

The Friends of Arundel Cathedral

Report and Accounts

for year ending

30 June 2011

NOTICE OF MEETING

Notice is hereby given that the thirteenth ANNUAL GENERAL MEETING of the Friends of Arundel Cathedral will be held at St Philip's School, London Road, Arundel, West Sussex on Sunday 16 October 2011 at 4.30pm.

AGENDA

1. Welcome
2. To consider and approve the Minutes of the AGM held on 17 October 2010
3. To receive the Report and Accounts for the year ended 30 June 2011
4. To appoint haysmacintyre as reporting accountants, and to authorise the Council to fix their remuneration
5. To hear the views of members on the prioritisation of projects to be funded
6. To elect members of the Council
7. Any other business

Tea will be served before the meeting.

J F Brotherton
Secretary
September 2011

In accordance with the Articles of Association, Mr G Monet and Mr J Donovan retire from the Council at the AGM; Mr Donovan offers himself for re-election.

Nominations, in writing are invited for other members who wish to stand for election to the Council: they should be addressed to the Secretary of the Company at the Friends Office to arrive before the meeting, please. Nominees must be members of the Friends and have given their consent.

ANNUAL MASS IN HONOUR OF ST. PHILIP HOWARD

The Mass will be celebrated in the Cathedral at 3.00pm on this day for the intentions of the members of the Friends.

The Friends of Arundel Cathedral

Report and Accounts for the year ended 30 June 2011

TABLE OF CONTENTS

Legal and Administrative Information	Page	1
Report of Council	Page	2
Report of the Reporting Accountants	Page	9
Statement of Financial Activities	Page	10
Balance Sheet	Page	11
Notes forming part of the Financial Statement	Page	12
Membership	Page	15

THE FRIENDS OF ARUNDEL CATHEDRAL

LEGAL AND ADMINISTRATIVE DETAILS

HONORARY PRESIDENTS: Rt Rev Kieran Conry Bishop of Arundel and Brighton
His Grace Edward Fitzalan Howard, Duke of Norfolk

CHAIRMAN: Mr P Burgess

DIRECTORS AND COUNCIL MEMBERS:

(The year of expiry of the current period of appointment is shown in brackets and occurs at the AGM of that year)

ELECTED DIRECTORS: Mr J F Brotherton (2013)
Mr M J S Harlock (2013)
Mr G Monet (2011)
Mr J Donovan (2012)
Mrs P Allen (2012)
Mr M Heathcote (2012)

BISHOP'S NOMINEES Rev Canon T Madeley (2011)
Mr P Burgess (2013)

ARUNDEL PARISH NOMINEES: Mrs J Dinham (2012)
Mr A Brearley-Smith (2012)

SECRETARY: Mr J F Brotherton

TREASURER: Mr J F Brotherton

INVESTMENT COMMITTEE: Mr J Donovan (Chairman)
Mr J F Brotherton
Mr M J S Harlock

ADMINISTRATOR: Mrs L Stratford

REGISTERED OFFICE

Bishop's House
The Upper Drive
Hove
East Sussex
BN3 6NB

THE FRIENDS OFFICE

Cathedral House
Parsons Hill
Arundel
West Sussex
BN18 9AY

INDEPENDENT EXAMINERS

Adam Halsey FCA
haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Tel: 01903 884567
email: aruncathfriends@btconnect.com

BANKERS

HSBC Bank plc
69 Pall Mall
London
SW1Y 5EY

INVESTMENT ADVISORS

Investec Wealth & Investment Limited
2 Gresham Street
London
EC2V 7QN

INTRODUCTION

The Directors, who are also the Charity Trustees, present their Annual Report and accompanying Financial Statement for the year ended 30 June 2011.

OBJECTIVES

The objectives of The Friends of Arundel Cathedral, stated in non-legal language, are to support the maintenance and development of the Roman Catholic Cathedral of Our Lady and St Philip Howard at Arundel, West Sussex and, in addition, to work for the recognition of the Cathedral as the Mother Church of the Diocese.

In the past these twin goals have been accomplished first by making of an annual grant and also by organising, or encouraging others to organise, services and events which are aimed at putting the Cathedral at the heart of the Diocese.

INVESTMENTS AND USE OF FUNDS

The capacity of the Council to do anything is to a large extent governed by its resources. The Council has to plan to meet present needs but still to make prudent provision for the future. Fundraising, particularly by expanding the membership of the Friends, is an important part of this.

The simple supply – though very important – of a regular grant for the support of the Cathedral by way of annual grant, raised from the income and investments of the Friends, is, however, unlikely to spark a lively interest among those who might be considering becoming Friends.

And yet, there is a great deal for the Friends to do and there are no other sources of funds to accomplish this within the Diocese, for they are all committed to the support of other pastoral demands and responsibilities.

At the 2009 AGM there was a discussion of projects which might be suitable for funding by the Friends. We explained at the 2010 AGM that the Council had not yet reached any final determination about the approach which it ought to take to the various suggestions that had been put forward.

Since that time, our investment portfolio has continued to increase well ahead of even the unofficial rate of inflation, and creditably ahead of the investment performance of many funds during the same time. This has provided the Council with some room for planning ahead. We have been advised that the charity can continue to make an annual grant of an amount worth approximately the same as in previous years and still expend some further capital on important projects, (which also have some urgency about them). Last year, we did announce that we were proposing that, insofar as possible, the annual grant from the charity should always be linked to something which was an identifiable object, or had an identifiable result. We felt that this would increase the interest of the Friends in our activities, but the Council also believed that by pointing out that there are other important things that the charity can do, more members can be attracted to our number, at least partly because they will see that their giving is having a specific effect.

We have identified two larger projects to which we will contribute over the next two years, while (as mentioned above) retaining the capacity to pay out at least the same grant on an annual basis as at present. These are the restoration and re-erection of the fleche above the Crossing of the Cathedral and, next year, the refurbishing and modernisation St Mary's Hall - the building and the facilities. A broader description of the need for these two initiatives is set out under "Background to the year under review" below.

Meanwhile, the need for the recruitment of Friends is urgent and we hope the heightened profile and the importance of our activities will encourage more to join – individuals, families, institutions, companies, trusts.....

This change in the practical way in which we will seek to fulfil the first of our objectives predicates some slight changes to the management of our investments, though, as mentioned above, we are advised by our investment managers that it should prove possible to ensure that there should be no large diminution in the income that we can expect each year to enable us to continue making an annual grant notwithstanding the donations to special projects mentioned above, and we are also advised that this can be accomplished without any material increase in risk in the portfolio.

Our second objective – that of encouraging a wider appreciation and use of the Cathedral by the faithful from across the Diocese, can only in part be accomplished by the Council and the Friends, for, as we said in our Report last year, the two primary things for which the Cathedral stands and which it does fall under the two broad heads of "devotional" and "educational." However, the publication of Cornerstone has continued at a very high quality and goes from strength to strength: and a new form of service of preparation for Christmas, rather than the traditional carol service (of which there is a plethora in the area at the time) was introduced last year, with some success (though on the night, the results were somewhat dampened by the weather and the dislocation of transport of all kinds). This year we intend to repeat a similar service of prayer and celebration (on 9th December 2011, please note) and, in addition, there was a summer picnic party and concert at St Cuthman's (on 3rd July 2011). We are glad to say that the Corpus Christi services and Carpet of Flowers appear to be attracting increasing devotional attention and, therefore, increasing familiarity with the Cathedral and its role.

BACKGROUND TO THE YEAR UNDER REVIEW

The October 2010 AGM was well attended. This year the AGM will be on Sunday 16th October as already announced in the summer Cornerstone newsletter and we very much hope that more Friends will feel able to attend and share in the Mass which Bishop Kieran will offer in honour of our patron, St Philip Howard, and then join with him and with other members of the Friends and the Cathedral staff and parish at the tea which will follow. At the 2010 AGM a cheque for £43,000 was presented to Bishop Kieran and was specifically given as a contribution towards the repair of the fleche just then starting. This year we have made an additional grant of £150,000 towards the finishing of that restoration.

The remit of the Friends covers not simply the building of the Cathedral itself but Cathedral House, St Mary's Hall, cemetery, lodge and grounds. In this connection we can all appreciate that the Diocese has in one way or another to keep up with the major repairs to Cathedral properties which inevitably arise and which are over and above the annual cost of maintenance. We are also very conscious of the lack of appropriate facilities for welcoming and looking after visitors.

The Cathedral is the sign and the assurance of the presence of the life of the Church in the area – an aspect emphasised by its position on the hill overlooking the Arun valley. Once the fleche had been brought down to ground level, it was discovered that it was in a far worse condition than had been thought and that some of the works of repair undertaken in the 1970's had exacerbated rather than prevented its further disintegration. One result of this was, of course, the increase in the expense required to restore it: nevertheless, to mar the beauty of the Cathedral and its public message by not replacing it was something none of us would wish to contemplate.

The project which the Council has determined, on behalf of the Friends, to support next year is of a more practical implication in the Cathedral's ministry, but also very important. To make St Mary's Hall more practical and adaptable for contemporary requirements, requires structural alterations and some strengthening of the building. All its services and facilities are sadly deteriorated and it was reported that some of those, including the kitchens, were not going to be certified as suitable for public use unless something was urgently done about them. The Cathedral's geographical position in the Diocese already makes its central role of gathering in all the people of the Diocese difficult enough to achieve, but without adequate and proper facilities to welcome them when they come, even more difficult. The Council has, therefore, agreed to make an additional grant of £150,000 towards this important modernisation project next year.

Until membership has increased, it is unlikely that we will be able to support similar projects for the benefit of the Cathedral on any scale other than by continuing with the smaller annual grants which have been distributed in the past – but which, in future, we will still try to identify with particular purposes. That is not to say that the cumulative effect of such grants has not been impressive over the years – so far, since the establishment of the Friends in 1985, a total of £920,000 will have been contributed, including contributions provided for in this year ended June 2011.

But with a certain waning of the initial enthusiasm evident at the Friends' foundation, the numbers have fallen off and it is an urgent matter to increase them: a Cathedral nearby has something close to 2,000 members of its Friends, and with our Mass-going attendance across all the Diocese, we should really have more rather than less than that number – in fact, at the moment, our numbers are one-fifth of that exemplary target!

And yet, with the pressures that the Church is under, the Cathedral is likely to become more important in the life of the Diocese rather than less so and will need more facilities. **So there is much to do and by joining the Friends we all can help to do it.**

MEMBERSHIP

The Friends are delighted to welcome the following new members who have joined during the past year:-

Mrs P Allen	Mrs J Haley
Mr & Mrs R Allison	Revd Canon F Harrington
Mr G Bignall	Mr M Longridge
Mr M Bloxham	Mr & Mrs McKee-Lerbs
Colonel A Brearley-Smith	Miss B Southey
Mr & Mrs M Donovan	Mr & Mrs T Tuppen

Since our last Annual Report, we have learned with sadness of the deaths of the following Friends: may they rest in peace and rise in glory:-

Nigel Brown	died Sept 2010	notified 15/11/2010
Patrick Gaynor	died May 2009	notified 24/09/2010
A McDonald	died Feb 2011	notified 01/04/2011
Miss Peggy Millson	died 10/11/2010	notified 15/11/2010
Canon J Stapleton	died 02/01/2011	notified 28/01/2011
Jeanne Wall	died 18/09/2010	notified 22/11/2010
Mgr T Stonehill	died 31/07/2011	notified 01/08/2011

Membership in all categories currently comprises 384 individuals and 22 parishes, companies or other institutions as follows:-

	01/07/2010	30/06/2011
Individual	180	180
Joint	112	90
Patrons	25	27
Life	84	81
Corporate	6	6

On the following pages, we provide further and more specific details of our constitution, of the membership of the Council, of our investment performance and a summary of the contents of the Annual Accounts which are set out in full at the end of this Report. Other information required by statute to be provided is also set out: our reserves policy, our grant making policy, our investment policy, our fulfilment of the public benefit requirement, our risk management and a statement of the responsibilities of the members of Council in their technical role as 'Directors' of the charity – a status which comes from the fact that, like many modern charities, the Friends of Arundel Cathedral is constituted as a charitable company, rather than as an unincorporated trust.

FURTHER INFORMATION

REPORTING ACCOUNTANTS

At the AGM, of which a notice appears below, a Resolution to appoint haysmacintyre as reporting Accountants will be presented to the Annual General Meeting.

ANNUAL GENERAL MEETING

This year, the Friends' Mass and AGM will take place on Sunday 16 October 2011. The Mass will be celebrated by Bishop Kieran at 3.00pm. Tea will follow in St Philips School after Mass, and our AGM will begin at 4.30pm. We very much hope that you will be with us for both the Mass and the meeting, and will bring friends who may be interested in our task.

CONSTITUTION

The Friends of Arundel Cathedral is a company limited by guarantee, without share capital, and registered as a charity, having as its formal objectives as set out in the Memorandum & Articles of Association, the maintenance support service carrying on and development of the Roman Catholic Cathedral of Our Lady & St Philip Howard at Arundel, West Sussex. The company was incorporated on 21 June 1999 (No 3792834) and registered as a charity on 19 November 1999 (No 1078149).

THE COUNCIL

The Council, or the Board of Directors according to Company Law, consists of up to six members, elected by the overall membership, with a further four members appointed by the Bishop and up to two appointed by Arundel Cathedral Parish through its Parish Finance Committee. The current composition is shown under the legal administrative details.

In the case of each Director, their appointment is made for a maximum of three years, though re-election or reappointment is permitted. The Council meets formally every two or three months. Investment decisions are delegated by the Council to an Investment Committee comprising three of its members. In 2007, the Council appointed Investec (formerly known as Rensburg Sheppards) as our investment managers to manage the portfolio on a discretionary basis for a fee. The Committee receives regular reports from the managers and holds meeting with them and reviews their appointment at regular intervals.

FINANCIAL OBJECTIVE

The long term financial objective is to meet the major and growing part of the Diocesan costs for the Cathedral, which currently falls upon the whole Diocese. A note of the changes in approach to the annual contribution which the Council has decided upon has been given above. It is to be noted that the final decisions as to building and maintenance priorities, however, rest with the Diocese, not with the Council and, subject thereto, it is the Council's duty, as Trustees, to ensure that the charitable objects of the Friends are properly discharged in accordance with law.

As noted above, the Council has a second objective, the encouragement of wider appreciation and use of the Cathedral by parishioners from across the Diocese. The Council is always interested to hear views and suggestions of members and, although, for all the reasons mentioned above, it may be constrained from immediately adopting them or putting them into effect, it will always continue to try to reflect and respect the intentions of its members.

INVESTMENT

Since the establishment of the Friends, we have benefited from a total investment income of over £680,000 and the value of our investments has also more than doubled to £1,344,000, enabling us, as explained above, to make worthwhile contributions to the Cathedral's wellbeing for future years, both on a regular annual basis and, occasionally, in respect of specific projects. The fund managers have been set performance benchmarks and their performance was satisfactory, being slightly below the benchmark for this year but comfortably ahead over the last three years. During the year under review, the value of the portfolio has increased by £186,000.

ANNUAL ACCOUNTS

The detailed Accounts of the Friends are attached to this Report. In summary:-

On 1 July 2010, the value of our assets amounted to £1,304,000. During the 12 months to June 2011, our subscribers and other well wishers contributed some £11,000 including £2,000 from tax repaid under Gift Aid (last year the corresponding figure was £11,000). Including investment income, the total receipts for the year amounted to £36,000 (last year £39,000.)

Our management and administration costs, including employment costs relating to our Administrator, amounted to £8,000 (last year £8,000). The investment management fee was £13,000 (last year £12,000). The costs associated with the Christmas concert were largely defrayed by donations for that purpose to give a small surplus.

This year, our investment income amounted to £24,000 (last year £26,000). The market value of our investments, as noted above, increased by £186,000 (last year £171,000). The total investment return obtained this year was, therefore £210,000 (last year £197,000).

The final result is that we were left with total assets before grants of £1,505,000 and from that we pay grants to the Diocese of £193,000 leaving the Friends with assets at 30 June 2011 of £1,312,000.

STATUTORY INFORMATION

Reserves Policy

The long-term aim is to build up significant reserves to make it possible for the grants paid by The Friends to cover the major part of the costs falling on the Diocese in connection with the Cathedral. While the Trustees view this as an overarching principle, the policy can only be applied in practice in conjunction with the investment and grant making activities of the Friends, which are described below.

Grant Making Policy

While no specific commitment has been made, the general intention is that each year the amount of the annual grant to the Diocese should be at least equal to the sum paid in the previous year, preferably increased in line with inflation. In deciding on the amount of grant in any particular year, this general intention is taken into account and effectively determines the level of any increase that might be affordable. Occasionally, a larger grant may be considered for particular circumstances or projects.

Investment Policy

The primary investment aim is to maximise total return (income and capital growth, these being regarded of equal value), while being mindful of the relevant ethical issues. In implementing this policy, proper consideration is given to the avoidance of undue risk and to the objective of maintaining the annual grant to the Diocese at least at its current level.

Public Benefit

The main public benefit provided by the charity is the provision of financial assistance for the long term maintenance of the Cathedral, which is not only an historic listed building, but one of the landmarks in a town well known for its beauty, and which gains some of its prosperity from its attractiveness to visitors. The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Risk Management

The Council has assessed the major risks to which The Friends are exposed and is satisfied that appropriate systems are in place to mitigate those risks.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of the Friends of Arundel Cathedral for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- Make judgements and 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Approval

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Directors on 8 September 2011 and signed on their behalf by Mr P Burgess as Chairman.

P Burgess
Chairman

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE FRIENDS OF ARUNDEL CATHEDRAL

I report on the financial statements of the company for the year ended 30 June 2011 which comprise the Statement of Financial Activities and Balance Sheet, with the related notes.

This report is made solely to the company's Trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

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

- examine the financial statements under section 43 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act; and
- 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 company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements 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 financial statements which accord with the accounting records and 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 financial statements to be reached.

Adam Halsey FCA
haysmacintyre
Chartered Accountants
Fairfax House
15 Fulwood Place, London WC1V 6AY

8 September 2011

THE FRIENDS OF ARUNDEL CATHEDRAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR YEAR ENDED 30 JUNE 2011

INCOME AND EXPENDITURE

	Notes	2011		2010	
		£	£	£	£
INCOMING RESOURCES					
Subscriptions:					
Life Members		340		315	
Patrons		3,140		3,130	
Corporate Members		275		240	
Friends		5,759		5,834	
Tax Recoverable on Gift Aid Subscriptions		<u>1,619</u>		<u>1,626</u>	
		11,133		11,144	
Donations and Other Income		685		70	
Investment Income		24,247		26,500	
Fundraising Events	2	<u>0</u>		<u>981</u>	
		24,932		27,551	
TOTAL INCOMING RESOURCES			36,065		38,695
RESOURCES EXPENDED					
Fundraising Costs	2	414		654	
Grants to Diocese for Cathedral Maintenance		193,000		43,000	
Staff and Office Costs		5,486		6,097	
Printing and Publicity		1,819		1,425	
Accountancy Fees		300		588	
Fund Management Fees		12,709		11,890	
Depreciation		<u>200</u>		<u>200</u>	
TOTAL RESOURCES EXPENDED			<u>(213,927)</u>		<u>(63,854)</u>
NET (OUTGOING) RESOURCES FOR THE YEAR			(177,862)		(25,159)
GAINS ON INVESTMENT ASSETS:					
Realised		32,488		104,877	
Unrealised		<u>153,724</u>		<u>65,853</u>	
			<u>186,212</u>		<u>170,730</u>
NET MOVEMENT IN FUNDS			8,350		145,571
Accumulated Fund at 1 July 2010			1,303,641		1,158,069
Accumulated Fund at 30 June 2011			<u>£1,311,991</u>		<u>£1,303,641</u>

THE FRIENDS OF ARUNDEL CATHEDRAL

BALANCE SHEET

AT 30 JUNE 2011

	Notes	2011		2010	
		£	£	£	£
Fixed assets					
Tangible Assets	3	200		400	
Investments	4	<u>1,351,730</u>		<u>1,343,554</u>	
			1,351,930		1,343,954
Current Assets					
Debtors	5	1,400		1,400	
Bank Current Account		<u>6,338</u>		<u>5,528</u>	
		7,738		6,928	
Deduct: Current Liabilities					
Creditors	6	(4,677)		(4,242)	
Grant Payable		<u>(43,000)</u>		<u>(43,000)</u>	
		(47,677)		(47,242)	
Net Current Assets/(Liabilities)			(39,939)		(40,313)
Net Assets		<u>£1,311,991</u>		<u>£1,303,641</u>	
Represented by:					
Unrestricted Funds		<u>£1,311,991</u>		<u>£1,303,641</u>	

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 June 2011 and of its net incoming resources for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Council on 8 September 2011 and signed on their behalf by

P BURGESS Chairman

J F BROTHERTON Treasurer

**THE FRIENDS OF ARUNDEL CATHEDRAL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1. PRINCIPAL ACCOUNTING POLICIES

(i) Basis of Accounting

The financial statements have been prepared in accordance with the Charities Act 2006, the Statement of Recommended Practice "Accounting and Reporting by Charities" March 2005, applicable UK accounting standards, and the Companies Act 2006. They are prepared on the historical cost basis of accounting as modified to include the revaluation of investments which are carried at market value.

(ii) Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

(iii) Income

All income is credited to the Statement of Financial Activities when received except tax rebates which are included on the accruals basis.

(iv) Legacies and Donations

Legacies and donations are recognised when the charity becomes legally entitled to them and they can reasonably be measured in financial terms. Receipts of property, investments or other gifts in kind are included at market value.

(v) Expenditure

Expenditure is included in the Statement of Financial Activities as soon as it is incurred. Irrecoverable VAT is included with the category of expense to which it relates.

(vi) Total Recognised Gains and Losses

All recognised gains and losses are included in the income and expenditure account.

(vii) Taxation

The company falls within the various exemptions available to registered charities, and therefore is not liable for income tax or corporation tax.

(viii) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is being provided on a straight line basis to write off the cost evenly over the following estimated useful lives:

Computer equipment – 4 years

(ix) Investments

Quoted investments are valued at their closing middle market price on the balance sheet date. Increases and decreases in market value are reflected in the Statement of Financial Activities.

THE FRIENDS OF ARUNDEL CATHEDRAL

NOTES TO ACCOUNTS - 30 JUNE 2011

	2011	2010
	£	£
2 FUNDRAISING EVENTS		
Christmas Concert - Receipts	0	981
- Expenses	414	654
Fundraising Surplus	<u>(£414)</u>	<u>£327</u>

In 2011 the Christmas concert was free of charge with a collection taken of £589 to give a surplus of £175.

3 FIXED ASSETS - COMPUTER EQUIPMENT

	£
COST	
At 1st July 2010	1,828
Additions	0
At 30th June 2011	<u>1,828</u>
DEPRECIATION	
At 1st July 2010	1,428
Charge for Year	200
At 30th June 2011	<u>1,628</u>
NET BOOK VALUE	
At 1st July 2010	400
At 30th June 2011	<u>£200</u>

THE FRIENDS OF ARUNDEL CATHEDRAL

NOTES TO ACCOUNTS - 30 JUNE 2011

	2011		2010	
4 INVESTMENT - QUOTED SECURITIES	£		£	
Market Value at 1st July 2010	1,325,188		1,087,343	
Acquisitions at Cost	48,749		299,371	
Proceeds of Sale	(243,743)		(232,256)	
Realised Gains	32,488		104,877	
Unrealised Gains	153,724		65,853	
Market Value at 30th June 2011	<u>£1,316,406</u>		<u>£1,325,188</u>	
Deposits awaiting investment	35,325		18,366	
	<u>£1,351,731</u>		<u>£1,343,554</u>	
Historic Cost	<u>£1,074,891</u>		<u>£1,183,002</u>	
Investment Portfolio by Market Value	£	%	£	%
UK Bonds & Convertibles	204,041	15	276,703	21
UK Equities	404,558	30	376,828	28
Overseas Equities	707,806	52	671,657	50
Deposits awaiting investment	35,325	3	18,366	1
	<u>£1,351,730</u>	100%	<u>£1,343,554</u>	100%
The portfolio has been independently valued by Investec Wealth & Investment Limited				
5 DEBTORS	£		£	
Gift Aid Income Tax Recoverable	1,400		1,400	
Legacies Due	0		0	
	<u>£1,400</u>		<u>£1,400</u>	
6 CREDITORS	£		£	
AGM Report Printing	700		700	
Accountancy Fees	300		588	
Fund Management Fees	3,027		2,954	
Advance Receipts for Summer Concert	650		0	
	<u>£4,677</u>		<u>£4,242</u>	
7 REMUNERATION AND EXPENSES				

None of the Directors or Council members received any remuneration or emoluments in respect of their services during the year (2010 nil). Neither were any expenses reimbursed (2010 nil).

LIFE MEMBERS 2011

HG Edward Fitzalan Howard, Duke of Norfolk
HG Georgina, Duchess of Norfolk
H E Cardinal Cormac Murphy O'Connor
Lady Sarah Clutton
Lady Anne Herries
Lady Jane Lothian
Lady Mary Mumford
Lady De Zulueta
Lady M Hartwell
Lady Marshall
Baroness O'Cathain OBE
Provost A Whale
Canon G Coates
Canon D Fogarty
Revd M T Elvins OFM CAP
Revd P J Rogers
Revd C Slaughter
Revd B Taylor
Abbot & Community Worth Abbey
Augustinian Sisters, Burgess Hill
Cathedral Parish, Arundel
Christ The Redeemer Parish, Cranleigh
Franciscan Friary, Chilworth
Franciscan Missionary Sisters, Littlehampton
Sacred Heart Parish, Hove
St Joan of Arc Parish, Farnham
St Joseph's Nursing Home Littlehampton
Notre Dame School, Lingfield
Sisters of The Immaculate Heart of Mary, Hove
Cluttons Tod Miller
Persimmon plc
Fox Memorial Trust
F J Wallis Charitable Trust
Mrs W G Adam
J J S Allanson
Mrs C M Aylott
J H Barder
Mrs M Barnett
P C Bransgrove
P W Butcher
Dr I Coxon
Mrs M M Cross
Mr & Mrs D Davidson
Mrs E L Davis
J B Diamond
Dr E Donohue
J R Edwards
Mrs S J Edwards
P R Francis
Mrs T Gaynor
A N Goodfellow
D O Hamilton
Mr P J Harper
Mr Oliver Hawkins
Mr & Mrs B Hawksley
Mr & Mrs J Henry
Mr & Mrs D Jameson
Mr & Mrs C Kauffman
Mrs S M Lyons
Miss Z Macauley
Miss E McCarthy
Dr B Morson CBE
H J O'Reilly KSG
M R Perera
Mrs M Phillips
Mrs M Pitron
T Pitron
S Powell
Mrs D Rees
D C Rogers
Mrs E A Rothney
Miss M Stratton
C Stubbs
Miss C Wakeford
Dr J M Walsh
Mrs C E Watts
A J Wickins
M H Wilmot
M H Winters
H A Woellwarth

LIST OF CORPORATE MEMBERS 2011

Knights of St Columba Council 280
Knights of St Columba Council 546
St Hugh's Charterhouse
Senate Insurance
Sisters of the Blessed Sacrament Steyning
Sisters of Providence Seaford

LIST OF PATRONS 2011

Monsignor Canon J Hull VG
Monsignor Provost Emeritus TT Stonehill
(RIP 31.7.2011)
Daughters of The Cross, Haslemere
Catenian Association Arundel(Circle 320)
J Adams
Michael Bloxham
L C Bouchy
Colonel A Brearley-Smith
C Corcoran
Mr & Mrs J Donovan
M C Fornara
M J S Harlock

G A Harrison
J C Hill
A G S Hodgson
A C W Hunter
M H Klust
Mrs C Luck
Mr & Mrs A O'Hea
T M O'Rourke
Mrs S M Thompson
Miss J Walsh
Ms L U Watt
Mrs R V Wauters