

**THE FRIENDS  
OF  
LIVERPOOL CATHEDRAL**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED  
30<sup>TH</sup> SEPTEMBER 2018**

**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 2018**

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The trustees are pleased to present their annual report for the year ended 30<sup>th</sup> September 2018.

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**

During the year the Charity has continued to generate income from subscriptions, gifts, donations, legacies and organising events such as a talk and demonstration by Cefyn Burgess on the designing and weaving of the new fabrics for the Cathedral. Another talk was given by Mr Phil Harrison on the building of the Metropolitan Cathedral and the final talk of the year was a talk entitled 'Spare a Copper' by a retired policeman. Trips were undertaken to Sheffield Cathedral and Selby Abbey.

The Friends of Liverpool Cathedral are very grateful for the income which has been used to reupholster the chairs in the Deans Office; provide large television screens for the Christmas services; pay for the weaving of the special material for the Choir's cassocks; sponsor one Organ Scholar and two Choral Scholars and continue to pay for the Cathedral flowers.

The income was used for the benefit of Liverpool Cathedral in accordance with the Constitution.

On Shrove Tuesday 2019 we are holding an evening of Musical entertainment led by Lee Ward the Cathedral's Director of Music.

**THE FRIENDS OF LIVERPOOL CATHEDRAL**  
**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2018**

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**FINANCIAL REVIEW**

Total income for the year was £356,324 (2017: £19,226) of which £271,399 (2017: £nil), related to funding for projects upon which restrictions are placed.

Total expenditure for the year was £47,092 (2017: £21,278), leaving a surplus for the year of £309,232 (2017: deficit £2,052).

At 30<sup>th</sup> September 2018 the charity's reserves stood at £395,790 (2017: £86,558) of which £266,399 (2017: £nil) represented restricted funds.

**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.

**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 £129,391. The charitable company requires £126,276 for three years running costs.

**PLANS FOR THE FUTURE**

We have agreed to pay the next years rent for the Music Scholarship accommodation as well as to provide white goods for the house.

We have agreed in principle to fund disabled access to the Chapter House.

We will continue to pay for the screens for major services and also to the Annual Flower Grant.

It is proposed to pay for the building and installation of the Echo Organ over the next two years.

We have agreed to continue to sponsor one Organ Scholar and two Choral Scholars for at least the next two years.

**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.

**THE FRIENDS OF LIVERPOOL CATHEDRAL  
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2018**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Name** The Friends of Liverpool Cathedral

**Charity Number** 1122672

**Address & Office** Liverpool Cathedral  
St James Mount  
Liverpool  
L1 7AZ

**Trustees** During the year members of the Committee were as follows:

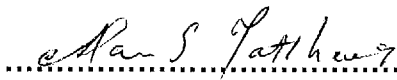
**Officers** Mr Derek Collins (Resigned 1<sup>st</sup> July 2018)  
Mr David Hudson  
Alan S Matthews (Chair)  
Alice M Palmer  
Valerie Rooke (Treasurer)  
Mr Gratten Williams

**Other Committee Members** Alethea Fielding  
Phillip Homes (Appointed 31<sup>st</sup> July 2017)  
Edward Hughes  
Michael Poole  
Canon Paul Rattigan  
(Chapter representative)  
Roy Redman  
Helen Roberts  
Dianne Rothwell  
Geoffrey Shipley  
Elizabeth Threadgold (Resigned 15<sup>th</sup> July 2018)  
Derek Wells (Resigned 15<sup>th</sup> July 2018)  
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:** 27th March 2019.....

# 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 2018 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

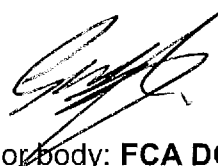
(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Mr Graham Wright**

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

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

Dated: **2 April 2019**



**THE FRIENDS OF LIVERPOOL CATHEDRAL**  
**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2018**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		2018 £	2018 £	2018 £	2017 £
<b>Income and endowments from:</b>					
Donations and legacies	2a	80,919	271,399	352,318	15,904
Other trading Activities	2b	3,093	-	3,093	3,093
Investments	2c	913	-	913	229
		-----	-----	-----	-----
<b>Total income</b>		<b>84,925</b>	<b>271,399</b>	<b>356,324</b>	<b>19,226</b>
		-----	-----	-----	-----
<b>Expenditure on:</b>					
Raising Funds		2,040	-	2,040	1,959
Charitable Activities	3	40,052	5,000	45,052	19,319
		-----	-----	-----	-----
<b>Total expenditure</b>		<b>42,092</b>	<b>5,000</b>	<b>47,092</b>	<b>21,278</b>
		-----	-----	-----	-----
<b>Net income/(expenditure), net movement in funds</b>		<b>42,833</b>	<b>266,399</b>	<b>309,232</b>	<b>(2,052)</b>
		-----	-----	-----	-----
Total funds brought forward	6, 7	86,558	-	86,558	88,610
		-----	-----	-----	-----
<b>Total funds carried forward</b>	<b>5-7</b>	<b>129,391</b>	<b>266,399</b>	<b>395,790</b>	<b>86,558</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 2018**

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	Notes	30 <sup>th</sup> September 2018	30 <sup>th</sup> September 2017
		£	£
<b>Current assets</b>			
Cash at bank and in hand		396,290	87,033
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	4	(500)	(475)
		-----	-----
<b>Net current assets</b>		395,790	86,558
		-----	-----
<b>Total assets less current liabilities</b>		<b>395,790</b>	<b>86,558</b>
		=====	=====
<b>Funds:</b>		<b>£</b>	<b>£</b>
Unrestricted funds	5, 6	129,391	86,558
Restricted funds	5, 7	266,399	-
		-----	-----
		<b>395,790</b>	<b>86,558</b>
		=====	=====

Approved and authorised for issue by the trustees on 29<sup>th</sup> March 2019 and signed on their behalf by:

Alan S. Matthews  
**Alan Matthews**  
 Trustee, Chair

Valerie Rooke  
**Valerie Rooke**  
 Trustee, Treasurer



## **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**

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. Thus the trustees continue to adopt 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 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.

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.

### **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**

	<b>Unrestricted Funds 2018 £</b>	<b>Restricted Funds 2018 £</b>	<b>Total Funds 2018 £</b>	<b>Total Funds 2017 £</b>
<b>a. Donations and legacies</b>				
Donations	3,415	5,000	8,415	5,330
Gift Aid	1,527		1,527	-
Legacies	62,066	266,399	328,465	-
Membership subscriptions	13,911	-	13,911	10,574
	<b>80,919</b>	<b>271,399</b>	<b>352,318</b>	<b>15,904</b>
	=====	=====	=====	=====
<b>b. Other trading activities</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Outings and Events	3,093	-	3,093	3,093
	=====	=====	=====	=====
<b>c. Investments</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank Interest	913	-	913	229
	=====	=====	=====	=====

### 3. Expenditure on Charitable Activities

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2018 £	Total 2017 £
To promote and support any charitable activities calculated to preserve and beautify the cathedral, its history and its music.	43,444	1,608	45,052	19,319
	=====	=====	=====	=====

#### a. Analysed as follows:

	2018 £	2017 £
<i>Direct charitable expenditure:</i>		
Chapter Gifts	43,444	17,700
	-----	-----
	<b>43,444</b>	<b>17,700</b>
	-----	-----
<i>Support &amp; Governance costs:</i>		
Office costs	1,000	1,000
Lawn master	108	144
Accountancy	500	475
	-----	-----
	<b>1,608</b>	<b>1,619</b>
	-----	-----
<b>Total expenditure on charitable activities</b>	<b>45,052</b>	<b>19,319</b>
	=====	=====

£5,000 (2017: £nil) of the above expenditure is restricted expenditure

No employee received emoluments of more than £60,000 during the year. (2017: none)

The Trustees are not remunerated for their services.

No out of pocket expenses were reimbursed to trustees in the year (2017: £nil).

#### 4. Creditors

	2018	2017
	£	£
Accruals	500	475
	=====	=====

#### 5. Analysis of Net Assets between Funds

	Tangible Fixed Assets	Net Current Assets	Total
	£	£	£
<b>Unrestricted Funds</b>			
General Fund	-	129,391	129,391
	-----	-----	-----
<b>Restricted Funds</b>			
E Golby Legacy	-	266,399	266,399
	-----	-----	-----
<b>Totals</b>	-	<b>395,790</b>	<b>395,790</b>
	=====	=====	=====

#### 6. Unrestricted Funds

	Resources at Beginning of year	Movements in the Year		Resources at End of Year
	£	Income	Expenditure	£
		£	£	
General Fund	86,558	22,859	(42,092)	67,325
Legacies	-	62,066	(-)	62,066
	-----	-----	-----	-----
	<b>86,558</b>	<b>84,925</b>	<b>(42,092)</b>	<b>129,391</b>
	=====	=====	=====	=====

##### **General Fund**

This fund is used to finance the charity's general activities and core costs as outlined in the Trustees' Report.

#### 7. Restricted Funds

	Resources at Beginning of year	Movements in the Year		Resources at End of Year
	£	Income	Expenditure	£
		£	£	
E Golby Legacy	-	266,399	(-)	266,399
Organ Scholarship Donation	-	5,000	(5,000)	-
	-----	-----	-----	-----
	-	<b>271,399</b>	<b>(5,000)</b>	<b>266,399</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

**Organ Scholarship Donation** – Contribution towards the set up an organ scholarship

**8. Guarantees and Other Financial Commitments**

There are no financial commitments under non-cancellable operating leases (2017: £Nil).

**9. Related Parties**

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

**THE FRIENDS OF LIVERPOOL CATHEDRAL**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2018**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>INCOME</b>		
Donations	9,942	5,330
Legacies	328,465	-
Membership subscriptions	13,911	10,574
Outings and Events	3,093	3,093
Bank Interest	913	229
	-----	-----
<b>Total income</b>	<b>356,324</b>	<b>19,226</b>
	-----	-----
<b>EXPENDITURE</b>		
<b>Raising funds</b>		
Outings and Events	2,040	1,959
	-----	-----
<b>Total expenditure on raising funds</b>	<b>2,040</b>	<b>1,959</b>
	-----	-----
<b>Charitable activities:</b>		
Chapter Gifts	43,444	17,700
Printing & Stationary	500	500
Postage	500	500
Lawn Master	108	144
Accountancy	500	475
	-----	-----
<b>Total expenditure on charitable activities</b>	<b>45,052</b>	<b>19,319</b>
	-----	-----
<b>Total expenditure</b>	<b>47,092</b>	<b>21,278</b>
	-----	-----
<b>Net income/(expenditure) for the year</b>	<b>309,232</b>	<b>(2,052)</b>
	=====	=====

(This page does not form part of the statutory financial statements)