



THE ASSOCIATION OF ENGLISH CATHEDRALS

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

FOR THE YEAR ENDED

31 MARCH 2010

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

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

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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 2010 which have been prepared in accordance with the Companies Act 2006, the Charities Act 1993 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 2010 were as follows:

The Very Rev'd Christopher Armstrong, Dean of Blackburn

The Very Rev'd David Brindley, Dean of Portsmouth, Secretary/ Treasurer (to June 2009)

The Very Rev'd Vivienne Faull, Dean of Leicester, Chairman (from June 2009)

The Very Rev'd Peter Judd, Dean of Chelmsford

The Rev'd Canon Dr David Kennedy, Canon, Durham Cathedral

The Very Rev'd Dr Christopher Lewis, Dean of Christ Church, Oxford, Chairman (to June 2009)

Mr Anthony Lyddon, Administrator, Guildford Cathedral (from January 2010)

The Very Rev'd Jonathan Meyrick, Dean of Exeter (from March 2009)

Mr John Morris, Chapter Steward, York Minster

Mr John Roberts, Administrator, Wells Cathedral (to September 2009)

The Rev'd Canon Bruce Ruddock, Canon, Peterborough Cathedral

The Very Rev'd Colin Slee, Dean of Southwark

The Rev'd Canon Dr Frances Ward, Canon, Bradford Cathedral

The Very Rev'd Justin Welby, Dean of Liverpool (from June 2009)

The Very Rev'd Robert Willis, Dean of Canterbury

Principal advisers

Bankers

Royal Bank of Scotland
Bury St Edmunds Branch
90 Guildhall Street
Bury St Edmund's
Suffolk IP33 1PH

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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.

Achievements and performance

The Executive Committee met on six occasions during the year. In addition, an Annual General Meeting attended by representatives of the Association's Members was held in June. At these meetings, the Committee discussed matters of interest to the members, agreed actions and reviewed progress.

In the year under review, the activities undertaken for the public benefit included fundraising for and conducting a national survey of visitors and non-visitors to cathedrals. The survey establishes how satisfied visitors are with their visits and what they experienced and learned, and also establishes why people do not visit and what might attract them to visit in future. The results, which have been disseminated to the participating cathedrals, will help identify how cathedrals can best reach out to and engage with the public, introducing them to England's Christian past and the traditions that have formed our current society; optimise the visitor experience and ensure that money is invested where it can have most impact; and also assist in demonstrating cathedrals' contribution to the nation's life and heritage.

Two training courses have been run for new Chapter members. 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.

Executive members and the AEC Co-ordinator also worked with Government Departments and other national bodies on issues relating to cathedrals, such as the Points Based System for immigration and the new Ecclesiastical Exemption Order. 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 so that it can work with the wider church and also to provide better information to cathedrals on relevant legislative changes.

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.

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The Cathedrals' Liturgy and Music Group, a sub-group of the Association, met on two 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.

During the year, the AEC gave a grant of £2,000 to Cathedrals as Places of Adult Learning (CPAL), an organisation which promotes education in cathedrals. CPAL has an executive committee which meets regularly to further the organisation's work. During the year, the Rev'd Canon Alwyn Pettersen took over the chairmanship on the retirement of Richard Ely. This year, much effort has gone into the launch of a website toolkit to support those working in adult education in cathedrals and greater churches by providing examples of best practice and advice on how to put together a project, including fundraising leads.

The Executive members consider that all activities undertaken have been for the public benefit, and 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 £8,653 (2009, excess of expenditure over income £5,851). The excess of unrestricted income over expenditure was £6,786, and of restricted income over expenditure (monies received but not yet expended on the National Visitor and Non-Visitor Survey) was £1,867.

Reserve Policy

The Executive Committee members aim to maintain a reserve equivalent to four 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.

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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 Faul
Chairman

15 June 2010

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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 2010, which are set out on pages 9 to 13.

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 43(2) of the Charities Act 1993 (the 1993 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 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 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.

15 June 2010

Stuart Bailey

Chartered Accountant

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BALANCE SHEET AS AT 31 MARCH 2010

	2010	2009
	£	£
Current assets		
Debtors and prepayments	280	1,611
Cash at bank	19,057	9,230
	<i>19,337</i>	<i>10,841</i>
Current liabilities		
Creditors	(2,449)	(2,606)
Net current assets	<u>£16,888</u>	<u>£8,235</u>
Funds		
Unrestricted funds	15,021	8,235
Restricted funds	1,867	-
Total funds	<u>£16,888</u>	<u>£8,235</u>

The company is entitled to exemption from audit under Section 477(2) of the Companies Act 2006 for the year ended 31 March 2010.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2010 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 15 June 2010 and signed on their behalf by:

Vivienne Faul
Chairman

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2010

	Note	Unrestricted funds £	Restricted funds £	Total 2010 £	Total 2009 £
Incoming resources from generated funds					
Subscriptions		11,000	-	11,000	8,800
Bank deposit interest		61	-	61	220
		<i>11,061</i>	-	<i>11,061</i>	<i>9,020</i>
Incoming resources from charitable activities					
Contributions to costs of Co-ordinator		-	14,843	14,843	14,408
Grants and contributions to Survey costs	2	-	96,400	96,400	-
Contributions to cost of Counsel's Opinion		-	-	-	1,208
Training courses fees		1,380	-	1,380	1,158
		<i>1,380</i>	<i>111,243</i>	<i>112,623</i>	<i>16,774</i>
Total incoming resources		12,441	111,243	123,684	25,794
Resources expended					
Charitable activities					
AEC Co-ordinator	3	352	14,843	15,195	15,708
Pilot surveys		-	-	-	353
National visitor and non-visitor survey		-	88,879	88,879	5,654
Counsel's Opinion		-	-	-	2,013
Conferences		30	-	30	104
Training courses		1,716	-	1,716	1,487
English cathedrals website		172	-	172	234
Cathedrals' Liturgy and Music Group		2,605	-	2,605	2,457
Cathedrals as Places of Adult Learning		2,000	-	2,000	-
Subscriptions		433	-	433	270
		<i>7,308</i>	<i>103,722</i>	<i>111,030</i>	<i>28,280</i>
Governance costs	4	3,509	-	3,509	2,723
Other resources expended					
Insurance		226	-	226	225
Bank charges		140	-	140	130
Other		126	-	126	287
		<i>492</i>	-	<i>492</i>	<i>642</i>
Total resources expended		11,309	103,722	115,031	31,645
Net incoming (outgoing) resources for the year					
		1,132	7,521	8,653	(5,851)
Fund balances brought forward		8,235	-	8,235	14,086
Transfers between funds		5,654	(5,654)	-	-
Fund balances carried forward at 31 March 2010		<u>15,021</u>	<u>1,867</u>	<u>16,888</u>	<u>8,235</u>

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
Income		
Subscriptions	11,000	8,800
Contributions to Co-ordinator's costs	14,843	14,408
Contributions to National Survey costs	96,400	-
Contributions to Counsel's Opinion	-	1,208
Training courses fees	1,380	1,158
Bank interest	61	220
	<i>123,684</i>	<i>25,794</i>
Expenditure		
AEC Co-ordinator	15,195	15,708
Counsel's Opinion	-	2,013
Surveys	88,879	6,007
Conferences	30	104
Training courses	1,716	1,487
English cathedrals website	172	234
Cathedrals' Liturgy and Music Group	2,605	2,457
Cathedrals as Places of Adult Learning	2,000	-
Subscriptions	433	270
Governance costs	3,509	2,723
Insurance	226	225
Bank charges	140	130
Other	126	287
	<i>115,031</i>	<i>31,645</i>
Operating surplus (deficit) for the year	<u>£8,653</u>	<u>£(5,851)</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 2010

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 (Revised 2005), the Charities Act 1993 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 SOFA.

Expenditure and liabilities

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

2 CONTRIBUTIONS TO NATIONAL SURVEY COSTS

Contributions were gratefully received from the following:

	£
Allchurches Trust	10,000
Annandale Charitable Trust	5,000
Deo Gloria Trust	1,000
English Heritage	20,000
Friends of Southwark Cathedral	800
Garfield Weston Foundation	25,000
The Kirby Laing Foundation	5,000
Liverpool Cathedral Centenary Fund	3,500
The Mercers' Company	1,000
The Steel Charitable Trust	3,000
Participating cathedrals	22,100
	<u>£96,400</u>

3 PAID EMPLOYEES

The Association employs one part-time member of staff (0.4 FTE) and reimburses her expenses. The total employment cost was £14,583 (2009 £15,307). No pension contributions are payable.

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4 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.

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

	2010	2009
No. of members who were paid expenses	11	12
Travel expenses	£2,598	£2,128

5 RELATED PARTY TRANSACTIONS

There were no related party transactions.