

**Peterborough Cathedral Development and Preservation
Trust CIO**

Unaudited Financial Statements

31 March 2018

STEPHENSON SMART (EAST ANGLIA) LIMITED

Chartered Accountants

2 The Crescent

Wisbech

Cambridgeshire

PE13 1EH

Peterborough Cathedral Development and Preservation Trust CIO

Financial Statements

Year ended 31 March 2018

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Peterborough Cathedral Development and Preservation Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2018.

Reference and administrative details

Registered charity name	Peterborough Cathedral Development and Preservation Trust CIO
Charity registration number	1159730
Principal office	Room 1 Ground Floor Archdeaconry House 15 Gravel Walk Peterborough
Patron	His Royal Highness The Duke of Gloucester KG GCVO
President	The Lord Bishop of Peterborough
Vice Presidents	Lord Boswell of Aynho DL Mr P Boizot MBE Mr R Brudenell The Duke of Buccleuch KBE DL The Very Rev'd Michael Bunker The Rev'd Richard Coles Sir Peter Ellwood CBE VLL Mrs P Escombe MBE DL Mr J Ford OBE Sir Ewan Harper CBE Lady Harper Mr J Henniker-Major Mr M Learoyd Lady Victoria Leatham Mr S Leatham DL Mr B Long MBE Sir Phillip Naylor-Leyland BT Sir John Parsons KCVO Mr D Reynolds OBE DL Mr M Saunders Watson DL Mr S Schanschieff OBE DL Mrs J Spence LL QPM Col J Weir OBE DL Dr S Furness LL PhD Sir H Duberley KVCO Ms Sharon Abbott

Peterborough Cathedral Development and Preservation Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

The trustees	The Rev'd Canon J Baker Col R Boyle DL Ms L Ayres Mr B Hellyer DL Mr J Higgs Sir L Howard KCVO OBE Mr T James Rev'd Canon T Alban Jones MBE Mr D Laing LL Mr P Lawson DL Mr N Robertson Mr M Smith Miss A Spriggs Miss J Hill Mr Paul Parsons Mrs C Heath Mrs J Spence The Very Rev'd C Dalliston Mr R Barnwell DL Rev'd Canon I Black	(resigned 11 August 2017) (resigned 6 December 2017) (appointed 6 December 2017) (appointed 6 December 2017) (appointed 6 December 2017) (resigned 11 August 2017) (appointed 6 December 2017) (appointed 7 December 2017) (resigned 11 August 2017)
Chairmanship	Chairman – Mr P Lawson DL	
Independent examiner	Stephenson Smart (East Anglia) Limited 2 The Crescent Wisbech Cambridgeshire PE13 1EH	
Bankers	Barclays Bank Plc 1 Church Street Peterborough PE1 1XE The CBF Church of England Funds 80 Cheapside London EC2V 6DZ	
Solicitors	Farrer & Co 66 Lincolns Inn Fields London WC2A 3LH	

Peterborough Cathedral Development and Preservation Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

Structure, governance and management

The Peterborough Cathedral Development and Preservation Trust is a charitable incorporated organisation (CIO) and was registered with the Charity Commissioners on 29 December 2014. During the year to 31 March 2018 the funds and activities of the Peterborough Cathedral Development and Preservation Trust were transferred to the CIO.

The Trustees are responsible for the sound management of the Charity and are responsible for the appointment of new Trustees. Trustees must number a minimum of 7 and a maximum of 25. All Trustees are appointed for a three-year term and when making appointments Trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

In addition to appointed trustees, the Dean of Peterborough Cathedral is automatically a charity trustee.

The Executive Committee also have powers to appoint not more than three charity trustees for a fixed term of office.

Objectives and activities

The objectives of the Charity are the support of such charitable purposes connected with the Cathedral and the Chapter of Peterborough Cathedral, and the support of such other charitable purposes or charitable foundations as the Trustees, being not less than seven in number, shall from time to time by deed executed with their unanimous consent declare.

Achievements and performance

The amount raised in the year was £98,050.

Among the projects that have been completed are the Visitor and Education Centre; grants were given to improve the lighting throughout the Cathedral Grounds, as well as grants to support music, fabric and ministry.

The generosity of members of the Company of St Peter supports the routine work of the Cathedral contributing to the cost of ministry, maintaining its fabric, providing Choral Music throughout the year and the cost of Lay Clerks.

The Trust is very grateful to all those grant making trusts and individuals who have supported, and continue to support this icon building in the heart of Peterborough City Centre.

Note 11 sets out grants made throughout the year to Chapter.

Fundraising

The sole purpose of the Trust is to raise funds to support the work and ministry of the Cathedral and to preserve, maintain and improve its fabric and facilities. It does so through encouraging membership of the Company of St Peter; direct fundraising through grants, donations, legacies and fundraising events. The Trust also encourages businesses to join the Corporate Partnership.

Income received may be restricted for use on a project or purpose specified by the donor. Such income is classified as restricted and must be used for the project purpose. Income may be paid directly to the Chapter in accordance with the terms of the grant or donation. Otherwise funds are transferred from time to time for use at the discretion of the Chapter in furtherance of the objectives of the Trust. A small balance is retained to cover fundraising costs.

Peterborough Cathedral Development and Preservation Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

Volunteers

The Trust is indebted to the hard work and commitment of all Trustees and other volunteers in supporting its work. In addition, the hard work of the Chapter staff in supporting and sustaining the work of the Trust was highly valued.

Financial review

The Trust uses Xero accounting software to generate regular reports and provide an up to date statement as to the financial position of the Trust at any one time. A review of financial position at the end of the reporting period is required.

Reserves policy

It is the intention of the Trustees to maintain 12 months unrestricted income for operational costs in order to cover ongoing costs, and that normally 10% of all donations received are allocated to the cost of generating income and support costs of the Charity.

Future developments

The Peterborough Cathedral Trust has ambitious plans to drive income generation in 2019/2020. The Trust decided in 2018 to take on a full-time Fundraising Manager, who would drive legacies, corporate, major donors as well as secure funding from grant making trusts and foundations, with the aim to increase income and widen its support locally, regionally and nationally.

The Trust will be seeking funding for a number of capital projects, mainly new roof, new toilet facilities and a number of repairs and improvements as suggested in the latest quinquennial report.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of

Peterborough Cathedral Development and Preservation Trust CIO

Trustees' Annual Report *(continued)*

Year ended 31 March 2018

the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on 5th May 2019 and signed on behalf of the board of trustees by:

Mr Peter Lawson DL
Chairman

Peterborough Cathedral Development and Preservation Trust CIO

Independent Examiner's Report to the Trustees of Peterborough Cathedral Development and Preservation Trust CIO

Year ended 31 March 2018

I report to the trustees on my examination of the financial statements of Peterborough Cathedral Development and Preservation Trust CIO ('the charity') for the year ended 31 March 2018.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements 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.

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 financial statements do not accord with those records; or
3. the financial statements 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.

Christopher Goad FCA
Independent Examiner

2 The Crescent
Wisbech
Cambridgeshire
PE13 1EH

5th May 2019

Peterborough Cathedral Development and Preservation Trust CIO

Statement of Financial Activities

Year ended 31 March 2018

		2018			
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	3,457	7,800	—	11,257
Charitable activities	5	900	—	—	900
Investment income	6	2	—	—	2
Total income		<u>4,359</u>	<u>7,800</u>	<u>—</u>	<u>12,159</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	7	—	253	—	253
Expenditure on charitable activities	8	17,318	87,772	—	105,090
Total expenditure		<u>17,318</u>	<u>88,025</u>	<u>—</u>	<u>105,343</u>
Net outgoing resources		(12,959)	(80,225)	—	(93,184)
Gross transfers between funds		806	(806)	—	—
Net movement in funds		<u>(12,153)</u>	<u>(81,031)</u>	<u>—</u>	<u>(93,184)</u>
Reconciliation of funds					
Total funds brought forward		—	—	—	—
Transfer funds from Charity		80,621	210,367	17,719	308,707
Total funds carried forward		<u>68,468</u>	<u>129,336</u>	<u>17,719</u>	<u>215,523</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 16 form part of these financial statements.

Peterborough Cathedral Development and Preservation Trust CIO

Statement of Financial Position

31 March 2018

	Note	2018 £
Current assets		
Debtors	15	172,367
Cash at bank and in hand		47,249
		<u>219,616</u>
Creditors: amounts falling due within one year	16	4,093
Net current assets		<u>215,523</u>
Total assets less current liabilities		<u>215,523</u>
Net assets		<u>215,523</u>
Funds of the charity		
Endowment funds		17,719
Restricted funds		129,336
Unrestricted funds		68,468
Total charity funds	17	<u>215,523</u>

These financial statements were approved by the board of trustees and authorised for issue on 5th May 2019 and are signed on behalf of the board by:

Miss J Hill
Trustee

The notes on pages 10 to 16 form part of these financial statements.

Peterborough Cathedral Development and Preservation Trust CIO

Statement of Cash Flows

Year ended 31 March 2018

	2018 £
Cash flows from operating activities	
Net expenditure	(93,184)
<i>Adjustments for:</i>	
Other interest receivable and similar income	(2)
Interest payable and similar charges	14
Accrued expenses	3,300
Transfer fund balances from Charity	308,707
<i>Changes in:</i>	
Trade and other debtors	(172,367)
Trade and other creditors	793
Cash generated from operations	47,261
Interest paid	(14)
Interest received	2
Net cash used in operating activities	<u>47,249</u>
Net decrease in cash and cash equivalents	47,249
Cash and cash equivalents at beginning of year	<u>—</u>
Cash and cash equivalents at end of year	<u>47,249</u>

The notes on pages 10 to 16 form part of these financial statements.

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Organisation (CIO). The address of the principal office is Cathedral Office, Minister Precincts, Peterborough, PE1 1XS.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Endowment funds represent assets which must be held permanently by the Trust. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations and gifts	<u>3,457</u>	<u>7,800</u>	<u>11,257</u>

5. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £
Charitable activities	<u>900</u>	<u>900</u>

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

6. Investment income

	Unrestricted Funds	Total Funds 2018
	£	£
Bank interest receivable	2	2

7. Costs of other trading activities

	Restricted Funds	Total Funds 2018
	£	£
Costs of events and activities	253	253

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Grants payable	10,278	87,772	98,050
Support costs	3,360	–	3,360
Governance costs	3,680	–	3,680
	<u>17,318</u>	<u>87,772</u>	<u>105,090</u>

9. Analysis of support costs

	2018 £
Staff costs	2,412
Computer expenses	400
General office	534
Bank charges	14
	<u>3,360</u>

10. Analysis of governance costs

	2018 £
Independent examination fee	1,500
Accounts fees	2,180
	<u>3,680</u>

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

11. Analysis of grants

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Grants to Peterborough Cathedral:			
Annual grant: ministry	–	4,991	4,991
Annual grant: music	–	17,806	17,806
Annual grant: fundraising costs	–	330	330
Sustainability No1	–	43,000	43,000
Visitor centre	–	3,746	3,746
J Hall Research	–	3,822	3,822
Floodlights	–	2,597	2,597
Fabric	–	5,678	5,678
Music endowment fund	–	5,802	5,802
Other	10,278	–	10,278
	<u>10,278</u>	<u>87,772</u>	<u>98,050</u>

12. Independent examination fees

	2018 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,500</u>

13. Staff costs

Staff costs are the charges paid to an Agency.

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018 £
Wages and salaries	<u>2,412</u>

The average head count of employees during the year was Nil.

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the Trustees or any persons connected with them.

15. Debtors

	2018 £
Prepayments and accrued income	397
Amounts due from Peterborough Cathedral	60,368
Amounts due from Peterborough Cathedral Development and Preservation Trust	111,602
	<u>172,367</u>

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

16. Creditors: amounts falling due within one year

	2018 £
Trade creditors	793
Accruals and deferred income	3,300
	<u>4,093</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
General funds	–	902	(7,040)	–	(6,138)
Designated Fund - CSP					
Trustee Discretion	–	2,500	–	37,053	39,553
Designated Fund - PB900 Trustee					
Discretion	–	957	(10,278)	44,374	35,053
	<u>–</u>	<u>4,359</u>	<u>(17,318)</u>	<u>81,427</u>	<u>68,468</u>

The Company of St Peter (CSP) Trustee Discretion designated fund are unrestricted funds used for projects and general purposes. The CSP income is from CSP members, Trustees, Vice Presidents and Vice Chairs.

The PB900 Trustee Discretion designated funds are unrestricted funds used for projects and general purposes. The PB900 income is from membership fees and donations from local industry, company and commercial supporters of the Cathedral Peterborough 900 campaign.

Restricted funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Company of St Peter	–	–	(21,833)	21,833	–
Peterborough 900	–	7,800	(66,192)	187,728	129,336
	<u>–</u>	<u>7,800</u>	<u>(88,025)</u>	<u>209,561</u>	<u>129,336</u>

Endowment funds

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
CSP Ministry					
Endowment	–	–	–	13,635	13,635
CSP Fabric Endowment	–	–	–	4,084	4,084
	<u>–</u>	<u>–</u>	<u>–</u>	<u>17,719</u>	<u>17,719</u>

Peterborough Cathedral Development and Preservation Trust CIO

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Current assets	72,561	129,336	17,719	219,616
Creditors less than 1 year	(4,093)	—	—	(4,093)
Net assets	<u>68,468</u>	<u>129,336</u>	<u>17,719</u>	<u>215,523</u>

19. Related party transactions

During the year the Trust entered into the following transactions with related parties:

Grants of £87,772 were awarded to the Chapter of Peterborough Cathedral during the year, of which some of the Trustees are members. Included within debtors is an amount of £60,368 in respect of advances to the Chapter of Peterborough Cathedral.

No guarantees have been given or received.