



# Friends of St Paul's Cathedral

Report and Accounts  
for the year ended 31 December 2021

Registered Charity No. 261905

## Report and Accounts for the year ended 31 December 2021

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## Reference and Administration Details

<i>Registered Charity Name</i>	Friends of St Paul's Cathedral
<i>Charity Number</i>	261905
<i>Charity Correspondent</i>	Nicky Wynne Director of Development The Chapter House, St Paul's Churchyard, London EC4M 8AD
<i>Telephone</i>	0207 246 8329
<i>Fax</i>	0207 248 3104
<i>Email</i>	friends@stpaulscathedral.org.uk
<i>Website</i>	www.friends.stpauls.co.uk
<i>Patron</i>	Her Royal Highness The Duchess of Gloucester GCVO
<i>Presidents</i>	The Lord Bishop of London & The Lord Mayor of London
<i>Chairman</i>	The Very Reverend Dr David Ison (appointed 13 October 2021) The Reverend Jonathan Brewster (resigned 13 October 2021)
<i>Vice Chairman</i>	Dr Phillip Rice
<i>Honorary Treasurer</i>	Mr Robert Palmer
<i>Council</i>	<i>Appointed by Chapter:</i> Ms Elizabeth Foy Mr Niul Dillon Hatcher Ms Sheila Nicoll  <i>Elected by the Annual General Meeting:</i> Dr Phillip Rice (Vice Chairman) Mr Robert Palmer (Honorary Treasurer) Mr Samuel Ennis Ms Yodia Lo Mrs Jean Reed Mr Mike Tadman
<i>Auditors</i>	West Wake Price LLP 4 City Road, London EC1Y 2AA
<i>Honorary Legal Adviser</i>	Mr Owen Carew-Jones Winckworth Sherwood, Minerva House, 5 Montague Close, London SE1 9BB
<i>Bankers</i>	NatWest plc Juxon House, 98 St Paul's Churchyard, London EC4M 8BU
<i>Investment Manager</i>	CCLA Investment Management Limited 80 Cheapside, London EC2V 6DZ

## Report of Council for the year ended 31 December 2021

Council present their annual report and the financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities governing documents, 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 effective from 1 January 2019.

### **History of the Friends of St Paul's**

A Cathedral dedicated to St Paul has overlooked the City of London since 604 AD and is probably the fifth to occupy this site. It was designed by Sir Christopher Wren and built between 1675 and 1710 after the Great Fire of 1666 had destroyed its predecessor.

When raids on London began during World War I, a group of men and women who loved the current Cathedral formed the St Paul's Fire Watch to patrol the building. They re-formed during World War II, inviting their friends and families to join them to guard the Cathedral each night. The Watch was disbanded at the end of the war.

The Friends of St Paul's took root from the Watch and was formally founded on Tuesday 29 April 1952 with 84 members. The Friends' first Festival Service on Thursday 21 May 1953 was attended by HM The Queen Mother who was Patron from 1952 until 2002, succeeded by HRH The Duchess of Gloucester GCVO.

The whole cathedral community is most grateful to Her Royal Highness for her dedication to the whole Cathedral and to the Friends and the choristers in particular.

### **Objects and Activities**

The Friends of St Paul's have the twin aims of fellowship and fundraising and exist to promote the work of the Cathedral through prayer and support often in both time and money.

Its objects include contributing to the preservation of the fabric of St Paul's Cathedral; the maintenance of the Cathedral and its buildings; the ornaments and furnishings; the services held in the Cathedral; the musical foundation and the library.

Council aims to achieve these objects by promoting the benefits of the Cathedral's Friends membership. These include receiving a quarterly newsletter sent out by email, the opportunity to participate in activities and events for supporters, and contributing to the awarding of financial grants to Chapter (The Corporation of the Cathedral Church of St Paul in London).

There were approximately 1,900 Friends members as at 31 December 2021, of which approximately 680 were lifetime members and of which, over ninety five percent were living in the United Kingdom. St Paul's receives little regular or significant funding from the state, but the cost of maintaining it is high. Contributions from Friends – through their subscriptions and additional Gift-Aided donations, or through a gift in a Will – are most gratefully received by Chapter.

Friends benefit from free admission to the Cathedral, a 10% discount in the Cathedral shop, reserved seats by application for certain Cathedral events and a quarterly e-newsletter of news about the Cathedral and its work. From time to time, there are also opportunities to enjoy activities such as lectures and Friends-exclusive social events at additional cost.

## Report of Council for the year ended 31 December 2021 continued

### **Structure, Governance and Management**

On 4 January 1971 Friends of St Paul's Cathedral was registered with the Charity Commission, and its Governing Document was established on 20 October 1971 by a Scheme of the Charity Commission.

In 2013 a thorough constitutional review was undertaken by Wilsons, retained by the Friends Council, in order to comply with best practice and new Charities Act legislation. An Amended Scheme was approved on 21 May 2013 and more detailed associated rules and regulations on 5 May 2015.

The Council as Trustees are responsible under the Governing Document for controlling the management and administration of the Friends.

The Friends Council consists of two members of the Chapter, one of whom will be Chairman or Vice Chairman, and not more than nine members of the Friends of whom three will be appointed by Chapter, and six will be elected at the Annual General Meeting. The Honorary Treasurer is appointed from within that group.

Council meets three times a year, and the names of those serving are given on page 2. Members of Council give their time voluntarily and receive no remuneration or other benefits.

### **Achievements and Performance**

In recognition of the Friends support, events are typically held throughout the year which provide us with the opportunity to come together as Friends and as community. Unfortunately, due to the Covid-19 pandemic and the unpredictability of 2021 there were no in-person Friends events in 2021. Instead the Friends were treated to several online talks provided by a Cathedral Volunteer and Friend. These took place by zoom at different times throughout the year in order for as many Friends as possible to take part. These were free online events, however the opportunity to donate to the Cathedral was offered at the time of booking a ticket.

In normal times the Cathedral holds an annual Friend's Festival that includes the Annual General Meeting as well as a choral evensong and a choristers' recital, usually in the presence of the Patron. This event is open to all members of the public, free of charge. Unfortunately, as a result of the restrictions in place due to Covid-19 the Friend's Festival took on a slightly different format for 2021. The Friend's Festival was held in July and consisted of Choral Evensong attend by the Patron, HRH the Duchess of Gloucester. The Choristers' provided a lovely recorded recital which was shared online with the Friends through the Friends website the following day at 6pm. The 2021 AGM was held virtually in December due to the continuing Covid-19 pandemic.

May 2021 saw the launch of the Friends website and an enormous thank you must go to the Worshipful Company of Information Technologists who have now made it possible for people to join the Friends online. The Friends website is a resource exclusive to the Friends and includes information on upcoming Friends events, fundraising updates, general Cathedral news as well as exclusive digital content for the Friends to enjoy - updated quarterly. The website has been a great way to engage with the Friends and showcase in more detail life in the Cathedral. In June 2021 this included a slideshow covering the recent Cathedral roof repairs and at Christmas, a short video on how the Advent Wreath is made.

We were pleased to be able to gather at the end of November for the Advent Carol service, a highlight in the Friends calendar. Sadly, in light of the growing number of Covid-19 cases at the time we felt it was not advisable to hold a Friends supper afterwards.

## Report of Council for the year ended 31 December 2021 continued

### **Achievements and Performance continued**

We are excited to announce that 2022 is the Friends 70th anniversary and we are looking forward to a bumper year of events and celebrations especially as the Cathedral will be hosting the Queen's Platinum Jubilee service in June 2022 and there will be a fantastic Jubilee exhibition in the Crypt of the Cathedral between May and October 2022. Admission to this will be free with Friends membership.

The Friends will also be launching their very own online exhibition, looking at the past 70 years of the Friends, how they were born out of the St Paul's Watch in 1952 and our hopes for the future.

The Friends Council met three times during 2021 and financial grants were made to support the work and mission of the cathedral, for which Chapter were most grateful.

### **Financial Review, Reserves and Investment Policies**

The financial results are set out on pages 12 to 19.

#### ***Net Income/(Expenditure) and Funds***

Net expenditure for the year was £72,631 (2020: net expenditure of £1,263)

Funds amounted to £300,420 at 31 December 2021 (2020: £373,051).

#### ***Voluntary Income***

The level of voluntary income was £97,807 (2020: £72,392).

Considerable time and resources continue to be freely given by many Friends. Through their dedicated commitment to this great Cathedral of St Paul they provide invaluable voluntary help, support and advice, whilst performing a huge amount of work and activity behind the scenes.

#### ***Grants awarded to Chapter***

From time to time, the Cathedral requests financial support for specific projects. After approval by the Council, grants are disbursed on the formal application of the Cathedral. In this connection reference should be made to the policies on reserves and investment which follow.

During the year, the fourth payment of a five year grant of £20,000 per annum was agreed to the Cathedral's Schools & Families department and the last of a four year grant of £10,000 per annum was agreed for funding for the Choristers' education.

During 2020, Council designated £50,000 to the Cathedral's Remember Me project to create a memorial and space to remember those who have died due to Covid-19. During the first half of 2021, at the Cathedral's request, Council agreed to redirect these funds to the Whispering Gallery Safety project. Subsequently at the October 2021 Council meeting, at the Cathedral's request, the Trustees approved payment of both the £50,000 Remember Me grant and £50,000 for the Whispering Gallery Safety project.

## Report of Council for the year ended 31 December 2021 continued

### **Reserves Policy**

Council acknowledges that funds raised should generally be expended as soon as possible on the objects of the Friends. However, Council recognises that many projects involve the expenditure of large sums, the funding of which can only be met by the accumulation of income over a period and therefore, from time to time, the balance of the funds will be allowed to increase to provide such sums.

Council agreed in May 2014 to hold minimum free reserves of £100,000 with all future grants being assessed in light of this and that the level of reserves to be reviewed each year. As at 31 December 2021, the total funds of the charity were £300,420 (2020: £373,051) and were above the minimum reserves target by £200,420 (2020: £273,051 above the target). Of the total reserves £240,360 were unrestricted (2020: £311,450).

### **Investment Policy**

The funds held by the Friends are essentially of a short term nature, held so as to be available to meet appropriate requests from Chapter.

Therefore the policy is for these funds to be invested in the CCLA's COIF Charities Deposit Fund, which principally invests in sterling denominated Call Accounts, Term Deposits and Money Market Instruments and follows an ethical investment policy consistent with the Friends' objectives.

### **Five Year Financial Summary**

<i>Financial Year End</i>	<i>Income</i>	<i>Expenditure</i>	<i>Surplus/(Deficit)</i>	<i>Total Funds</i>
	£	£	£	£
31 December 2016	226,033	176,028	50,005	691,050
31 December 2017	116,768	401,807	(285,039)	406,011
31 December 2018	97,168	115,739	(18,571)	387,440
31 December 2019	81,172	94,298	(13,126)	374,314
31 December 2020	74,082	75,345	(1,263)	373,051
31 December 2021	98,027	170,658	(72,631)	300,420

### **Future Plans**

Council will continue to encourage Friends in their support of Cathedral activities. It will also, as it has in the past, continue to provide funds for specific projects or general financial support.

### **Statement of Council's Responsibilities**

Charity law requires Council as Trustees to prepare a trustees' annual report and financial statements for each financial year which show a true and fair view of the state of affairs of the Charity and its financial activities for that period. In preparing those 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operational existence.

## Report of Council for the year ended 31 December 2021 continued

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. 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 Council are fully aware of the guidance from Charity Commissioners under the Charities Act 2011 in relation to Public Benefits and are mindful of their obligations to have regard to this. The Council are confident the Friends' activities are in pursuit of its objects and are delivering Public Benefit

### **Independent Auditors**

West Wake Price LLP, who had previously acted as auditors to the Friends of St Paul's Cathedral, were re-appointed by Council.

### **Conclusion**

Council express sincere appreciation to all members of the Friends of St Paul's for their loyalty, support and encouragement.

By Order of the Council

A handwritten signature in black ink, appearing to read 'D. Ison', written over a horizontal line.

The Very Reverend Dr David Ison  
Chair



## Independent Auditors' Report to the Council

### Opinion

We have audited the financial statements of the Friends of St Paul's Cathedral for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Council are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

## Independent Auditors' Report to the Council (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Council's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of the Council**

As explained more fully in the Council's responsibilities statement (set out on page 6 and 7 of the Council's annual report), the Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made of having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

## Independent Auditors' Report to the Council (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non compliance with laws and regulations related to the regulatory framework for charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, Charities SORP FRS102.

We evaluated the Council's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the overall risk is low because with regard to income, which is predominantly voluntary, is mostly received by direct debits and standing orders or by cheques in respect of legacies which are promptly banked. All expenses are verified by the Finance Manager. Audit procedures performed by the engagement team included:

- Review of the financial statement disclosures to underlying supporting documentation;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating the Council's controls designed to prevent and detect irregularities;
- Identifying and testing journals and evaluating whether there was evidence of bias by the Council that represented a risk of material misstatement due to fraud;
- Review of other correspondence with the Finance Manager.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Council of Friends of St Paul's Cathedral, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Council of Friends of St Paul's Cathedral those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Friends of St Paul's Cathedral and its Council as a body, for our audit work, for this report, or for the opinions we have formed.



**West Wake Price LLP**

Statutory Auditors

Chartered Accountants

Date: 14 June 2022

4 City Road

London

EC1Y 2AA

West Wake Price LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Statement of Financial Activities for the year ended 31 December 2021**

	Notes	2021 £	2020 £
<b>Income</b>			
Voluntary Income			
Subscriptions		35,625	40,275
Donations		30,072	31,417
Legacies	3	32,110	700
		<u>97,807</u>	<u>72,392</u>
Activities for generating funds - Events & Activities	4	-	-
Interest Received		220	1,690
<b>Total Income</b>		<u><b>98,027</b></u>	<u><b>74,082</b></u>
<b>Expenditure</b>			
Expenditure on Raising Funds			
Staff Costs	6	35,000	35,000
Costs of Events & Activities	4	-	-
Printing and Mailing Costs		1,253	3,208
Administration		-	120
Audit Fee		2,280	2,280
Bank Charges		584	2,606
		<u>39,117</u>	<u>43,214</u>
Expenditure on Charitable Activities			
Publication Costs / Dome Magazine		-	3,672
Grants to St Paul's Cathedral	5	131,541	28,459
		<u>131,541</u>	<u>32,131</u>
<b>Total Expenditure</b>		<u><b>170,658</b></u>	<u><b>75,345</b></u>
<b>Net Expenditure</b>		<b>(72,631)</b>	<b>(1,263)</b>
<b>Reconciliation of Funds</b>			
Total Funds brought forward		373,051	374,314
<b>Total Funds carried forward</b>		<u><b>300,420</b></u>	<u><b>373,051</b></u>

The notes on pages 14 to 19 form part of these financial statements.

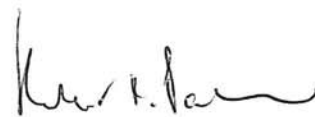
**Balance Sheet as at 31 December 2021**

	Notes	2021 £	2020 £
<b>Current Assets</b>			
Debtors	7	44,317	11,329
CBF Deposit Account		149,981	399,794
Cash at bank and in hand		108,402	134,624
<b>Total</b>		<b>302,700</b>	<b>545,747</b>
<b>Current Liabilities</b>			
Accruals	8	2,280	2,280
Amounts owing to St Paul's Cathedral	9	-	168,136
Sundry Creditors	9	-	2,280
<b>Total</b>		<b>2,280</b>	<b>172,696</b>
<b>Net Current Assets</b>		<b>300,420</b>	<b>373,051</b>
<b>Net Assets</b>		<b>300,420</b>	<b>373,051</b>
<b>Funds of the Charity</b>			
Restricted Funds		60,060	61,601
Unrestricted Funds		240,360	311,450
<b>Total Funds</b>	11	<b>300,420</b>	<b>373,051</b>

The financial statements on pages 12 to 19 were approved by Council on 26 May 2022 and signed on its behalf by:



**The Very Reverend David Ison**  
Chairman



**Robert Palmer**  
Honorary Treasurer

The notes on pages 14 to 19 form part of these financial statements.

## Notes to the Financial Statements for the year ended 31 December 2021

### I. Accounting policies

#### ***Basis of preparation and assessment of going concern***

The accounts have been prepared under the historical convention. The accounts 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 United Kingdom and Republic of Ireland (FRS 102 SORP) and the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trust constitutes a public benefit entity as defined by FRS 102.

In accordance with FRS 102 section 7.1B, the charity is entitled to exemption from preparing a statement of cash flows.

The trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern. The financial statements have been prepared on a going concern basis.

#### ***Income***

Where income has related expenditure (as with events, activities and merchandise) the income and related expenditure are reported gross.

Income from subscriptions, donations, events and activities are accounted for on a receivable basis.

Legacies are accounted for as income where there is clear entitlement; the amount can be measured reliably; and is probable. Receipt is probable when:

- Confirmation has been received from the representatives of the estate that probate has been granted; and
  - The executors have established there are sufficient assets in the estate to pay the legacy; and
  - All conditions attached to the legacy have been fulfilled or are within the charity's control.
- Measurement is based on the value listed in the will for pecuniary gifts, provided the estate has sufficient funds, and on the estate accounts for residuary gifts.

Income tax recoverable is included at the same time as the income to which it relates adjusted for administrative delays as necessary.

Investment income is included when receivable.

Gifts in kind are accounted for at a reasonable estimate of their value or the amount actually realised.

Donated services and facilities are only included in income (with an equivalent amount in expenditure) where the benefit is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value of the service or facility received.

The value of voluntary help received is not quantified and not included.

### **Expenditure and Liabilities**

Expenditure, including irrecoverable value added tax, is included on an accruals basis. Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.

Current liabilities, being those payable within one year of the balance sheet date, are separately disclosed from non-current liabilities.

Grants awarded to the Chapter are minuted once Council has made unconditional commitments to pay the grants and reflected in the accounts under notes 5 and 10.

Governance costs include the costs of the preparation of statutory and management accounts, accounts supervision, tax services, Council meetings and advice on governance or constitutional matters.

### **Foreign Currencies**

Transactions denominated in foreign currencies are translated at the exchange rates ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the balance sheet date. All foreign exchange gains and losses are recognised in the Statement of Financial Activities.

### **Assets**

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value on receipt, and depreciation is provided at 25% per annum over four years. Other items are expensed on acquisition. There were no tangible assets as at 31 December 2021.

### **Restricted and Unrestricted Funds**

Restricted funds comprise of funds that are subject to restrictions and can only be applied for particular purposes within their objects.

Unrestricted funds comprise of funds that are not subject to any restrictions regarding their use, and are available for any charitable purpose of the Friends.

### **Financial instruments**

The company has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **Cash and cash equivalents**

Cash and cash equivalents included cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

### **Critical accounting estimates and areas of judgments**

In view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

## **2. Taxation**

Friends of St Paul's Cathedral is a registered charity, and is exempt from tax on its income and gains where they are applied for charitable purposes.



**3. Legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Legacies	32,110	700

All of the legacies were unrestricted in both 2021 and 2020.

**4. Events and Activities**

Unfortunately, due to the disruption caused by the Covid-19 pandemic there were no physical Events and Activities during either 2021 or 2020.

**5. Grants**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants to St Paul's Cathedral for Choristers	10,000	10,000
Grants to St Paul's Cathedral Schools & Families	20,000	20,000
Organ Transmission grant	1,541	(1,541)
Grant to St Paul's Cathedral for the Remember Me Covid-19 memorial	50,000	-
Grant to St Paul's Cathedral for Whispering Gallery Safety	50,000	-
	<u>131,541</u>	<u>28,459</u>

Further information on the grants awarded is included in note 10.

**6. Staff Costs and Remuneration of Key Management Personnel**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff Management Charge	35,000	35,000

The charity considers its key management personnel comprise the Very Reverend David Ison (Chairman) and Robert Palmer (Honorary Treasurer) who have no employment benefits (2020: none).

**7. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accrued Income, including Gift Aid recoverable	12,133	-
Due from St Paul's Cathedral Foundation	32,184	11,329
	<u>44,317</u>	<u>11,329</u>

As at 31 December 2021, amounts due from St Paul's Cathedral Foundation included £20,000 in respect of a legacy (2020: £nil), as well as amounts relating to Friends membership subscriptions paid by credit and debit cards to St Paul's Cathedral Foundation.

**8. Accruals**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Audit Fee	2,280	2,280
	<u>2,280</u>	<u>2,280</u>

**9. Creditors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cathedral – Grant creditor	-	130,000
Cathedral – Management and administrative recharges	-	38,136
	<u>-</u>	<u>168,136</u>
Sundry Creditors	-	2,280
	<u>-</u>	<u>170,416</u>

**10. Contingent Grant Liabilities**

	<i>Brought forward</i>	<i>Designated</i>	<i>Grants recognised in SOFA</i>	<i>Carried forward</i>
<b>2021</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Whispering Gallery Repaving	7,461	-	-	7,461
Cathedral Schools & Families Department	40,000	-	(20,000)	20,000
Music (Organ Transmission)	61,601	-	(1,541)	60,060
Quire Sound System	15,000	-	-	15,000
Chorister Grant	10,000	-	(10,000)	-
Remember Me	50,000	-	(50,000)	-
Whispering Gallery Safety	-	50,000	(50,000)	-
	<u>184,062</u>	<u>50,000</u>	<u>(131,541)</u>	<u>102,521</u>

	<i>Brought forward</i>	<i>Designated</i>	<i>Grants recognised in SOFA</i>	<i>Carried forward</i>
<b>2020</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Whispering Gallery Repaving	7,461	-	-	7,461
Cathedral Schools & Families Department	60,000	-	(20,000)	40,000
Music (Organ Transmission)	60,060	-	1,541	61,601
Quire Sound System	15,000	-	-	15,000
Chorister Grant	20,000	-	(10,000)	10,000
Remember Me	-	50,000	-	50,000
	<u>162,521</u>	<u>50,000</u>	<u>(28,459)</u>	<u>184,062</u>

Grant awards are conditional and recognised as contingent liabilities. Consequently they are only included in the Statement of Financial Activities, once all such conditions are fulfilled. Such grant awards are noted as a commitment in the notes to the accounts but not accrued as expenditure. A brief description of each of the funds is included below.

The Whispering Gallery Repaving fund was originally designated in 2012 at an amount of £20,000. £12,539 was paid to the Cathedral in 2018.

The Cathedral Schools & Families department fund supports the activities of the Cathedral's Schools & Families department. The latest designation of £100,000 was made in 2017 to cover five grants of £20,000 per annum running to December 2022.

The Music (Organ Transmission) fund was established in 2016 (£80,872, including £70,872 was from the J D Worker legacy specifically for the Organ). Amounts of £20,812 have been granted. (£13,780 in 2016; £4,080 in 2017; and £2,952 in 2018). Offsetting debit and credit amounts of £1,541 were recognised in 2020 and 2021 on full reconciliation of balances due to and from the Cathedral.

The Quire Sound System fund was established at £15,000 in 2015 (redirected from funds originally designated for Choir Stall Mock up). No amounts have been utilised. At the Council meeting on 7 March 2022, Council agreed to undesignate these funds.

The Chorister Grant fund. The latest designation of £40,000 was made in 2017 to cover four grants of £10,000 per annum running to December 2021.

During 2020, Council designated £50,000 to the Cathedral's Remember Me project to create a memorial and space to remember those who have died due to Covid-19. During the first half of 2021, at the Cathedral's request, Council agreed to redirect these funds to the Whispering Gallery Safety project. Subsequently at the October 2021 Council meeting, at the Cathedral's request, the Trustees approved payment of both the £50,000 Remember Me grant and £50,000 for the Whispering Gallery Safety project.

In both 2021 and 2020, the Trustees agreed the further payments to be made on the Cathedral Schools & Families Department grant (£20,000 in each of 2021 and 2020) and the Chorister Grant (£10,000 in each of 2021 and 2020).

## 11. Charity Funds

The funds of £300,420 as at 31 December 2021 (2020: £373,051) represent the unexpended resources held within the fund, being its assets less liabilities. The funds consist of £60,060 (2020: £61,601) restricted funds and £240,360 (2020: £311,450) unrestricted funds.

	2021	2020
	£	£
<b>Unrestricted - Designated</b>		
Quire Sound System (Original designation 2015)*	15,000	15,000
Chorister Grant (£10k per annum to Dec 21)	-	10,000
Whispering Gallery Repaving	7,461	7,461
Cathedral Schools & Families Department (£20k per annum to Dec 22)	20,000	40,000
Remember Me (Covid-19 memorial) (designated in 2020)	-	50,000
Other unrestricted - and undesignated	197,899	188,989
<b>Total Unrestricted</b>	<b>240,360</b>	<b>311,450</b>
<b>Restricted</b>		
Music (Organ Transmission)	60,060	61,601
<b>Total Funds</b>	<b>300,420</b>	<b>373,051</b>

\* At the Council meeting on 7 March 2022, Council agreed to undesignate these funds.

## **12. Related party transactions and Trustees expenses**

The Very Reverend Dr David Ison, and Sheila Nicoll are members of the Chapter of St Paul's Cathedral. The Reverend Canon Jonathan Brewster was also a member of the Chapter until his resignation on 13 October 2021.

The Charity's trustees give their time freely and receive no remuneration for the work that they undertake as trustees. No trustee was reimbursed for any costs incurred in fulfilling their duties (2020: £nil).

The Very Reverend Dr David Ison, and Sheila Nicoll are Trustees of the St Paul's Cathedral Choir School (the "School"). The Very Reverend Dr David Ison is also a governor of the School.

Until his resignation on 13 October 2021, the Reverend Canon Jonathan Brewster was also a trustee of St Paul's Cathedral Trust in America, a U.S. based 501(c)(3) public charity that seeks donation in the U.S. to provide funds for St Paul's Cathedral.

During the year the Charity awarded St Paul's Cathedral grants totalling £131,541 (2020: £28,459). As at the year-end grants totalling £nil (2020: £130,000) were owed to the Cathedral. As at the year-end £nil (2020: £38,136) was owed to the Cathedral and included in creditors in relation to the reimbursement of management and administrative costs paid for by the Cathedral and recharged to the Charity.