



THE ASSOCIATION OF ENGLISH CATHEDRALS

**REPORT OF THE EXECUTIVE COMMITTEE
AND FINANCIAL STATEMENTS**

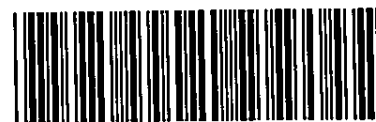
FOR THE YEAR ENDED

31 MARCH 2014

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

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

MONDAY



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30/06/2014
COMPANIES HOUSE

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The members of the Executive Committee have pleasure in presenting their report and the financial statements of the Association for the year ended 31 March 2014 which have been prepared in accordance with the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice "Accounting and Reporting by Charities" (revised 2005).

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 at any time during the year ended 31 March 2014 were as follows

The Very Rev'd Vivienne Faull, Dean of York, Chairman

Mr Adrian Beney, Chapter member, Durham Cathedral

The Rev'd Canon Sam Corley, Canon, Bradford Cathedral (from March 2014)

The Rev'd Canon Simon Cowling, Canon, Sheffield Cathedral (to August 2013)

The Very Rev'd Adrian Dorber, Dean of Lichfield

The Rev'd Canon Perran Gay, Canon, Truro Cathedral

The Very Rev'd Jonathan Greener, Dean of Wakefield

Mrs Caroline Jarvis, Chapter Clerk, Southwell Minster

Mrs Caroline Robinson, Treasurer, Chelmsford Cathedral

Mrs Sara Stonor, Chapter member, Chichester Cathedral

The Very Rev'd Michael Tavinor, Dean of Hereford

The Rev'd Canon Carl Turner, Canon, Exeter Cathedral

The Very Rev'd Robert Willis, Dean of Canterbury

Principal advisers

Bankers

The Co-operative Bank

PO Box 250, Delf House

Southway

Skelmersdale WN8 6WT

Royal Bank of Scotland

Bury St Edmunds Branch

90 Guildhall Street

Bury St Edmund's

Suffolk IP33 1PH

THE ASSOCIATION OF ENGLISH CATHEDRALS

Independent Examiner
Stuart Bailey
Chartered Accountant
4A Little Cloister
Westminster
London SW1P 3PL

Structure, governance and management

Incorporation, etc.

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 trustees of the Association of English Cathedrals are known as Executive Committee members and are also the company directors. The Executive Committee manages the Association and exercises all the powers of the charity in accordance with the Memorandum and Articles of Association.

The members of the Association are the administrative bodies of the 42 English Anglican Cathedrals. Westminster Abbey and St George's Chapel Windsor are associate members. The members elect the Executive Committee.

Risk management

The members of the Executive have considered the risks which the Association may face and are satisfied that adequate contingency plans appropriate to the size of the Association are in place to lessen the effect of such risks.

Objectives and activities

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 and St George's Chapel Windsor 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) To work 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,

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- (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

Executive Committee

The composition of the Executive Committee remained relatively unchanged during the year The Rev'd Canon Simon Cowling resigned in August 2013 to take up his appointment as Rector of the Priory Church of St Mary and St Cuthbert, Bolton In March 2014, the Rev'd Canon Sam Corley, Canon Precentor at Bradford Cathedral, was co-opted onto the Executive to fill the vacancy

Achievements and performance

The Executive Committee met on seven occasions during the year At six of these meetings, the Committee discussed matters of interest to the members, agreed actions and reviewed progress An additional all-day meeting was held for the first time in November This meeting, at the Royal Foundation of St Katherine, provided an opportunity to reflect, review the AEC's strategy, and identify areas in which work would be beneficial better to support member cathedrals An Annual General Meeting attended by representatives of the Association's members was held as usual in June

In the year under review, the activities undertaken for the public benefit included initiating two working groups one to review the work of cathedrals with children and young people, involving conducting research and identifying best practice, with the aim of disseminating findings to cathedrals and the wider church to enhance their children and young people's work, the other to devise a framework for evaluating cathedrals' performance, encouraging Chapters to consider how their cathedrals fulfil their purpose as centres of worship and mission, and whether they are making efficient and effective use of the resources available to them

The Cathedrals' Liturgy and Music Group, a permanent sub-group of the Association, met on three occasions The Group works on issues relating to liturgy and music in cathedrals and produces papers which are disseminated to cathedrals, but are also available to the wider church The Group's work enables cathedrals to advance the Christian religion in the Anglican tradition by facilitating the best in worship

The Executive has actively supported a research project looking at Church Growth undertaken by the Church Commissioners The results were published in a report entitled 'From Anecdote to Evidence', encompassing the whole of the Church Growth Research Project, and in two reports on the Cathedrals and Greater Churches sub-project The report establishes that cathedrals congregations have grown since the millennium, and where and when this growth has happened It identifies the key aspects of growth The Executive is now seeking to use these findings by encouraging Chapters to consider them when developing their plans

The Executive Committee commissioned enhancements to the new website to reflect the use of social media by cathedrals and the AEC (Twitter address @engcathedrals) The website continues

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to be a useful way of providing information for the general public about cathedrals and how they work, and the AEC, as well as information of use to cathedrals

Two training courses have been run for new Chapter members, one at Southwark Cathedral in June and the other, for the first time a 24-hour session, in October at the Royal Foundation of St Katherine. These have proved 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.

The AEC took an active part in lobbying the Government to address the anomaly whereby cathedrals are excluded from the existing Heritage Lottery Fund Grants for Places of Worship scheme, for which all other listed places of worship, from all faith groups, are eligible to apply. The Executive was delighted when the Chancellor announced in the March 2014 budget that £20 million would be made available over two years for necessary repairs to listed cathedral churches (both Anglican and Roman Catholic) to ensure the buildings are well placed to offer a range of events, commemorations and services to their communities to mark the centenary of the First World War. Executive members and the AEC Co-ordinator worked with Government Departments and other national bodies on a number of issues relating to cathedrals. Action has been taken to represent the interests of cathedrals by commenting on forthcoming legislation, both church and state.

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 also to provide information to cathedrals on relevant legislative changes and developments in charity taxation. 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. During the year, the AEC entered into a partnership arrangement with the Association of Leading Visitor Attractions, sharing information and participating in seminars and meetings. Cathedrals are important tourist attractions and sharing information with ALVA members will help cathedrals improve their visitor offer.

The Executive has continued to liaise with the Church Commissioners on behalf of cathedrals, and its Chairman is a member of the Commissioners' Spending Review Group. It has continued to monitor the processes for Crown appointments in cathedrals and for deans' appointments where the bishop appoints to a vacancy, these processes, introduced a few years ago, are now working well and resulting in strong appointments. The Executive has observed the process for the creation of the new Diocese of West Yorkshire and the Dales, which will have three cathedrals, and will evaluate the impact on the cathedrals.

During the year, the Executive has addressed the issue of the regulatory position of cathedrals as charities outside charity legislation and thereby regulation by the Charity Commission. Meetings have been held with the Charity Commission to discuss the implications of a possible legislative change to make cathedrals subject to the same regulatory regime as most other charities, and independent legal advice has been sought on the implications. The Executive continues to consider the situation in conjunction with the Church Commissioners, who currently have a quasi-regulatory role.

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The AEC Co-ordinator provided support to cathedrals in a number of areas and also produced best practice papers and guidance notes, assisting cathedrals in their work

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

Financial review

Results of the year

Income exceeded expenditure by £351 (2013, excess of expenditure over income £3,828). The excess of unrestricted income over expenditure was £379 (2013, £3,967 excess of expenditure over income), and of restricted expenditure over income was £28 (2013, excess of income over expenditure £139)

Reserve Policy

The Executive Committee members aim to maintain a reserve equivalent to six months expenditure for cash flow purposes. Given the nature of the Association's activities, the members do not consider a larger reserve is required

Trustees' responsibilities

The members of the Executive Committee are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations

In preparing those financial statements, the members of the Executive Committee are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the activities of the Association will continue

The members of the Executive Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and which enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

For and on behalf of the members of the Executive Committee



Vivienne Faull
Chair

6 May 2014

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

I report on the accounts of the Association for the year ended 31 March 2014, which are set out on pages 9 to 12

Respective responsibilities of members of the Executive Committee and examiner

The members of the Executive Committee as trustees (and who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

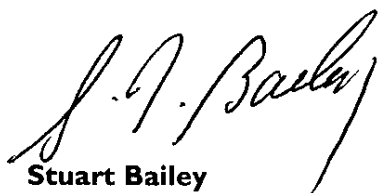
My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 386 of the Companies Act 2006, and to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities 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



Stuart Bailey

Chartered Accountant

6 May 2014

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BALANCE SHEET AS AT 31 MARCH 2014

	2014 £	2013 £
Current assets		
Debtors and prepayments	1,730	260
Cash at bank	13,386	15,795
	<u>15,116</u>	<u>16,055</u>
Current liabilities		
Creditors	(1,376)	(2,666)
Net current assets	<u>£13,740</u>	<u>£13,389</u>
Funds		
Unrestricted funds	13,629	13,250
Restricted funds	111	139
Total funds	<u>£13,740</u>	<u>£13,389</u>

The company is entitled to exemption from audit under Section 477(2) of the Companies Act 2006 for the year ended 31 March 2014

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2014 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 2014 and
signed on their behalf by

Vivienne Faulk
Chair

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2014

	Note	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Incoming resources from generated funds					
Subscriptions		17,600	-	17,600	16,500
Bank deposit interest		22	-	22	40
		17,622	-	17,622	16,540
Incoming resources from charitable activities					
Contributions to costs of Co-ordinator		-	16,292	16,292	16,317
Chapter training courses fees		2,125	-	2,125	1,650
		2,125	16,292	18,417	17,967
Total incoming resources		19,747	16,292	36,039	34,507
Resources expended					
Charitable activities					
AEC Co-ordinator	2	-	16,320	16,320	16,178
Surveys		178	-	178	3,627
Conferences		371	-	371	1,280
Chapter training courses		3,001	-	3,001	1,687
English cathedrals website		2,196	-	2,196	6,326
General Synod fringe event		693	-	693	-
Cathedrals' Liturgy and Music Group		2,458	-	2,458	3,050
Children in Cathedrals and Self-evaluation Groups		1,295	-	1,295	-
Charitable status work		1,735	-	1,735	-
Subscriptions		730	-	730	780
		12,657	16,320	28,977	32,928
Governance costs	3	5,866	-	5,866	4,760
Other resources expended					
Insurance		281	-	281	266
Other		564	-	564	381
		845	-	845	647
Total resources expended		19,368	16,320	35,688	38,335
Net incoming/ (outgoing) resources for the year					
		379	(28)	351	(3,828)
Fund balances brought forward		13,250	139	13,389	17,217
Fund balances carried forward at 31 March 2014		<u>£13,629</u>	<u>£111</u>	<u>£13,740</u>	<u>£13,389</u>

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2014

	2014	2013
	£	£
Income		
Subscriptions	17,600	16,500
Contributions to Co-ordinator's costs	16,292	16,317
Chapter training courses fees	2,125	1,650
Bank interest	22	40
	36,039	34,507
Expenditure		
AEC Co-ordinator	16,320	16,178
Surveys	178	3,627
Conferences	371	1,280
Chapter training courses	3,001	1,687
English cathedrals website	2,196	6,326
Cathedrals' Liturgy and Music Group	2,458	3,050
Children in Cathedrals and Self-evaluation groups	1,295	-
Charitable status of cathedrals	1,735	-
General Synod fringe meeting	693	-
Cathedrals as Places of Adult Learning	-	-
Subscriptions	730	780
Governance costs	5,866	4,760
Insurance	281	266
Other	564	381
	35,688	38,335
Operating (deficit)/ surplus for the year	<u>£351</u>	<u>£(3,828)</u>

This Income and Expenditure Account is included in the Financial Statements in compliance with the Companies Act 1985

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014

1 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 (Revised 2005), the Charities Act 2011 and with applicable 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

2 PAID EMPLOYEES

The Association employs one part-time member of staff (0.4 FTE) and reimburses her expenses The total employment cost was £15,553 (2013, £15,353) No pension contributions are payable

3 GOVERNANCE COSTS

Governance costs comprise the expenses of members of the Executive Committee and of Executive Committee meetings and the Annual General Meeting as well as the annual charge for company registration

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

	2014	2013
No. of members who were paid expenses	11	10
Travel expenses	£4,052	£3,549

4 RELATED PARTY TRANSACTIONS

There were no related party transactions