

**Westminster
Cathedral
Limited**

**Annual Report and
Financial Statements**

31 December 2019

Company Registration Number
2784481 (England and Wales)

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| | |
|--------------------------|---|
| Directors | Rev D Humphreys P Camoletto |
| Registered Office | Archbishop's House Ambrosden Avenue Westminster London SW1P 1QJ |
| Registered Number | 02784481 (England and Wales) |
| Auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
| Bankers | HSBC Bank plc 69 Pall Mall London SW1Y 5EY |
| Solicitors | Winckworth Sherwood LLP Minerva House 5 Montague Close London SE1 9BB |

Directors' report 31 December 2019

The Directors present the report together with the financial statements of the company for the year ended 31 December 2019.

Principal activities

The company's main activities comprise those operations of a trading nature which relate to the Westminster Roman Catholic Cathedral and whose object is to generate profit for the benefit of the Cathedral.

The company is limited by shares and registered in England and Wales (Company Registration Number 02784481). It is a wholly owned subsidiary of Westminster Roman Catholic Diocesan Trust, a registered charity with Charity Registration Number 233699.

Development and performance of the company during the financial year

A summary of the results of the year's trading is given on page 7 of the financial statements.

The operating profit for the year amounted to £189,819 (£78,759 in 2018) which the directors consider satisfactory.

The company ordinarily transfers its taxable profit each year to Westminster Roman Catholic Diocesan Trust by way of a Gift Aid compliant Deed of Covenant. This constitutes a charitable contribution. During the year to 31 December 2019 the amount payable was £nil (£78,759 in 2018).

Directors

The directors who held office during the year were as follows:

Rev Canon C Tuckwell (until 26 June 2020)

Rev D Humphreys (from 15 July 2020)

P Camoletto

Directors' interests in shares of the company

No director held beneficial interests in the shares of the company at 31 December 2019 or at any time during the year (none in 2018).

Financial risk management

The company's operations expose it to a variety of risks. To mitigate the effects of these risks on the financial performance of the company, the directors have put in place a proactive risk management programme. The programme includes annual budgeting, periodic forecasting, and the regular monitoring of the financial position against budget throughout the course of the year.

Note that given the size of the company, the directors have not delegated the responsibility of monitoring financial risk to a sub-committee of the board. The policies set by the board of directors are implemented by the finance department of the Westminster Roman Catholic Diocesan Trust and overseen by the Audit Committee of the Westminster Roman Catholic Diocesan Trust.

Financial risk management (continued)

The principal financial risk for the company is the impact of general economic uncertainty, which may significantly affect the number of visitors who make purchases in the shop, who visit the tower and exhibitions, or who attend concerts and charity events. This risk has been compounded in 2020 by the COVID-19 pandemic, which continues to have a significant influence on the company's activities and its plans for the future. The pandemic has caused a number of specific challenges for the company, chief among them the mandatory closure of the shop for four months and the enforced cancellation or downscaling of concerts and events that generate significant income.

Prior to the pandemic, the Finance Board of Westminster Cathedral had developed a comprehensive strategy for the parish, encompassing also the activities of Westminster Cathedral Limited, in order to ensure a sustainable future. The implementation of the early elements of this strategy resulted in a significant positive financial impact for the company in 2019. The directors are taking additional mitigating actions to cushion the company from adverse financial impacts caused by this major new risk factor.

Directors' responsibilities

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgements and accounting estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' report 31 December 2019

Directors' responsibilities (continued)


Each of the directors confirms that:

- ♦ so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ♦ the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out in part 15 of the Companies Act 2006.

Signed on behalf of the board of directors:


Director

P Camoletto

Approved by the board on: 29/09/2020

Independent auditor's report Year to 31 December 2019

Independent auditor's report to the member of Westminster Cathedral Limited

Opinion

We have audited the financial statements of Westminster Cathedral Limited (the 'company') for the year ended 31 December 2019 which comprise the statement of income and retained earnings, the statement of financial position, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 company's affairs as at 31 December 2019 and of its results 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 Companies Act 2006.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Effects of COVID-19

We draw attention to the accounting policies and Note 11 to the financial statements, which describe the economic and social disruption the company is facing as a result of the COVID-19 pandemic which is impacting the company's operations. Our opinion is not modified in respect to this matter.

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

Independent auditor's report Year to 31 December 2019

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Independent auditor's report Year to 31 December 2019

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on pages 2 and 3, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the company's member, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.



Amanda Francis (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

9 October 2020

Statement of income and retained earnings Year to 31 December 2019

| | Notes | 2019 £ | 2018 £ |
|---|-------|-----------------|-----------|
| Turnover | | 627,162 | 548,043 |
| Cost of sales | | (267,706) | (263,514) |
| Gross profit | | 359,456 | 284,529 |
| Administrative expenses | | (169,637) | (205,770) |
| Operating profit | | 189,819 | 78,759 |
| Gift Aid payment | 3 | — | (78,759) |
| Profit on ordinary activities for the year before taxation | | 189,819 | — |
| Taxation | 3 | (36,168) | — |
| Profit for the financial year | | 153,651 | — |
| Retained profit at 1 January | | 330 | 330 |
| Retained profit at 31 December | | 153,981 | 330 |

All of the company's activities derived from continuing operations during the above two financial periods.

The company has no recognised gains or losses other than those shown above.

Statement of financial position 31 December 2019

| | Notes | 2019 £ | 2018 £ |
|---|-------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 4 | 1,151 | 2,721 |
| Current assets | | | |
| Stock | | 59,506 | 65,790 |
| Debtors | 5 | 119,909 | 91,544 |
| Cash at bank and in hand | | 91,592 | 5,257 |
| | | <u>271,007</u> | <u>162,591</u> |
| Creditors: amounts falling due within one year | 6 | <u>(118,175)</u> | <u>(164,980)</u> |
| Net current assets (liabilities) | | <u>152,832</u> | <u>(2,389)</u> |
| Total net assets | | <u>153,983</u> | <u>332</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 2 | 2 |
| Retained earnings | | <u>153,981</u> | <u>330</u> |
| Shareholder's funds | 8 | <u>153,983</u> | <u>332</u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and Financial Reporting Standard 102 Section 1A (FRS 102 Section 1A).

Approved by, and signed on behalf of, the board of directors by:



P Camoletto

Director

Approved by the board on: 29/09/2020

Westminster Cathedral Limited (Company Registration Number 02784481 (England and Wales))

Principal accounting policies Year to 31 December 2019

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and FRS 102 Section 1A, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the directors to make significant judgements and estimates. In the case of the company the areas affected by judgement and estimation are the estimation of the expected useful lives of tangible assets and the related calculation of depreciation, the calculation of the provision for bad and/or doubtful debts, the calculation of any stock provision required and the estimation and recognition of accrued expenditure. In addition, there is a need to estimate future income and expenditure flows for the purposes of assessing going concern (see below).

There are no key assumptions or areas of uncertainty where there is a significant risk of a material adjustment to the carrying value of the assets and liabilities of the company being required during the financial year ending 31 December 2020.

Assessment of going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect of a period of at least one year from the date of approval of these financial statements.

Since the year end, the worldwide outbreak of the COVID-19 pandemic has caused extensive disruptions to organisations globally with major implications for operations as well as finances. The directors acknowledge and recognise the impact of the pandemic on the operations of the company, its beneficiaries, partners and stakeholders, and on the wider society, and they have ensured that both resources and processes are in place to limit disruptions to operations.

For three months between mid-March and mid-June the Cathedral parish was closed to the public which prevented the shop from opening during this time. The management of the Cathedral decided that the shop would remain closed until the time when Mass services returned to a more regular schedule, and the Cathedral could be open to a higher numbers of visitors.

During the entire period of the Cathedral's closure to the public, the tower and exhibitions were also closed, with no public concerts or celebratory events held. As a result, there was no income from shop sales, tower and exhibition entry fees, and events during that period.

Principal accounting policies Year to 31 December 2019

Assessment of going concern (continued)

Even though the loss of income has been mitigated by significant reductions in operational expenditure, it is anticipated that during the next accounting period, the year ending 31 December 2020, the company will incur an operating deficit.

This adverse impact on company profitability is forecast to reverse in 2021, when the company will become profitable once again. The directors remain confident that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors are of the opinion the company will have sufficient resources to meet its liabilities as they fall due, in particular given the confirmation by the company's parent undertaking that it will continue to support the company.

With regard to the next accounting period, the year ending 31 December 2020, there are two main uncertainties: the numbers of visitors who will make purchases in the Cathedral shop and visit the Tower and exhibitions, and the number of external concerts that will be organised for the next year.

The directors are managing these risks by planning ahead to ensure repeat business, and by controlling shop expenditure and the future number of events.

Statement of cash flows

The financial statements do not include a statement of cash flows, because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under FRS 102 Section 1A.

Turnover

Turnover represents income earned during the year from the company's principal activities, i.e. repository sales, the tower and audio tours and other special fundraising events.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. It is measured at fair value of the consideration received or receivable, excluding discounts, rebates and value added tax. Turnover is derived solely from within the United Kingdom.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Expenditure comprises the direct costs associated with the delivery of the company's services as well as general administrative support costs.

Tangible fixed assets

Provision for depreciation is made to write off the original cost of tangible fixed assets over their expected useful lives using the straight line method commencing from the date the assets are brought into use. The expected useful lives are as follows:

Principal accounting policies Year to 31 December 2019

- ♦ Website - 3 years
- ♦ Shop refurbishment - 10 years
- ♦ Fixtures, fittings and equipment - 10 years
- ♦ Computer equipment - 5 years

Stocks

Stocks comprise goods for resale and are stated at the lower of cost and net realisable value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the company anticipates it will pay to settle the debt.

Notes to the financial statements Year to 31 December 2019

1 Staff costs

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Staff costs, including directors' remuneration (note 2), were as follows: | | |
| Wages and salaries | 126,248 | 160,645 |
| Social security costs | 6,888 | 13,360 |
| Pension costs | 4,307 | 3,525 |
| | 137,443 | 177,530 |
| The average number of employees was: | 8 | 9 |

2 Directors' remuneration

The directors received no emoluments during the year (£nil in 2018).

3 Gift Aid payment and taxation

During the year to 31 December 2019 the company committed to gift aid £nil (£78,759 in 2018) to Westminster Roman Catholic Diocesan Trust via a Gift Aid compliant Deed of Covenant. A tax charge of £36,168 (£nil in 2018) arises as a result of taxable profits retained by the company in the year.

4 Tangible fixed assets

| | Website £ | Shop refurbish- ment £ | Fixtures, fittings and equipment £ | Computer equipment £ | 2019 Total £ |
|--|--------------|---------------------------------|---|----------------------------|--------------------|
| Cost | | | | | |
| At 1 January 2019 and at 31 December 2019 | 13,980 | 77,436 | 33,983 | 29,151 | 154,550 |
| Depreciation | | | | | |
| At 1 January 2019 | 13,980 | 77,436 | 33,983 | 26,430 | 151,829 |
| Charge for the year | — | — | — | 1,570 | 1,570 |
| At 31 December 2019 | 13,980 | 77,436 | 33,983 | 28,000 | 153,399 |
| Net book values | | | | | |
| At 31 December 2019 | — | — | — | 1,151 | 1,151 |
| At 31 December 2018 | — | — | — | 2,721 | 2,721 |

Notes to the financial statements Year to 31 December 2019

5 Debtors

| | 2019 £ | 2018 £ |
|---|----------------|---------------|
| Amounts due from Westminster Roman Catholic Diocesan Trust (note 9) | 57,657 | — |
| Trade debtors | 48,085 | 43,219 |
| Prepayments and sundry debtors | 14,167 | 48,325 |
| | 119,909 | 91,544 |

6 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Amounts due to Westminster Roman Catholic Diocesan Trust (note 9) | — | 110,348 |
| Social security and other taxes | 76,691 | 26,846 |
| Other creditors and accruals | 41,484 | 27,786 |
| | 118,175 | 164,980 |

7 Share capital

| | 2019 £ | 2018 £ |
|------------------------------------|-----------|-----------|
| Allotted, called up and fully paid | | |
| 2 ordinary shares of £1 each | 2 | 2 |

8 Reconciliation of movements in shareholder's funds

| | 2019 £ | 2018 £ |
|--|----------------|------------|
| Opening shareholder's funds at 1 January | 332 | 332 |
| Profit for the year | 153,651 | — |
| Closing shareholder's funds at 31 December | 153,983 | 332 |

9 Ultimate parent undertaking

The company's ultimate parent undertaking is Westminster Roman Catholic Diocesan Trust, a charity registered under the Charities Act 2011 (Charity Registration No. 233699). The principal office of the charity is Archbishop's House, Ambrosden Avenue, Westminster, London SW1P 1QJ.

The company's financial statements are consolidated with those of Westminster Roman Catholic Diocesan Trust.

Notes to the financial statements Year to 31 December 2019

10 Related party transactions

The financial statements do not include disclosure of transactions between the company and entities which are part of the Westminster Roman Catholic Diocesan Trust group. This is because the company is a subsidiary whose shares are 100% controlled within the group and hence is exempt from the requirement under FRS 102 to disclose such transactions.

There were no other related party transactions during the year (none in 2018).

11 Post balance sheet event

Since the year end, the worldwide outbreak of the coronavirus (COVID-19) pandemic has caused extensive disruptions to organisations globally with major implications for operations as well finances. The directors acknowledge and recognise the impact of the COVID-19 pandemic on the operations of the company, its beneficiaries, partners, stakeholders and on the wider society, and have ensured that both resources and processes are in place to mitigate any disruption to the company's operations. As a result, the impact of the COVID-19 pandemic does not warrant any adjustments to these financial statements.

Detailed profit and loss account Year to 31 December 2019
This page does not form part of the statutory financial statements

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Turnover | | |
| Repository | 383,171 | 351,616 |
| Tower and audio tours | 55,639 | 54,221 |
| Exhibition | 6,399 | 4,272 |
| Concert and music fees | 181,953 | 137,935 |
| | <u>627,162</u> | <u>548,044</u> |
| Cost of sales | | |
| Repository | 199,505 | 177,964 |
| Music | 68,201 | 85,550 |
| | <u>267,706</u> | <u>263,514</u> |
| Gross profit | <u>359,456</u> | <u>284,530</u> |
| Administrative expenses | | |
| Salaries and wages | 137,443 | 177,530 |
| Depreciation | 1,570 | 1,574 |
| Rent payable to Westminster Roman Catholic Diocesan Trust | 9,000 | 9,000 |
| Legal and professional | 8,376 | 8,908 |
| Other costs | 13,248 | 8,758 |
| | <u>169,637</u> | <u>205,770</u> |
| Operating profit for the year before Gift Aid donation | <u>189,819</u> | <u>78,759</u> |