



# **ACCOUNTING REGULATIONS CHECKLIST**

## **GUIDANCE NOTE**

**to the**

**Accounting and Reporting**

**Regulations**

**for English Anglican Cathedrals**

**CAFA Guidance Note 2**

**issued by CAFA**

**June 2016**

# Accounting Regulations Checklist

This checklist has been prepared to support the preparation and review of cathedrals' annual reports and accounts, assisting cathedrals to comply with the 2015 Regulations. This checklist should not be regarded as complete or exclusive. The Accounting Regulations for English Anglican Cathedrals, February 2015, are the primary source and must be complied with.

## Annual Report

Includes the following:

### Objectives and activities

- A statement confirming that Chapter has regard to Charity Commission guidance on public benefit
- Statement of aims

### Achievements and performance

- Progress on achieving main priorities, quantified if appropriate

### Financial review

- Unrestricted reserves policy
- Comparison of level of reserves compared to the policy
- Investment policy
- Investment performance against policy and appropriate benchmarks
- Description of principal risks and uncertainties together with a summary of plans and strategies to manage those risks

### Plans for future periods

- A summary of the aims and objectives for the future and details of activities planned to achieve them

### Structure, governance and management

- Nature and date of the cathedral's governing statute
- State that the cathedral is an ecclesiastical corporation
- Describe role in the diocese
- Describe and explain the role of the Council, the Chapter, the College of Canons and the Finance Committee and the role of the Bishop

- Method of appointing Chapter members
- Procedures for inducting new Chapter members
- Description of how decisions are made
- Changes in senior clerical and lay appointments
- Chapter's arrangements for setting the pay and remuneration of key senior staff
- Statement of the responsibilities of Chapter
- Statement of cathedral's investment powers

#### **Reference and administrative details**

- Full legal name of the cathedral
- Office address
- Names of:
  - members of Chapter and their executive posts
  - the Administrator
  - the Surveyor to the Fabric
  - the Finance Committee
  - the Fabric Advisory Committee
  - the Director of Music
- Names and addresses of the cathedral auditor, bankers, solicitors, accountants, investment managers, architect
- Funds held as custodian trustee on behalf of others

#### **Financial statements**

- Show Church Commissioners' grants (S21 and S23) as restricted income and related expenditure in restricted expenditure
- Include previous year comparatives for all figures in the SOFA either on the face of the SOFA or in the notes
- Analyse the SOFA and Balance Sheet in columns for unrestricted, restricted, endowment and total funds
- Statement of cash flows

## Accounting policies

- State that accounts have been drawn up according to the Accounting Regulations and applicable accounting standards
- Cathedral and inventory
- Property
- Investments
- Legacies
- Third party, and non-cash, receipts and payments
- Nature of governance costs included within support costs
- Method of apportionment of support costs

## Note disclosures

- Description of funds
- Material individual fund balances
- Staff numbers and full-time equivalent staff numbers
- Staff costs
- Higher paid staff
- Pensions
- Related party disclosures, or state that there were none or were not material
- Remuneration of members of Chapter
- Expenses of members of Chapter
- Auditor's remuneration
- Guarantees or charges given on assets, if applicable
- Commitments to future major expenditure, if applicable
- Internal transfers with connected entities, if applicable

## Approval and Publication

- Annual Report signed and dated by the Dean
- Balance Sheet signed and dated by the Dean and another member of Chapter
- Independent Auditor's Report signed and dated
- Copy of Annual Report and Accounts sent to the Church Commissioners, within seven months of year end
- Availability of Annual Report and Accounts publicised by usual cathedral methods such as notice in the cathedral
- Made available on cathedral's own website (*not required by the Regulations but encouraged*)

## Supplementary information

- Summarised accounts for the Friends and other non-controlled entities which exist wholly or principally for the benefit of the cathedral
- Income received from Friends and other non-controlled entities in previous two years and promised for next year