas of the Association's work or for specific projects.

2 LEGAL STATUS OF THE ASSOCIATION

The Association is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £10.

3 DEBTORS AND PREPAYMENTS

	Year ended 31.12.2020	Year ended 31.12.2019
	£	£
Debtors	1,641	-
Prepayments	-	582
Total	£1,641	£582

4 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Year ended 31.12.2020	Year ended 31.12.2019
Trade creditors	£5,893	£10,219

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

5 ANALYSIS OF RESTRICTED FUNDS

	Staff Costs	Chapter Training Project	CMC Projects Support Panel	Comms Project	Peer Review Project	2020 Year of Caths Project	Econ. Social Impacts	Total
	£	£	£	£	£	£	£	£
Balance at 1.1.20	8,071	60,423	27,980	13,903	139,991	78,488	-	328,856
Income	37,750	-	35,900	55,851	-	-	36,680	166,181
Expenditure	(36,905)	(119)	(24,299)	(47,338)	(19,407)	(59,656)	(17,078)	(204,802)
Transfers between funds	-	-	800	-	1,950	314	-	3,064
At 31.12.20	£8,916	£60,304	£40,381	£22,416	£122,534	£19,146	£19,602	£293,299

Fund balances are represented by cash.

Staff Costs Fund: Amounts contributed by cathedrals to the costs of employing the Executive Director.

Chapter Training Project Fund: Established to account for grants from the Church Commissioners relating to the Chapter Training Project.

Cathedral and Major Church Projects Support Panel Fund: Created by donations from the Allchurches Trust and Church Commissioners to fund a Panel of expert volunteers, supported by two part-time Co-ordinators, to give advice to cathedrals on projects to ensure they are well conceived, planned and executed.

Communications Project Fund: Amounts contributed by cathedrals to provide traditional and social media support to cathedrals and improve their profile externally.

Peer Review Project Fund: Established to account for grants from the Church Commissioners to fund peer reviews of cathedral governance.

2020 Year of Cathedrals Year of Pilgrimage Project Fund: Established in response to grants from the Church Commissioners and Kirby Laing Foundation to fund expenditure to increase the mission and profile of cathedrals in 2020.

Economic and Social Impacts Fund: Set up to account for a grant from the Church Commissioners to fund a new survey of the Economic and Social Impacts of England's Cathedrals.

6 PAID EMPLOYEES

During the year, the Association employed four part-time members of staff (total 1.6 FTE) and reimbursed their expenses totalling £1,875 (2019: five part-time members of staff (total 1.6 FTE), expenses reimbursed: £4,971). The Association received £3,064 during the year in Coronavirus Job Retention Scheme grants from HM Government.

	Year ended 31.12.2020	Year ended 31.12.2019
	£	£
Salaries	68,393	62,216
National insurance	1,143	941
Pension costs	2,704	2,136
Total	£72,240	£65,293

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

No employee received employee benefits of more than £60,000.

The Association of English Cathedrals participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. The Association participates in the latter section.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable in the year, 2020: £2,704 (2019: £2,136).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020. For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the Association of English Cathedrals could become responsible for paying a share of that employer's pension liabilities.

7 EXECUTIVE MEMBERS REMUNERATION, BENEFITS AND EXPENSES

No member of the Executive Committee was paid any remuneration or received any other benefits from an employment with the Charity.

Members of the Executive Committee had their travel and subsistence expenses reimbursed but no other payments were made to Executive Committee members.

	Year ended 31.12.2020	Year ended 31.12.2019
No. of members who were paid expenses	5	12
Travel and subsistence expenses	£692	£4,665

THE ASSOCIATION OF ENGLISH CATHEDRALS

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020 (continued)

8 RELATED PARTY TRANSACTIONS

There were no related party transactions.

9 COVID-19 PANDEMIC

The members of the Executive Committee acknowledge and recognise the potential impact of Covid-19 on the Association's operations. One-off projects are funded in advance of expenditure being incurred and income to fund recurring projects is unlikely to be materially affected. Members have considered whether Covid-19 has had any impact on the Association's ability to continue operating for the foreseeable future; they are confident that the Association has sufficient resources to meet its liabilities as they fall due and that it is a going concern.