



Cathedral Church of Christ, Canterbury

Report and Accounts For the year ended 31 March 2023

The Cathedral mission is:

'To show people Jesus'

This is inspired by St John's account of visitors from faraway coming to the temple in Jerusalem and saying to one of the twelve disciples, "We wish to see Jesus" (John 12:20-21)



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The Dean's Summary Overview

Introduction from Dr David Monteith

It has been an incredible year for us at the Cathedral but also as a nation and a church. From celebrating the Queen's Platinum Jubilee, to welcoming 650 Bishops from across the Anglican Communion to the Lambeth Conference, paying tribute to her late Majesty, Queen Elizabeth, Dean Robert's retirement and my installation which I will never forget. As ever we supported the ministry of the Archbishop when he was in Canterbury and Bishop Rose in her stewardship of the diocese.

The Cathedral has been at the centre of the public life of our city, church and nation, witnessing the presence of Christ in our world. Here are a few of the highlights of the many services and events that have taken place between April 2022 and March 2023.

On 28th May 2022, the Cathedral celebrated the Queen's Platinum Jubilee with a truly patriotic prom given by the Royal British Legion. It set the tone of celebration of this historic moment in the life of our country. A theme that was to continue throughout the summer, as the Cathedral played host to the Queen's Baton Relay on 7th July, as part of the national Commonwealth Games celebrations.

Sadly the reign of Elizabeth II came to an end in September and the London Bridge Plan which had long sat in sacred files was brought into effect with great professionalism and dignity by everyone at the Cathedral. For ten days the Cathedral was transformed into a place of national mourning, hosting Books of Condolence and accepting floral tributes for her late Majesty. Over 8000 people signed the Books of Condolence at the Cathedral, and these are now resting in the Cathedral Archives along with the books from around the City and surrounding areas. The Archbishop preached at a special service of Remembrance on 18th September and expressed the heartfelt sadness and respect we all felt at this time.

Following the proclamation of His Majesty King Charles III, thoughts and plans started to be put in place for celebrating his coronation set for May 2023.

It has been the year of the three Deans. On 15th May 2022 we fondly said farewell to Dean Robert Willis at a special Evensong attended by the Archbishop who gave a moving tribute to him as he retired from his role. Shortly after that we welcomed Dean Jane Hedges, who had recently retired from Norwich Cathedral, and installed her as a Residentiary Canon to the Cathedral and Interim Dean on 20th June. Finally, I was installed as Dean of Canterbury on the 17th of December.

Having been delayed due to Covid, the Cathedral finally was able to host the 2020 Lambeth Conference from 27th July to 7th August 2022. The Conference welcomed over 600 Bishops from across the Anglican Communion, along with 600 spouses and other invited guests. During the period of the Conference, the Cathedral hosted a two day retreat for the Bishops, the Opening and Closing Services of the Conference, along with seven nights of Candlelit Pilgrimages given by the Residentiary Canons. The Revd Max Kramer, our Precentor, then left for Oxford and The Revd David Roper arrived as acting Precentor.

In February, the Chapter of Canterbury Cathedral, together with the Director of Music, announced that from September 2023 membership of the Boys' Choir will be open to children from any school, with compulsory boarding no longer a requirement to be in the choir. This was a historic decision as the Cathedral moves forward in bringing equality and inclusion throughout the establishment and this change ensures that the Boys' and Girls' Choirs are on an equal footing, whilst cementing the future and quality of the choir and music-making within the church. The boy choristers (aged 8-13) and girl choristers (aged 12-18) will each sing three services a week and will be able to attend any local school, giving families both flexibility and choice.

My review of 2022/23 would not be complete without mentioning the Canterbury Journey (a project nine years in the making and one of the largest projects of its kind) which concluded in November. The £34.5m project delivered a new visitor centre, community studio, shop and free to enter viewing gallery. The Cathedral's once hidden collection of objects of international significance can now be seen in three exhibition spaces at the Cathedral and online. Chapter are extremely grateful to the National Lottery Heritage Fund, benefactors and donors who made this successful project possible.

For the first time, on behalf of the Canterbury Festival the Cathedral hosted the magnificent light show Luxmuralis at the beginning of November. The show, entitled Shine, featured three of Luxmuralis' most popular light shows, focussing on Space, Nature and Life. Just under 40,000 people enjoyed the show spread over five nights.

Ensuring the Cathedral plays its part in the life of the local community is important to sustain the Cathedral. Our open events, such as the opening of the newly restored Christ Church Gate together with Valentine's Day and Heritage open days, have been well attended and we look forward to holding more next year.

Work began to embed the new Cathedrals Measure into our life, which will see the Cathedral becoming a full registered charity jointly regulated by the Charity Commission and the Church Commissioners. This work should complete in autumn 2023 with changes to Chapter, our practices, and our sub-committees. This will also be the time to start work to develop a new strategic plan, with clear purpose, goals and steps identified to take the Cathedral forward with a renewed vision. This will include addressing the Church of England's commitment for churches and cathedrals to become carbon zero by 2030, which is a very challenging target given the age and extent of our property portfolio.

The passion and commitment of our staff and volunteers alongside our congregations and visitors enables the Cathedral to deliver its mission of worship, learning and welcome. It is not possible to list all that they have achieved. The Chapter is very grateful to each and every one for all they bring to the Cathedral. We are also grateful for the contribution of those staff, volunteers and worshippers who have left us over the year.

Much remains to be done: We receive no financial support from the government or Church of England (bar the stipends of the Dean and two Canons) and are very reliant on visitor income which, whilst rising, is still down on pre-Covid levels. This reliance needs to be addressed for future sustainability. We will continue to engage with people and broaden our outreach, putting mission at the forefront of what we do. I am hopeful for the future.



David Monteith

The Very Reverend Dr David Monteith

June 2023

Our Mission and Objectives

The Cathedral's mission is:

"To show people Jesus"

This comes from the account in St John's Gospel (John 12:20-21) which explains that "Among those who went to the temple to worship were people who came saying, "We wish to see Jesus." The mission statement is deliberately open to wide interpretation as befits this Metropolitan Church and it seeks to give purpose to the community and staff in their daily relationships with each other and the many people who make their journey here. The unbroken continuity of offering worship to God on this site for over 1400 years resonates with the understanding that the present incumbents are maintaining the long tradition of stewardship of a significant site in England's Christian history.

The Chapter has set the following strategic objectives to achieve its mission:

- ✓ To maintain and develop the tradition of Christian Worship at Canterbury Cathedral as Mother Church of the World-wide Anglican Communion and the seat of the Archbishop of Canterbury.
- ✓ To maintain and develop the ministry of welcome to all visitors to the Cathedral and more widely in outreach to the local, national and international community.
- ✓ To conserve and develop the fabric of Canterbury Cathedral, its ancillary buildings, monuments and precincts as part of a UNESCO World Heritage site.
- ✓ To be a centre of excellence for education and learning.
- ✓ To manage the Cathedral, its assets and activities with financial and operational efficiency.
- ✓ These objectives are supported by the seven key values:
 1. To maintain the highest standard of liturgy and music.
 2. To care for all people and provide welcome and hospitality in keeping with the Benedictine tradition.
 3. To maintain our buildings, assets and culture to the highest possible standards.
 4. To be a centre of excellence in all that we do.
 5. To minimise our impact on the environment and to adopt environmentally friendly practices wherever possible.
 6. To maintain a stable economic base to ensure long term financial sustainability and self-sufficiency.
 7. To encourage ideas and innovation to meet the challenges of the 21st Century and ensure our relevance to the communities we serve.

- The principal objectives of the Chapter are to make the Cathedral accessible to all people for worship, education, as a centre for heritage and as a centre of culture.
- The Cathedral is primarily a working church and there is a regular pattern of daily worship to which all are welcome. The Cathedral is also part of a UNESCO World Heritage Site and attracts a large number of tourists. Charges to visiting tourists are maintained at a competitive but affordable level. Local people are eligible for a 'Cathedral Pass' giving them free access to the Cathedral and Precincts.
- Education and learning are high priorities as reflected in the aims and objectives set out in this report. Schools from all over the UK and Europe make use of facilities available from the Schools Department. In addition, adult education is promoted through courses and symposia, and opportunities for individual study in the Library and Archives. The Cathedral is frequently the venue for concerts and recitals which also attract a wide audience.
- Chapter takes due regard of the Charity Commission's guidance on public benefit in determining its mission, setting its strategic objectives and planning the activities undertaken. There is a strong emphasis on public benefit across all the activities of the Cathedral.
- The Cathedral continues to engage positively with the local and wider communities. During the year there have been a number of workshops, symposia, exhibitions and events including a number of activities for families. A key element of The Canterbury Journey project was to make the Cathedral and Collections more accessible to the public and provide better resources and interpretation for all visitors.

Review of the Year (April 2022- March 2023)

Introduction

This year has been one of significant change at the Cathedral. We said goodbye to Dean Robert, finished the £34.5m Canterbury Journey project, welcomed Dean David, announced changes to our choir and prepared to submit our application to the Charity Commission for charitable status in line with the Cathedrals Measure 2021.

Set out below under separate headings are the main activities and achievements for the year as we seek to deliver Chapter's vision and strategic objectives.

Ministry

Cathedral Worship

- The Cathedral is first and foremost a working church: a place of worship, prayer and pilgrimage. The regular pattern of daily worship is at the heart of Cathedral life. Each day starts with Morning Prayer and ends with Evening Prayer. The Eucharist is also offered daily. Many other services take place throughout the year including weddings, funerals, memorial services and christenings. Visitors are warmly invited to attend wherever possible.
- The Cathedral has continued the regular round of services along with the festivals. While we are not back to pre-Covid figures we are well on the way to this.
- Over Holy Week in 2022 we saw 9,948 attend the Holy Week services including Palm Sunday, Maundy Thursday Chrism Mass and Liturgy, and Good Friday Veneration of the Cross and performance of Faure's Requiem along with the evening talks given by Dean Robert and Bishop Rose. On Easter Sunday the 8 am Eucharist was broadcast live on Radio 4 and then the team from Radio 3 came to broadcast our Choral Evensong. In terms of our online presence the Cathedral was nationally leading the church in having over 84,000 views of our Easter Services and online offering.
- From Advent Sunday we hosted 26 external carol service and concerts for various schools, local institutions, the local regiment, and charities, welcoming roughly 18,000 people to the Cathedral during that period in addition to the 92 daily services for the month.
- On 23rd and 24th December we hosted the two Cathedral Carol Services, and the Crib Service; and between those three services (and in the space of less than 24hours) we welcomed around 4,500 guests to seasonal worship at the Cathedral, as well as countless thousands of others at home and around the world on live stream. The Advent and Christmas Carol Services in 2022 had over 114,000 views on the Cathedral YouTube channel.

Other main Cathedral Events held in the Year

- Alongside the regular services the Cathedral has welcomed more graduation students and their families than ever before, as the three local Universities sought to clear the backlog of ceremonies caused by the Covid restrictions of previous years. The Cathedral hosted 47 ceremonies with 13,000 students and over 40,000 guests. In addition we have baptised babies, married loved ones and laid the dead to rest.
- Other new ventures included the Autumn Organ Recital Series featuring the Cathedral's resident organists: Jamie Rogers, David Newsholme, and Robin Walker.
- The Palimpsest Project reimagined old works by different modern composers and brought together the Cathedral Choir with the saxophonist Sam Corkin. It culminated in a concert for the Canterbury Festival and a recording of these landmark works.

Visitors to the Cathedral

- The Cathedral welcomed fewer visitors (including worshippers, people attending events, Cathedral Pass holders and 'tourists') in 2022/23 than historically, however, this number has risen significantly since the initial year of re-opening after the pandemic. In the calendar year 2019, there were 876,700 visitors. In 2021 there were 336,298. In 2022 there were 829,433. Included within the total visitor numbers for the calendar year 2022 were 248,211 paying visitors.
- Tourism visitors are charged an entrance fee to enter the Cathedral Precincts. The charges are reviewed annually and are at a level which is deemed reasonable compared to other cathedrals and regional attractions. In October 2022 the ticket price was increased to £15.50 per adult (for an annual ticket) with children free of charge throughout the year.
- International travel trade and groups bookings have been the slowest areas of visitor income to recover since the pandemic, but the final quarter of 2022 saw significant growth return to these markets and the Visits department is confident that travel clients, both old and new, are returning, with bookings for 2023/24 strong.
- A new Cathedral Pass was launched in November 2022 to replace the outdated Precinct Pass. Membership for the Cathedral Pass is open to applications from: local residents; those who work within the City Walls of Canterbury; members of a church within the Canterbury Diocese; family members of Cathedral staff; and members of the Cathedral Congregation. There is a £6 charge to cover the administration of the pass which lasts for five years. Since its launch, the Cathedral has administered 3,000 applications for Cathedral Passes.
- The Visits department continues to be supported by around 300 volunteers who do a huge amount to welcome visitors, act as guides within the Cathedral, and answer any questions they might have.
- A new cohort of Visits volunteers was recruited in January 2023 and will complete their training in the Summer of 2023.

Cathedral and Precincts upkeep

- Chapter is committed to conserving and developing the fabric of Canterbury Cathedral, its ancillary buildings, monuments and Precincts. Capital fabric projects are identified and prioritised from the Cathedral's Quinquennial Inspection Report (QIR) which was last prepared in 2017 and is anticipated to be updated in 2023. A summary of the major works undertaken in the year include:-
- **The Canterbury Journey** – one of the largest projects of its kind which began its formal development and planning process in April 2014 with its successful Round 1 application to the National Lottery Heritage Fund (NLHF). Prior to that, a couple of years had been spent in working up ideas and concepts and doing consultation with partners and the public as to what the constituent parts of the project should be in addressing the Heritage, People and Communities needs at the Cathedral.

After two years of work; planning applications, further consultation, risk assessments, surveys, design development, costings and copious amounts of due diligence, a successful Round 2 application to the NLHF was approved in October 2016.

The Canterbury Journey completed the last elements of the project in November 2022. From concept to completion, along with delivering associated works arising from opportunities, as well as the delays and the obvious impacts on delivery of the Covid-19 pandemic, the totality of the project cost was £34.5m.

This was funded by donations/grants to Canterbury Cathedral Trust of £11.5m, a grant of £14.7m from the National Lottery Heritage Fund and £8.3m from the Chapter of Canterbury Cathedral.

Four apprentices, (two stonemasons, a carpenter and a leadworker) served their time working on this ambitious project and are now qualified artisans with skills to care for Canterbury Cathedral and indeed other historic buildings.

The Cathedral's once hidden collections are now in plain sight. Astonishing objects of international significance can now be seen in three permanent exhibition spaces at the Cathedral and online.

The new Visitor Centre, Community Studio, shop and free to enter viewing gallery have re-imagined how visitors are welcomed at this ancient place. Our engagement work with schools and community groups has meant that people (who perhaps thought the Cathedral was not for them) have found something special here and this work will continue into the future.

The reinterment of bodies and articulated remains removed during the Canterbury Journey to their final resting place remains outstanding, and this will be actioned with the support and advice of the appointed Cathedral Archaeologist during 2023.

Christ Church Gate – Built circa 1520 and traditionally one of Canterbury's most photographed sights, the Tudor Gothic Gate was unveiled in December 2022 having been undercover since 2018. Canterbury Cathedral's masons and conservators employed the latest technology with traditional conservation techniques to clean and conserve both the surviving original fabric and the work of the previous, early-20th century restoration, enabling the Gate's breathtaking features to be restored to glory. They include intricate carvings of mythical beasts, flora and fauna, angels, heraldic shields - including the arms of Archbishop Thomas Becket and Cardinal Wolsey – and the great central boss, comprising a large rose surrounded by a procession of animals. One of the most striking features revealed was the Gate's vibrant colour scheme. This was based on detailed archival research into heraldry and the Gate's earlier decorative schemes (known as polychromy), examination of historic painting and gilding techniques, and comparisons with other contemporary early 16th century heraldic paint schemes at Winchester Cathedral and St. Georges Chapel Windsor.

Our thanks go to the many supporters of The Canterbury Journey including the National Lottery Heritage Fund, Canterbury Trust, the Friends of Canterbury Cathedral, and other members of our worldwide community who enabled both the Canterbury Journey and Christ Church Gate to be developed and refurbished.

- **West Front Project - Phase 1** of the West Front Project commenced during 2022 and will run for a period of two years. This phase aims to finish the outstanding Canterbury Journey masonry work plus the masonry above the Statuary course.
- **The repairs of the South Aisle Flying buttresses**, repair of the inner (roof-facing) faces of the North-west and South-west Towers, reinstatement of cill weathering stones to the North Nave Aisle windows will also be undertaken and

funds have been ringfenced to complete the landscaping works at the base of the tower.

- **Electrical Installation Condition Report (EICR Programme)** - Much of the electrical circuitry within the Cathedral needs upgrading or replacing with four of the five circuits requiring a retest in August 2023. An electrical design engineer is being procured to assist with developing a programme of work.
- **Our Lady Martyrdom Angel Frieze** – Nina Bilbey's design work is nearing completion and is being closely observed by conservation experts at the CFCE. We anticipate this project will be completed later this year.
- **Planned Preventative Maintenance (PPM)** – The now much smaller maintenance team has struggled with competing priorities to dedicate time to an effective planned preventative maintenance regime. This has resulted in a few incidents where leaks have occurred in the Cathedral because of blocked or failed rainwater discharge systems. The team is now prioritising a more robust PPM recording system and taking regular inspections to clear gutters and follow up reports of damaged or failed infrastructure.

Capacity within the Estates and Fabric team has been severely hampered this year with key posts vacant. The Head of Estates and Fabric, the Cathedral Archaeologist, and the Cathedral Health and Safety Specialist have now all been appointed.

In addition, the Cathedral has recruited a Project Manager for capital fabric projects including the West Front Project. Subject to funding, we are also recruiting a project manager to support property development works aimed at maximising the return on the Cathedral's estate.

- **Gardens and Biodiversity** - Since the end of 2021, the Cathedral has been working with Kent County Council reparation team to establish the re-wilding project in the garden of No. 15 The Precincts. The project continued during 2022 led by Canon Emma and delivered by Head Gardener Tom Goodall.
- **Gardening for wildlife** continued this year with work to establish a baseline survey of the biodiversity within the estate. Areas such as the Cloister Garth have also been allowed to grow into managed grass meadowland supporting a wide variety of fauna and flora.
- **The Canterbury Cathedral Lodge garden** has been planted as a dry garden. Our thanks go to The Friends of Canterbury Cathedral who funded this project.
- **Stained Glass Studio** - The stained glass studio continues to attract external commercial projects as well as maintaining the stained glass of the Cathedral.

The success of last year's Becket exhibition at the British Museum has highlighted the interest in the medieval stained glass as a way of communicating the Cathedral's history. Research carried on after the stained glass (window nIII) had been returned from the British Museum, both with Rachel Koopmans, and also in collaboration with University College London. 4,000 individual pieces of glass were scanned, revealing previously unknown information about production methods and supply lines during the Middle Ages, as well as the chemical composition of colours. Publication of the results is expected in 2024.

The reordering of the windows to more accurately reflect the stories of the miracles attributed to Becket is an area of research that has proved very popular

and generated much public interest. We are delighted to have raised the necessary funds to continue the Becket Miracle Windows Project, covering the costs of the next window (nIV), through the generous support of The Friends of Canterbury Cathedral, the Oxus Foundation, and the William and Edith Oldham Charitable Trust. The combined total comes to £127,000, enabling work to commence in January 2024.

Storm damage to three windows in the Trinity Chapel was repaired; this work (funded by an insurance claim) gave access to hitherto unprotected stained glass above Hubert Walter's tomb, which was in very poor condition and enabled us to bring forward the conservation and protection of this glass to the current year.

The conservation records for the seven clerestory windows of the Nave together with the glazing and ferramenta of Christ Church Gate were refurbished as part of the Canterbury Journey Project.

The windows of No 14b The Precincts were re-glazed, improving the energy performance of the building simply by stopping draughts and air leaks.

The team also removed, repaired, adjusted the shapes of, and returned the glazing of the upper parts of the western towers.

Work for outside organisations continues to grow and some of our key commissions include: -

- Providing new glazing panels using bespoke blown glass for Harrow School.
- Conservation of two windows for Long Melford Church.
- A new stained glass window for Selmeston parish church, designed and made by Leonie Seliger, was produced during the year.
- A new window for St Mary's Church, Downe, designed and made by David Griffiths, started production.

We welcomed 37 tour groups to the studio, of which 28 were fee-paying and provided seven talks to a variety of organisations.

- **Stone Masons.**- The Stone Masons' team continues to work on the West Front project, as well as supporting the maintenance of the wider Cathedral's stone. There have also been some external commercial contracts for cut stone.
- **Estates department** - The Cathedral's Estates department continues to manage the relationship with the Cathedral's commercial tenants and, working closely with the maintenance team and external contractors, continues to maintain the Cathedral's wider estate buildings.
- **Carbon Zero:** Chapter recognises its environmental responsibility and is committed to reducing the use of energy within the Precincts, reducing waste and managing resources efficiently. Steps continue to be taken across the estate to replace light fittings with energy efficient equivalent, insulate roof spaces, improve heating controls and explore alternative energy supplies.

Education and outreach

The promotion of education and learning remains a key part of the mission of Canterbury Cathedral.

Schools Department:

UK Schools

- This year has seen UK schools (primary and secondary) returning to the Cathedral in significant numbers. Visits from UK schools are now almost at pre-pandemic levels. In some months (June and November 2022) the number of visitors from UK schools exceeded those in the corresponding months from 2019. Financial pressures on schools have resulted in a small number of cancellations, often due to the high cost of coach hire.

Overseas Schools

- Following the pandemic and subsequent travel restrictions, the first overseas school visit was from Belgium on 31st March 2022. From April 2022 onwards, we have seen a steady increase in the number of visits from overseas schools as travel confidence returns. For the last full year, visits from overseas schools are at around 25% of pre-pandemic levels. There is however a noticeable improvement month on month. One significant trend we have observed is that schools and agencies are booking much closer to the time of travel.
- School groups travelling on coaches often experience hold-ups as they pass through the ports and their travel documentation is checked. This has led to some groups missing their Cathedral visit as they have arrived in Canterbury after 4pm. Overseas school parties can no longer travel on group passports - each student is now required to have an individual passport. This has proved a barrier to some schools travelling to the UK and we understand the UK and French Governments are looking to find a workable solution.

Other Projects

- The digital loan box focusing on pilgrimage went live in July 2022 and is now available on the website. The new virtual tour is complete and will be loaded onto the website imminently.
- The new media guide and the short AV film are now available in alternative languages - French, German, BSL and Japanese (media guide only).

Archives and Library

- With The Canterbury Journey project finishing at the end of November, responsibility for the management of the Cathedral's object collections and statutory inventory passed to the Archives and Library team, alongside the management of various teams of volunteers. The task of completing the replacement of the collections management system is also being managed by the team and by the IT Department.
- In January 2023, items in the crypt display area were changed over whilst in March, the Archives and Library team installed a new exhibition in the Viewing Gallery with the title 'Stories set in stone'. This involved the moving and reshelving of the Cathedral's 'lapidarium' collection (collection of detached worked stone fragments) which amounts to about 200 items.
- The team also assessed and packaged for storage the set of portraits of Deans of Canterbury, removed from display in the Deanery during its refurbishment.
- In the year ending March 2023, there were 605 individual research visits to the Reading Room who consulted the Archives and Library collections. We welcomed 100 groups for group visits, attended by 1450 people, and hosted a number of events, including a book launch and a study day on medieval seals. Six off-site talks were given, and staff were filmed on three occasions for television programmes.
- Particularly significant additions to our collections this year include a candlestick made for the visit of Pope St John Paul II in 1982 and a set of sermons of the Very Rev Ian White-Thomson, Dean of the Cathedral from 1963 to 1976.
- Our application for Archives Service Accreditation review was approved by Chapter in July 2022 and work is now underway to submit our application.
- The heating system in the Archives and Library buildings has now been linked to the same software as that of the Cathedral, which will lead to efficiencies in fuel use and software maintenance.

Training and Conferences

- The Cathedral continues to act as a centre of gathering for learning and culture. The principal event of the year was the hosting in July and August 2022 of key parts of the Lambeth Conference of bishops of the Anglican Communion (with over six hundred bishops in attendance): which included the two main services, a retreat for all the bishops, and candlelit evening prayer-walks.

- In addition to this, after a gap of three years due to the Covid-19 pandemic, in February 2023 the Cathedral restarted its programme to enhance ministry in the Anglican Communion. It invited thirty-four recently ordained deacons and priests, with some seminarians, for a two week programme of shared learning. Participants came from most corners of the Communion, from seventeen different countries. The primary learning was through encounter, though the Cathedral organised a programme of sessions and facilitators, worship and shared food. The Chapter maintains a fund and applies for grants from other charities for bursaries to ensure that these courses can be attended by individuals from across the world.

- A broad range of day conferences, lectures and exhibitions (including by the artists Dennis Creffield and Anne Grebby) was also offered through the year, some organised by the Cathedral, others hosted by the Cathedral in partnership with others.

- Chapter remains committed to its apprenticeship programme and is keen to promote traditional crafts and trades, recognising that there is a growing shortage of skilled craftsmen and craftswomen with practical experience. The apprentices have day release to attend college, and thus have training in both the theory and practice of their chosen subject, which will lead to a recognised qualification. Experienced members of staff act as mentors, responding to the needs of the apprentices, developing their confidence and skills, providing encouragement, and helping them take responsibility for themselves and their own development.

Public Learning, Participation and Engagement

- **Refugee engagement** - With the plight of refugees very much in our news the Cathedral has responded in a number of ways to amplify their cause. The first was to hold a refugee concert in Refugee Week featuring the vocal harmony group Stile Antico, the poetry of Lemn Sissay and the outstanding oud player Rihab Azar. During the week in June, recordings of Refugee Tales were filmed and broadcast on our social media in collaboration with David Herd. The Cathedral, with the generous support of an individual donor, has provided housing for Ukrainian refugees.
- **Community Studio** – This was designed as a relaxed place where people could gather comfortably with facilities and refreshments. The Community Studio has been able to host a wide variety of community events and is growing in popularity. Recent users include the NHS, BBC Songs of Praise, National Churches Trust, Porchlight, Kent Police, Job Seekers UK and many more. Colleagues across the Cathedral have also booked the Community Studio for other activities including staff training, theological study sessions, music workshops and wreath making.
- **Open Days.** Our open days are an important way to connect with the local community and sustain the Cathedral. We welcomed over 1,000 visitors to our open days.
 - The open afternoon to unveil the Christ Church Gate on 2nd December was a great opportunity to discover the Cathedral's many other expertly-restored spaces and new additions – including three exhibitions, our Visitor Centre, Shop, and public viewing gallery - made possible by The Canterbury Journey. Visitors could access the Cathedral and its grounds free of charge, listen to musical performances by the Cathedral's Choral Scholars, listen to our new media guides, enjoy a "Gregory Gargoyle" Christmas Trail, and explore the Christmas decorations and Nativity crib.
 - This year the Cathedral participated in the National Lottery. "Thanks to You" event by offering visitors half price entry on 25th March.
 - Our Valentine's evening was also well attended however we were disappointed that as far as we are aware there were no proposals on that evening in the Cathedral. Perhaps next year?

Donations

During the year we continued to give support to the local community in its recovery from the effects of the pandemic and rising prices. The list below shows the donations to charities given by Chapter during the year.

- Alzheimer's Society
- Amnesty International
- Canterbury Festival
- Catching Lives
- Christian Aid
- Canterbury District C.A.B
- Church Mission Society
- Church of England Children's Society
- Connecting Canterbury Together Again
- Demelza Hospice Care for Children
- Kent Refugee Action Network
- Mind
- Pilgrims Hospices in Kent
- Porchlight
- Ramsgate Community Project
- Rising Sun Domestic Violence and Abuse Service
- Stop the Traffic
- The Lord Major of Canterbury Christmas Gift Fund
- The Mothers Union
- The Salvation Army
- The United Kingdom Committee for UNICEF
- The United Society
- The Friends of St Francis Kate Charity

Staff and volunteers also participated in the Foodbank Reverse Advent Calendar event.

Cathedrals Measure 2021

- The Cathedrals Measure 2021 was given Royal Assent in April 2021. Chapter welcomes the required changes to governance structures. The changes involve a great deal of work but will lead to improved accountability and transparency. The Cathedral will fall under the regulatory ambit of the Charity Commission as well as the Church Commissioners. Chapter members will become Charitable Trustees. The Cathedral Council which approved our application for charitable status will be dissolved once charitable status is achieved. The Chapter remains profoundly grateful to Council members for their work and support.
- It was originally planned that Canterbury Cathedral would become a registered charity in early 2022. Whilst work continues towards registration, we now anticipate that we will become a registered charity in Autumn 2023 which enabled the new Dean to provide input to the process.
- We are grateful for the support from the Cathedral Sustainability Fund which supported additional staff resource to complete this work.

Other

- Cathedral clergy and staff undertake a number of extra-Cathedral duties in the community and within the Diocese.
- The Chapter has close marketing links with Visit Kent, Cruise Connection, the Canterbury Attractions Group, Canterbury Festival, the Association of Leading Visitor Attractions, and the Canterbury Connected Business Improvement District.
- All the Residentiary Canons are Governors of the King's School, and one is a Governor of St Edmund's School where the Cathedral Choristers are currently educated.
- Various senior members of staff are members of the Diocesan Advisory Committee and hold trusteeships of local charities.

Volunteers

- The work of the Cathedral is assisted by just under 500 volunteers who assist with our Ministry of Welcome as Guides, Welcomers, Assistants, Treasury Custodians and Chaplains.
- We have welcomed many volunteers back this year, following the pandemic, and have also signed up some new ones.
- An extensive training programme is in place to ensure that a high quality service is offered to all visitors. The Cathedral is also supported by many other groups of volunteers including the Stewards and Servers, Bellringers and Flower Arrangers, the 'Holy Dusters' and the 'Holy Stitchers'.

Thanks and Gratitude

- We are enormously grateful for the work of our volunteers. We thank all those who give their time and energy to support the Cathedral and their contribution to the Cathedral's life is invaluable.
- We are grateful for our many unpaid officeholders. These include non-executive members of Chapter and its committees, and trustees of both the Canterbury Cathedral Trust and The Friends of Canterbury Cathedral.
- Our thanks also go to the many benefactors and donors to Canterbury Cathedral. We believe that we have put their support to good effect, both to conserve the fabric of our Cathedral and to develop the ministry. Much of the work is hidden from many but essential to so much of what we do.
- And finally, thank you to the fabulous team of staff who work tirelessly behind the scenes.

Financial Review for the year

The Chapter has prepared the financial statements in accordance with the requirements of Section 27 of the Cathedrals Measure 1999 and as set out in the Guidelines on Accounting and Reporting by English Anglican Cathedrals, specified in December 2018 by the Church Commissioners and in compliance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The accounts of Cathedral Enterprises Limited have been consolidated with those of the Cathedral.

The Funds are shown broken down between Unrestricted (General), Designated, Restricted and Permanent.

- Unrestricted Funds which totalled £4.61 million at the year end, can be used by the Chapter within the charitable objects of the Cathedral. Unrestricted Funds arise from the income generating activities of the Cathedral and from general donations. Within the total, £43,000 remains designated at the year end to meet future marketing costs and £2,000 remains designated to meet future costs associated with the Girls' Choir. £3.71 million is represented by investment property and tangible fixed assets which is not readily available to meet expenditure. Hence at the year end free reserves totalled £0.9 million.
- Restricted Funds which totalled £11.10 million at the year-end can only be used for a specified purpose as described in the notes to the accounts. These funds have arisen from gifts and donations where the donor has specified the purpose for which the gift is to be used.
- Permanent Funds (£50.26 million at the year end) comprise the Cathedral Permanent Endowment fund and permanent endowment funds belonging to consolidated Trusts.

Unrestricted Reserves

It is the intention of the Chapter that liquid free reserves (equating to unrestricted reserves, less amounts held in property and fixed assets) should cover six months' total operating costs. Chapter defines operating costs as total costs even where costs were funded by restricted funds. Liquid free reserves at the year end represented around 1.7 months of total operating costs. If costs met by restricted funds are excluded, this increases to 2.1 months' cover. If the creditors due after more than one year (which relate to the repayment of the CBILS loan) are excluded, the cover increases to 6.7 months.

Unrestricted reserves were heavily depleted during the pandemic but they allowed Chapter to meet its financial obligations in the short term when staff were furloughed and restructuring took place. Chapter is looking to rebuild unrestricted reserves to strengthen the Cathedral's financial position.

Unrestricted Fund Results for the Year

There was a net deficit on unrestricted funds for the year of £379,000 before taking account of net unrealised losses on investments of £16,000, unrealised gains of £43,000 on non-investment property and a net transfer of funds to general funds of £177,000. This compares with a surplus of £474,000 in the previous year before taking account of unrealised gains of £14,000 on investment property and a transfer of funds from general funds of £82,000.

The total net movement in unrestricted funds for the year was a decrease of £175,000 compared with an increase of £423,000 in 2021-22.

The incoming transfer from restricted to unrestricted funds of £177,000 related to a donation from The Friends of Canterbury Cathedral which was given to replace the audio-visual equipment in the Cathedral Lodge. The cost of the equipment was capitalised in the general fund during the year and the income was therefore transferred to match the capitalisation.

The Unrestricted Fund is represented by property, cash, deposits and investments, the Chapter's holding in Cathedral Enterprises Limited and the day to day working capital of the Chapter.

Results of Trading Activities

Cathedral Enterprises Limited ("CEL") operates the trading activities of the Chapter. The Cathedral shop had moved premises into the new Welcome Centre, created by the Canterbury Journey project, just before the pandemic started. 2022/23 was its first full year of operation in its new location. The smaller space has enabled the management to reduce running costs and staffing. This together with new product lines and a strong focus on quality resulted in strong trading and increased profits in spite of fewer visitors to the Cathedral.

Over the year the business returned an operating surplus of £245,000 on a turnover of £1,298,000 compared with an operating surplus of £102,000, on a turnover of £796,000 in the previous year.

Turnover is derived from the activities of the Cathedral Shop and the work for third parties including other cathedrals and churches carried out by the Stained Glass and other skilled crafts departments. Cathedral Enterprises Limited continues to pay a commercial rent to the Chapter for the premises it occupies.

The Directors of CEL are cautiously optimistic that the retail activity will continue to improve. High inflation and the cost of living crisis are however a concern and the Board is monitoring the position on a regular basis. New products and focussed marketing are helping drive sales. Cash flow is protected in the short to medium term by a loan from the Cathedral.

CEL transfers its taxable profits (if any) to the Cathedral under a Gift Aid compliant Deed of Covenant. For the year to 31 March 2023, the donation was £198,218 which will be paid to the Cathedral after the year end.

Restricted Fund results for the year

Net income for the year on Restricted Funds before transfers between funds and before accounting for unrealised gains on investments was £162,000. This compares to net income of £322,000 in 2021/22.

After accounting for unrealised losses on investments of £540,000 and transfers of funds to the general fund of £177,000 to match capitalised expenditure, which was funded from restricted income, the Restricted Funds showed a deficit of £555,000 for the year. In 2021/22 there was a net surplus of £560,000 on Restricted Funds after taking account of unrealised gains on investments of £280,000 and a net transfer to general funds of £42,000.

Total donations receivable by the Chapter from Canterbury Cathedral Trust towards the restoration of the fabric and the maintenance of the music and choir foundation during the year amounted to £981,000 (2022: £824,000), including £387,000 towards the Canterbury Journey project (2022: £396,000). The Friends of Canterbury Cathedral donated £423,000 which was restricted (2022: £377,000 of which £335,000 was restricted).

Other restricted donations received in the year were £108,000 compared to £129,000 in the previous year.

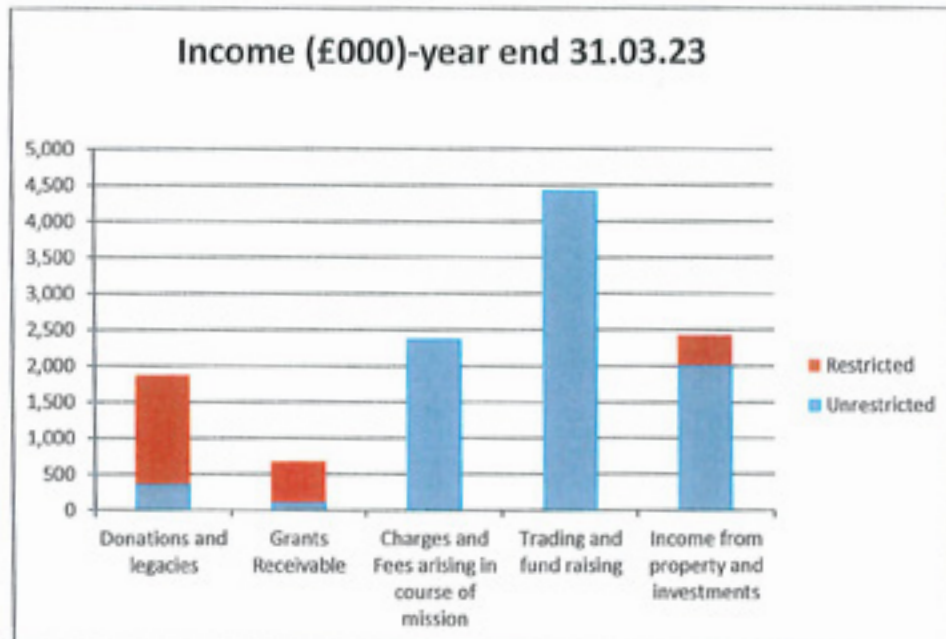
A grant of £427,000 was received in the year from the National Lottery Heritage Fund towards the Canterbury Journey project (2022: £1,573,000).

The expenses borne by Restricted Funds and Trusts totalled £2,335,000 (2022: £3,427,000).

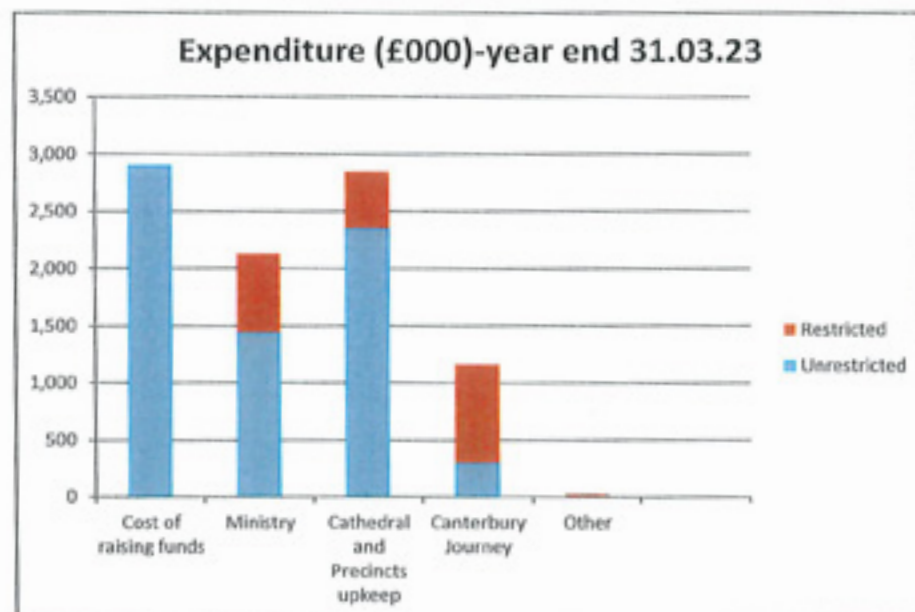
Summary of Total Income and Expenditure

Total income and expenditure, which is set out in notes 2 to 4 of the Financial Statements for the year is graphically illustrated below.

Income:



Expenditure:



Investments

The Chapter's long-term investments include investment property and securities. The table below shows income and expenses on the property portfolio.

Total Return on Investment properties

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Rents and other income	2,036	1,944	1,916	2,078	2,118
Landlord's repairs	(567)	(288)	(101)	(321)	(586)
Insurance, cleaning and utility costs	(128)	(85)	(89)	(68)	(75)
Other costs including management and professional charges	(135)	(117)	(195)	(76)	(84)
Net income	1,206	1,454	1,531	1,613	1,393
Net gain on revaluation of property	714	787	(26)	148	509
Total Return on investment properties	1,920	2,241	1,506	1,761	1,902
Total Return on Investment properties %	5.9%	7.2%	4.9%	5.9%	6.5%

The securities portfolio consists of investments in a number of funds: Sarasin Alpha Endowment Fund, managed by Sarasin & Partners; Schroder Charity Multi-Asset Fund and Schroder Income Fund, both managed by Cazenove Schroder; and COIF Charities Ethical Investment Fund Accumulation and Income funds, managed by CCLA. In making and holding investments, Chapter seeks to comply with the guidance set out in the Church of England's Ethical Investment Policies.

Further details on these holdings are contained in note 6 to the Financial Statements. The objective of the securities portfolio is to obtain a total return significantly greater than the rate of consumer price inflation over the long term.

Investment Properties

The investment properties belonging to the Chapter are included on the balance sheet at existing use value. This equates to market value, taking into account such factors as the terms of the existing lease, the quality of the covenant as well as the current market conditions. The value of these properties therefore varies from year to year. The total revaluation gain in the year to 31 March 2023 was £714,000 compared with a revaluation gain of £787,000 in the previous year.

It is not the intention of the Chapter to sell any of the properties making up its Estate, so any change in value is unlikely to be realised in the foreseeable future. The property market has shown a mixed picture of performance according to sector over the past 12 months. The market has been more stable than in previous years, though the economic outlook remains of concern with high inflation and interest rates impacting some investment markets. The science and business park sector has reportedly experienced the strongest growth amongst all sectors with industrial rental growth in Kent exceeding the Southeast level. Flexible office space is proving popular as a result of continued work from home practice and with many offices being converted to residential following relaxation of planning rules, the sector has generally remained stable with some growth. The retail sector remains of concern though there have been a number of transactions locally, particularly amongst independents. Rising costs continue to have an impact on the sector, though rateable values under the 2023 list will bring some much needed relief. The residential market in Canterbury, like much of the Southeast, saw intense activity post pandemic, which continued into 2022. The cost of living crisis has caused the market to cool since the autumn of 2022, with few transactions reported. Rightmove reports that Canterbury house prices increased by 3% overall, in 2022, compared to the previous year.

Valuations were in accordance with the requirements of the Royal Institution of Chartered Surveyors Global Standards 2020 and the Charities SORP (FRS102).

Rents from the properties owned by the Chapter continue to contribute towards the costs of running and repairing the Cathedral. The properties also provide an attractive setting for the Cathedral.

The allocation of property between investment and non-investment categories is according to their use and in the year three properties were transferred from the investment property portfolio to be used by Chapter to house the Dean, the Choral Scholars and the Precentor, and two properties were transferred back to the investment property portfolio having previously been used by Chapter for non-investment purposes.

Non-Investment Properties

Canterbury Cathedral Lodge (The International Study Centre) has been valued on a depreciated replacement cost basis, as set down in note 7, in accordance with the Guidelines specified by the Church Commissioners. The valuation has been prepared using Building Cost Indices as the basis for the calculation. It is the Chapter's belief that this methodology reflects the value of this building based on latest indices taking into account location factors. The valuation method for the Cathedral's public toilets is also on depreciated replacement cost value rather than an existing use value.

The remaining non-investment properties have been valued as set out in note 7 to the financial statements. The properties are valued on a rolling 5 year basis so that 20% of the properties are revalued each year.

The revaluation (of non-investment properties) at 31 March 2023 resulted in an overall increase in value of £663,000 compared with an increase in the year to 31 March 2022 of £1,339,000.

It is not the intention of the Chapter to sell any of the properties making up its Estate, so any changes in value are unlikely to be realised in the foreseeable future.

The fluctuations in total value are a reflection partly of market conditions, but also the terms on which the properties are occupied and their effect on the vacant possession values.

Principal Risks and Uncertainties

In delivering the objectives, the Chapter faces a variety of operational, financial, and economic risks. Major risks are reviewed quarterly and appropriate systems have been established to mitigate the likelihood and the impact of these risks occurring.

Senior staff manage risk as an integral part of their daily activities and the most significant risks are reported regularly to the Finance and Estates Committee and the Chapter.

The following major risks were identified in 2022-23, with the key actions to mitigate the risks noted alongside. The potential impact of the Covid-19 pandemic on the Cathedral's financial sustainability, activities and staff was initially recognised in February 2020 and is highlighted below.

Risk	Management Action
<p>Financial sustainability compromised as a result of reduced income and increased costs as we continue to recover from the pandemic and as the cost of living rises.</p>	<ul style="list-style-type: none"> -Significant restructuring taken place and review of activities and systems to improve efficiency. As part of the budget process for 2023/24, Chapter approved a set of targeted actions to increase revenue and reduce costs. -CBILS Loan taken out to manage cash flow. -Investment in technology to improve efficiency.
<p>Impact on Cathedral life as a result of insufficient funds to enable further major projects and managing expectation around planned major projects.</p>	<ul style="list-style-type: none"> - Wide level communication to stakeholders and interested parties. - Ensure strong project management. - Ongoing review of business planning and management processes. -Fundraising review taking place to inform next steps and structures. -Senior Leadership Team focussed on managing priorities and focussing resources to priority activities.
<p>Cathedral taking on more activities than can be managed.</p>	<ul style="list-style-type: none"> -Chapter ensuring proper prioritisation of projects. - Chapter to review strategic priorities over the next 12 months. -Regular monitoring of project activity.
<p>Unanticipated issues identified during delivery of major projects causing time delays and cost over-runs.</p>	<ul style="list-style-type: none"> - Significant investment during project development phase to reduce likelihood. - Regular monitoring during project.

Plans for Future Years

Canterbury Cathedral is **first and foremost a place of worship and the daily services will continue to underpin the life of the Cathedral**. Chapter's immediate priority for next year is to create a strategic vision and objectives which will shape the direction of the Cathedral for years to come whilst improving both our financial and environmental sustainability.

Vision and Strategic Plan: Following charity registration and with a new governance structure, we will start work to develop a new strategic plan with clear purpose, goals and steps identified to take the Cathedral forward with a renewed vision. Chapter will be looking to engage with the local community and key stakeholders to ensure the vision not only supports the Cathedral's mission but is relevant to the community whether of faith or none.

Financial Sustainability: Chapter is focussing on growing and diversifying income, containing costs, and improving efficiency. Historically Canterbury Cathedral has relied heavily on overseas tourists. This market has been slow to recover from the pandemic and the border control arrangements as a result of Brexit have exacerbated challenges for recovery of the overseas travel market. It is important that the Cathedral diversifies its income streams reducing the reliance on visitor income. A number of income generating opportunities arising from the Property Review have been identified and will be progressed during 2023.

Chapter is considering financial action plans, forecasts and cash flow predictions on a regular basis. The measures it is taking to control costs and generate income, are intended to enable the Cathedral to weather successfully the aftermath of the Covid-19 pandemic.

New capital projects will normally be undertaken only where funding is in place. Projects which will help improve the long term financial health of the Cathedral will be prioritised.

As part of our financial sustainability, fundraising has become even more important and the fundraising team is focussing on the West Front Project. A fundraising review is currently underway and the findings and recommendations will be reported to Chapter in July 2023.

Investment in technology is required to drive efficiency across the organisation and 2023/24 will see the replacement of the HR and Financial Management systems and the roll-out of Microsoft Office 365.

Environmental Sustainability: Using results of the surveys undertaken and data on energy usage, plans will be developed to reduce carbon emissions to help meet our aim of being a net zero carbon emitter by 2030. This is a very challenging target given the age and extent of our property portfolio.

We will continue to build on our plans to improve biodiversity within our gardens and develop how we communicate our commitment to the care of planet to encourage others.

Other priorities

There remains a significant amount of stone repair to be done on the West End of the Cathedral which could not be delivered within the Canterbury Journey project. Whilst Phase 1 of the West Front Project has been scoped, further work is required to develop detailed briefs and costings for subsequent phases.

The focus for the Visits, Hospitality and Marketing Teams remains to promote Canterbury Cathedral as a safe destination to visit and to welcome those returning. New family activities are being introduced to encourage family visits. In addition the "kids go free" offer has been extended.

Work continues on digitising some of the collections to widen access through new technology and there will be greater focus on interpretation and telling our story.

Structure, Governance and Management

This section describes the governance arrangements as they were during the year under review. The changed arrangements as a result of the Cathedrals Measure 2021 will be described in next year's report.

Constitution and Statutes

The Cathedral is governed by the Constitution and Statutes of the Cathedral and Metropolitan Church of Christ Canterbury, prepared in accordance with the Cathedrals Measure 1999 and authorised by the Archbishops of Canterbury and York on 6 October 2002.

Role of the Cathedral in the Diocese and the Anglican Communion

Canterbury Cathedral is primarily the seat of the Archbishop and as such it is a focus for his worldwide ministry.

The Archbishop is the Diocesan Bishop of the Diocese of Canterbury. The Cathedral's role as the Mother Church of the Diocese is important and is shown not only on the occasions when representatives of the whole Diocese gather together for Ordinations or special services presided over by the Archbishop, but also in the hospitality which the Chapter offers to the Area Deaneries. At the same time, the facilities of the Cathedral are offered to the Diocese and Synods; and other meetings take place regularly, both in the Cathedral Church itself and in the Canterbury Cathedral Lodge.

As Mother Church of the Anglican Communion, the Cathedral welcomes Primate and Bishops from the Communion, together with Seminarians and young clergy for courses leading to their enrolment as Canterbury Scholars.

Organisational Structure of the Cathedral

Visitor

The Visitor of the Cathedral Church is the Archbishop of Canterbury, The Most Reverend and Right Honourable Justin Welby. As Visitor he is entitled to attend and speak at meetings of the Cathedral Council, but not to vote.

Body Corporate

The Body Corporate consists of the Chapter, the Council and the College of Canons. Each part of the Body Corporate has rights, functions and duties granted to and imposed upon it by the Cathedrals Measure 1999 and the Constitution and Statutes of the Cathedral.

The Chapter

The Chapter consists of the Dean, the Residentiary Canons, and four additional members appointed by the Archbishop of whom not more than one may be a person in Holy Orders.

The duty of the Chapter is to direct and oversee the administration of the affairs of the Cathedral Church: it is required to meet at least nine times a year. The Dean is the Chair of the Chapter and has a second or casting vote.

The Council

The Council consists of a Lay Chairman appointed by the Archbishop and up to nineteen other Members, including the Dean, three other Members of the Chapter and two Members of the College of Canons. Members are appointed for a term of four years.

The Council is required to meet at least twice a year to further and support the work of the Cathedral Church by advising the Chapter: this includes the receiving and consideration of the Annual Budget and the Annual Report and Financial Statements. This body will cease to exist once charitable status is achieved and we are grateful to Council members for their work and support.

The College of Canons

The College of Canons consists of the Dean, the Suffragan Bishops, the Residentiary and Honorary Canons, and the Archdeacons of Canterbury, Maidstone and Ashford.

In the event of a vacancy in the See, the College of Canons elects an Archbishop of Canterbury, in accordance with the Appointment of Bishops Act 1533. Additionally, the College receives and considers the Annual Report and Accounts of the Cathedral Church.

The Finance and Estates Committee

As required under the Cathedrals Measure 1999, the Chapter is advised by the Finance and Estates Committee in connection with its responsibilities for financial, investment and property management. The Committee comprises members with financial, legal and property experience.

The Audit Committee

An Audit Committee is established as part of the governance arrangements for the Cathedral. The Committee's primary purpose is to consider the annual report and Financial Statements and oversee relations with the external auditor.

The Committee comprises five members who are independent of the Chapter and of whom at least one will have recent and relevant financial experience and hold a qualification from one of the professional accountancy bodies. The Committee meets at least twice each year. Currently there are three members of the Committee,

pending the reorganisation of the committees when the Cathedral becomes a registered charity.

The Fabric Advisory Committee

As required under the Care of Cathedrals Measure 1990, the Chapter is advised by a Fabric Advisory Committee.

The Remuneration Committee

A Remuneration Committee advises Chapter on matters relating to salaries and pay increases.

The Administration of the Cathedral

Chapter sets the strategic direction for the Cathedral and the Cathedral is administered by the Chapter through the Receiver General and Heads of Departments. The Receiver General oversees the financial and central administration together with the personnel management of all Cathedral staff.

Relationships with Other Organisations

The Cathedral maintains a positive relationship with the Diocese of Canterbury, through the Diocesan Office, the Archbishop's Staff Meeting, the Archdeacons of Canterbury, Ashford and Maidstone, and the Canon Librarian's role in the training of Diocesan curates.

The Chapter has a strong commitment to the Archbishop of Canterbury and the growth of his Archiepiscopal Ministry, through the use of the Cathedral and the Canterbury Cathedral Lodge in the Precincts: this is a dimension which extends to Lambeth Palace and the wider Anglican Communion, through the relationship with the Anglican Consultative Council.

The Cathedral maintains strong links with Canterbury City Council, the University of Kent and Canterbury Christ Church University.

Method of Appointing Members of the Chapter

The Dean is appointed by the Crown. Two of the Residentiary Canons are appointed by the Archbishop of Canterbury, the other two being appointed by the Crown, with the Archbishop having the right of appointment every fourth time. The four non-executive members of the Chapter are appointed by the Archbishop of Canterbury, after consultation with the Chapter and the Archbishops' Council.

Induction and Training of New Members of the Chapter

The Association of English Cathedrals (AEC) runs a series of training sessions for the training of new members of the Chapter, both clerical and lay.

Changes in Senior Clerical and Lay Appointments

The Dean of Canterbury

The Very Reverend Robert Willis retired as Dean on 16th May 2022, on the eve of his 75th birthday after 21 years in post. Chapter wishes to pay tribute to his long and remarkable service to the Cathedral and community and using the words of Archbishop Justin Welby on the announcement of Robert Willis's retirement,

"Dean Robert has been one of the most exceptional deans of the post-war period – overseeing Canterbury Cathedral's life of worship, prayer and witness with creativity and imagination. He is deeply loved not just at the Cathedral but across the Diocese of Canterbury, the Church of England, the Anglican Communion and far beyond.

Over the course of the pandemic, he has brought the comfort and hope of Jesus Christ to many thousands of people around the world through his daily Morning Prayer videos. Dean Robert has been a faithful, prayerful friend to our whole family and we will miss him greatly. In turn, we will be praying for him and all those who have supported him over many years, as he prepares for retirement and the next stage of his ministry."

The Very Reverend Jane Hedges joined the Chapter as a Residentiary Canon and Acting Dean from 20th June 2022 to 27th November 2022. Jane provided wise, nurturing and reassuring leadership during a period of significant transition for the Cathedral.

Chapter was delighted to welcome The Very Reverend David Monteith as the new Dean of Canterbury and his installation took place on 17th December 2022.

Non-Executive Chapter Member

William Pettit retired from Chapter on 17th April 2022.

Receiver General

- Air Marshal Christopher Nickols, Interim Receiver General left on 22 April 2022. He came initially for a nine month period and stayed significantly longer to help steer the Cathedral through the Covid-19 pandemic.
- Kathryn Beldon was appointed as Interim Receiver General and joined the Cathedral on 4th July 2022 for a twelve month term. In June 2023, acknowledging Kathryn's contribution in her interim role, Chapter appointed her to the substantive post of Receiver General.

Precentor

- Our Precentor Max Kramer left at the end of August to take up his new post as Fellow and Chaplain of Keble College, Oxford and the Reverend David Roper, a former Minor Canon of the Cathedral, came to fulfil the interim post of Precentor until Easter 2023.
- An offer has been made and accepted for the post of Precentor and Residentiary Canon elect and we are hopeful the new appointment will be able to start in November 2023.

Heads of Department

- During this year the Cathedral also saw the retirement of David Wilkinson, our Head of External Engagement, in February 2023 and the resignation of Jo Luck, our Head of Fundraising, in May 2023.
- A new Head of Estates and Fabric, Joel Hopkinson joined the Cathedral at the end May providing much needed capacity to assist with maintaining the fabric of the Cathedral and its Precincts.
- We look forward to welcoming Gina Grubb as our new Head of Visitor Experience in July 2023.

Other Appointments

- A new Cathedral Archaeologist has been appointed subject to approval by the Cathedral's Fabric Commission for England (CFCE)
- Chapter wish Robert, Jane, William and David a long and happy retirement whilst we wish Max and Jo all the very best in their new roles.

Arrangements for setting the pay and remuneration of key senior staff.

- Key senior staff include the Dean, Residentiary Canons, Receiver General and members of the Senior Leadership Team. The Dean and Residentiary Canons are remunerated in accordance with Church of England Guidelines. The remuneration of the Receiver General and other key senior staff is set with reference to market salaries locally for equivalent posts and across similar heritage organisations.

Fundraising

The Chapter aims to achieve best practice in the way that it communicates with its supporters and visitors and to act in accordance with Fundraising Regulator guidance. It takes care with the tone and accuracy of its communications to ensure that their data is protected. The Chapter never sells data and never exchanges data other than with other departments of the Cathedral to enable services to be delivered. Fundraising for the Cathedral is undertaken by the Fundraising Department of Canterbury Cathedral Trust Fund (registered charity 1112590). The Chapter undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service.

Statement of the Responsibilities of the Chapter in respect of the financial statements

The Chapter is responsible under requirements laid down by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999 for:

- Preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities, and funds at the end of each financial year of the Cathedral and its connected entities;
- Stating that they have complied in all material respects with the regulations specified by the Church Commissioners as prepared by the Cathedrals Administration and Finance Association (CAFA) or describing which recommendations have not been complied with and giving reasons for such noncompliance;
- Selecting suitable accounting policies and then applying them consistently;
- Making judgements and estimates that are reasonable and prudent;
- Keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time; and
- Safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Investment Powers

Under the Cathedrals Measure 1999, the Chapter may invest in any of the following:

- Land
- Funds administered for the Central Board of Finance of the Church of England by CCLA Investment Management Limited.
- Investments in which Trustees may invest under the general power of investment in the Trustee Act 2000.
- The improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve the Cathedral itself and its ancillary buildings unless a total return approach under the Church of England (Miscellaneous Provisions) Measure 2014 has been adopted.

Legal and Administrative Information

The legal name of the Cathedral is the **Cathedral and Metropolitan Church of Christ, Canterbury**, but it is commonly referred to as Canterbury Cathedral.

Office Holders April 2022 to June 2023

The Members of the Chapter during the year and to the date of this report were:

- | | |
|---------------------------------------|--|
| • The Very Reverend Dr Robert Willis | Dean of Canterbury (Until 16 May 2022) |
| • The Very Reverend Dr Jane Hedges | Acting Dean of Canterbury (20 June 2022 to 27 November 2022) |
| • The Very Reverend Dr David Monteith | Dean of Canterbury (from 17 Dec 2022) |
| • The Reverend Canon Emma Pennington | Canon Missioner |
| • The Reverend Canon Timothy Naish | Canon Librarian |
| • The Reverend Canon Andrew Dodd | Canon Treasurer |
| • The Venerable Will Adam | Archdeacon of Canterbury (from 18 July 2022) |
-
- | | |
|---|--|
| • Mrs Caroline Spencer | |
| • Mr William Pettit (until 17 April 2022) | |
| • Mrs Janice Reid | |
| • Miss Jane Ibbotson | |
| • Mr Richard Oldfield | |

Receiver General

Air Marshal Christopher Nickols
(until 22 Apr 2022)

Ms Kathryn Beldon (from 4 July 2022)

Surveyor to the Fabric

Mr Jonathan Deeming

Consultant Archaeologist

vacant

Director of Music

Dr David Newsholme

The Finance and Estates Committee

The members of the Committee during the year were:

- | | |
|--|--|
| • The Very Reverend Dr Robert Willis DL | Dean of Canterbury (until 16 May 2022) |
| • The Very Reverend Dr Jane Hedges | Dean of Canterbury (20 June to 27 Nov 2022) |
| • The Very Reverend Dr David Monteith | Dean of Canterbury (from 17 Dec 2022) |
| • The Reverend Canon Andrew Dodd | Canon Treasurer |
| • Air Marshal Christopher Nickols | Receiver General (until 22 April 2022) |
| • Ms Kathryn Beldon | Receiver General (from 4 July 2022) |
| • Mr Michael Steed | |
| • Mr Adrian Inscoc | |
| • Sir Thomas Best Shaw (until 23 May 2022) | |
| • Mr Richard Oldfield (from 27 May 2022) | |
| • Ms Julie Wood | Director of Finance and Planning
(and Secretary to the Finance Committee) |

There is also an Audit Committee, which meets to monitor and approve the preparation of the Annual Report and Accounts.

The membership of the Committee during the year was:

- Mr Alan Gibbins Chairman
- Mr James Loudon DL
- Mr Richard Davis
- Ms Julie Wood Secretary

The Fabric Advisory Committee

The membership of the Committee during the year was:

- | | |
|--|--|
| <ul style="list-style-type: none"> • Mr Richard Halsey (Chairman) • Mr Martin Stancliffe • Dr Alixe Bovey • Ms Anna Eavis • Mr Graham Sharpe • Professor Paul Bennett • Ms Edith Belnnerhassett
 • Air Marshal Christopher Nickols • Ms Kathryn Beldon | <p>Appointed by:
 Cathedrals Fabric Commission
 The Chapter
 Cathedrals Fabric Commission
 The Chapter
 The Chapter
 The Chapter
 Cathedrals Fabric Commission</p> <p>Secretary (Until 22 April 2022)
 Secretary (from 4 July 2022)</p> |
|--|--|

Address of the Cathedral Office

Cathedral House
 The Precincts
 Canterbury
 Kent CT1 2EH

Professional Advisors

Auditor

Buzzacott LLP
 Chartered Accountants
 and Registered Auditor
 130 Wood Street
 London EC2V 6DL

Solicitors

Lee Bolton Monier-Williams
 1 The Sanctuary
 Westminster
 London SW1P 3JT

Bankers

Lloyds TSB Bank plc
 2nd Floor
 Gail House
 Lower Stone Street
 Maidstone
 Kent ME15 6NB

Veale Wasbrough Vizards
 Barnards Inn
 86 Fetter Lane
 London EC4A 1AD

Investment Managers

Sarasin and Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

CCLA Investment Management Ltd
80 Cheapside
London EC2V 6DZ

Cazenove
Schroder & Co. Limited
31 Gresham Street
London EC2V 7QA

Safeguarding

It has been a busy year for the safeguarding team at the Cathedral with a rapid changeover of staff, review of policies and procedures required for adherence to the Cathedral's measure, the past cases review, the Lambeth conference and the implementation of a safer recruitment policy and procedure with our 500 volunteers. Here are a few of the highlights of the work of the team across this twelve month period.

The Safeguarding Team

Over the year we have seen a number of changes in the safeguarding team. The Interim Receiver General, Chris Nickols, retired and in his place, we welcomed Kathryn Beldon, also in an interim role. In addition both our HR manager James Smith and Precentor Max Kramer left the Cathedral to take up new positions elsewhere. Kerry Campling, who had formerly worked at the Cathedral as HR manager, returned on a temporary basis to cover the HR manager role, until Lucy Stanton was appointed. The Rev'd David Roper held the Precentor role from September through to Easter before taking up his retirement. His role will be covered by the new Canon Precentor who will join us in November 2023. Finally David Newsholme, the Director of Music, was invited to join the team.

The Past Cases Review

Following the independent review of our past cases in both the Diocese and the Cathedral, three of those cases were identified by the reviewers as being a cause for concern. Subsequently, core groups were held for each of them and the Independent Safeguarding Chair, Carol Iddon, along with our safeguarding advisers, Fiona Coombs and Paul Brightwell, presented the recommendations to Chapter at the January Chapter meeting. These were formed into an action plan which were embedded into the delivery plan for 2023/24.

Lambeth Conference

The Lambeth Conference was held in the Cathedral and at the University of Kent during August, and Fiona Coombs, the Cathedral and Diocese Safeguarding adviser, was seconded to the Lambeth Safeguarding Team for that period.

Risk Assessment

During this year the Cathedral Safeguarding Advisers held a risk assessment of the Cathedral and interviewed a number of staff involved in safeguarding. A report was brought to Chapter at the January meeting, which recommended relatively few changes. These were incorporated into the self-evaluation action plan which is managed by the Cathedral Safeguarding Lead.

Safer Recruitment

At the beginning of 2023, Alexandra Nalliah was appointed as the new Compliance Officer to implement the new safer recruiting procedures and to update our records and safeguarding training especially for our volunteers. This has been an important piece of work and a step forward in developing a culture of safeguarding across the Cathedral.

The Cathedral Choir

The care and wellbeing of our choristers has continued this year with the drawing up of a joint policy and procedure for safeguarding with the safeguarding team of St Edmund's School. This document clarified a number of issues and grey areas, and it is a document that both Cathedral and St Edmund's School are rightly to be proud of.

Regular Meetings

Along with the extra areas of work, the safeguarding team have continued their regular round of meetings which include: the quarterly Cathedral Safeguarding Executive Group and Diocesan and Cathedral Safeguarding Advisory Group; core groups, risk assessment and professionals' meetings as and when necessary, fortnightly Keeping in Touch meetings with St Edmund's staff and termly joint safeguarding meetings with St Edmund's, in addition to a termly meeting with the safeguarding team of King's School.

Our thanks go to the professionalism and friendship of the team who keep the Cathedral safe and engender a culture of openness, transparency and care:

- Fiona Coombs and Paul Brightwell, Cathedral Safeguarding Advisers.
- Carol Iddon, Independent Chair or DCSAP.
- David Newsholme, Director of Music.
- Zoe Willis, Schools' Officer.
- Jim Morley, Head of Constables.
- James Smith, HR manager till spring 2022, Kerry Campling Summer 2022, Lucy Stanton from July 2022.
- Rev'd Max Kramer, Precentor till August 2022, Rev'd David Roper, Precentor Autumn 2022 to Easter 2023.
- Rev'd Dr Emma Pennington, Cathedral Safeguarding Lead.



David Monteith

The Very Reverend Dr David Monteith

28 July 2023

Independent Auditor's Report to the Chapter of Canterbury Cathedral

Opinion

We have audited the accounts of Canterbury Cathedral (the 'parent entity') and of Canterbury Cathedral and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the consolidated and parent entity balance sheets, the consolidated statement of cash flows, the principal accounting policies, the notes to the financial statements and the appendix. 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 accounts:

- give a true and fair view of the state of affairs of the group and of the parent entity as at 31 March 2023 and of the group's income and expenditure 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 regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999.

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 accounts section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these. 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

In auditing the accounts, we have concluded that the Chapter's use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the ability of the group or parent entity to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the Chapter with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report and Accounts, other than the accounts and our auditor's report thereon. The Chapter is responsible for the other information contained within the Report and Accounts. Our opinion on the accounts 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts, 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 this gives rise to a material misstatement in the accounts themselves. 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 we report to you if, in our opinion:

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

Responsibilities of the Chapter

As explained more fully in the statement of responsibilities of the Chapter, the Chapter is responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Chapter determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Chapter is responsible for assessing the ability of the group and the parent entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chapter either intend to liquidate the group or the parent entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts. 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework including the Cathedrals Measure 1999; and
- we understood how the parent entity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes of Chapter and of Finance and Estates meetings.

We assessed the susceptibility of the group's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- understanding how those charged with governance consider and address the potential for override of controls or other inappropriate influence over the financial reporting process; and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant accounts item to which they relate.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- performed substantive testing of expenditure including testing the authorisation thereof;

- investigated the rationale behind significant or unusual transactions;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing accounts disclosures to underlying supporting documentation;
- reading the minutes of Chapter and of Finance and Estates meetings; and
- enquiring of management and representatives from Chapter as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Chapter and management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the accounts 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 Chapter, as a body, in accordance with section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the Chapter those matters we are required to state to them 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 Canterbury Cathedral and the Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Buzzacott LLP
 Statutory Auditor
 130 Wood Street
 London
 EC2V 6DL

5 September 2023



Cathedral Church of Christ, Canterbury

Section 2

Financials

Consolidated statement of financial activities for the year ended 31 March 2023

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2023	Total Funds 2022
	Note	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:						
Donations and legacies		362	1,512	-	1,874	1,670
Covid-19 grants including Coronavirus Job Retention Scheme funds		-	-	-	-	1,548
Other Grants in support of mission		111	571	-	682	2,157
Charges and fees arising in the course of mission		2,370	6	-	2,376	1,871
Trading and fundraising		4,431	-	-	4,431	2,775
Investments		2,014	408	-	2,422	2,291
Total Income	2	<u>9,288</u>	<u>2,497</u>	<u>-</u>	<u>11,785</u>	<u>12,312</u>
Expenditure on:						
Raising funds	3	<u>2,905</u>	<u>-</u>	<u>-</u>	<u>2,905</u>	<u>2,134</u>
Charitable activities:						
Ministry	4	1,439	690	-	2,129	2,002
Cathedral and precincts upkeep	4	2,354	494	-	2,848	2,907
Education and outreach	4	2,667	262	-	2,929	2,206
Other expenditure	4	-	27	-	27	115
The Canterbury Journey Project	4	302	862	-	1,164	2,152
		<u>6,762</u>	<u>2,335</u>	<u>-</u>	<u>9,097</u>	<u>9,382</u>
Total Expenditure		<u>9,667</u>	<u>2,335</u>	<u>-</u>	<u>12,002</u>	<u>11,516</u>
Net (expenditure)/income before investment (losses)/gains		<u>(379)</u>	<u>162</u>	<u>-</u>	<u>(217)</u>	<u>796</u>
Net gains(losses) on investments						
Investment property	5	33	-	681	714	787
Listed investments	6	(49)	(540)	(105)	(694)	371
Total net (losses)/gains on investments		<u>(16)</u>	<u>(540)</u>	<u>576</u>	<u>20</u>	<u>1,158</u>
Net (expenditure)/income before transfers		<u>(395)</u>	<u>(378)</u>	<u>576</u>	<u>(197)</u>	<u>1,954</u>
Gross transfers between funds	14	177	(177)	-	-	-
Net (expenditure)/income		<u>(218)</u>	<u>(555)</u>	<u>576</u>	<u>(197)</u>	<u>1,954</u>
Other recognised gains(losses) on revaluation						
International Study Centre	7	-	-	505	505	(180)
Non investment property	7	43	-	115	158	1,519
Net movement in funds		<u>(175)</u>	<u>(555)</u>	<u>1,196</u>	<u>466</u>	<u>3,293</u>
Reconciliation of funds:						
Total funds brought forward		4,783	11,626	49,063	65,472	62,179
Total funds carried forward		<u>4,608</u>	<u>11,071</u>	<u>50,259</u>	<u>65,938</u>	<u>65,472</u>

The notes numbered 1 to 24 and the appendix which contains comparative information form part of these accounts.

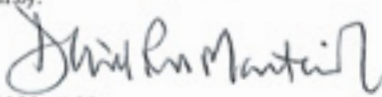
The Statement of Financial Activities includes all gains and losses recognised in the year.

Consolidated balance sheet
at 31 March 2023

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2023	Total Funds 2022
	Note	£'000	£'000	£'000	£'000	£'000
Fixed Assets						
Investment assets						
Property	5	787	750	31,130	32,667	32,682
Listed Investments	6	795	8,696	2,310	11,801	12,495
		<u>1,582</u>	<u>9,446</u>	<u>33,440</u>	<u>44,468</u>	<u>45,177</u>
Tangible fixed assets						
International Study Centre	7	-	-	5,557	5,557	5,052
Other property	7	698	-	11,238	11,846	10,959
Other tangible assets	9	1,518	-	-	1,518	1,479
		<u>2,126</u>	<u>-</u>	<u>16,795</u>	<u>18,921</u>	<u>17,490</u>
Total fixed assets		<u>3,708</u>	<u>9,446</u>	<u>50,235</u>	<u>63,389</u>	<u>62,667</u>
Current Assets						
Stocks	10	286	-	-	286	221
Debtors	11	1,519	-	-	1,519	1,539
Cash at bank and in hand		4,626	1,625	24	6,275	7,267
		<u>6,431</u>	<u>1,625</u>	<u>24</u>	<u>8,080</u>	<u>9,047</u>
Liabilities due within one year						
Creditors	12	3,465	-	-	3,465	3,375
Net current assets		<u>2,966</u>	<u>1,625</u>	<u>24</u>	<u>4,615</u>	<u>5,672</u>
Total assets less current liabilities		<u>6,674</u>	<u>11,071</u>	<u>50,259</u>	<u>68,004</u>	<u>68,339</u>
Liabilities due after more than one year						
Bank Loan	13	2,066	-	-	2,066	2,867
Total net assets		<u>4,608</u>	<u>11,071</u>	<u>50,259</u>	<u>65,938</u>	<u>65,472</u>
Funds						
General	14	4,563	-	-	4,563	4,738
Designated	14	45	-	-	45	45
Restricted	14	-	11,023	-	11,023	11,578
Trust Funds	14	-	48	2,316	2,364	2,469
Corporate Estate	14	-	-	47,943	47,943	46,642
		<u>4,608</u>	<u>11,071</u>	<u>50,259</u>	<u>65,938</u>	<u>65,472</u>

Revaluation reserves of £3.742m (2022: £4.436m) are included in the above funds relating to non-property investments of which £1.055m (2022: £1.104m) relates to the permanent fund, £2.397m (2022: £2.937m) to restricted funds and £0.290m (2022: £0.395m) to general funds. The revaluation reserve for property cannot be determined given the historic nature of some of the property.

The financial statements were approved and authorised for issue by the Chapter on 28/07/2023 and signed on their behalf by:


David Monteith
Dean


Andrew Dodd
Canon Treasurer

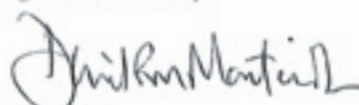
The notes numbered 1 to 24 and the appendix which contains comparative information form part of these accounts.

Entity-only balance sheet
at 31 March 2023

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2023 ¹	Total Funds 2022
	Note	£'000	£'000	£'000	£'000	£'000
Fixed Assets						
Investment assets						
Property	5	787	750	31,130	32,667	32,682
Listed investments	6	795	8,696	2,310	11,801	12,495
Investment in Subsidiary	24	190	-	-	190	190
		<u>1,772</u>	<u>9,446</u>	<u>33,440</u>	<u>44,658</u>	<u>45,367</u>
Tangible fixed assets						
International Study Centre	7	-	-	5,557	5,557	5,052
Other property	7	608	-	11,238	11,846	10,959
Other tangible assets	9	1,452	-	-	1,452	1,419
		<u>2,060</u>	<u>-</u>	<u>16,795</u>	<u>18,855</u>	<u>17,430</u>
Total fixed assets		<u>3,832</u>	<u>9,446</u>	<u>50,235</u>	<u>63,513</u>	<u>62,797</u>
Current Assets						
Stocks	10	85	-	-	85	64
Debtors	11	1,657	-	-	1,657	1,516
Loan to Subsidiary	11	183	-	-	183	183
Cash at bank and in hand		4,120	1,625	24	5,769	7,012
		<u>6,045</u>	<u>1,625</u>	<u>24</u>	<u>7,694</u>	<u>8,775</u>
Liabilities due within one year						
Creditors	12	3,277	-	-	3,277	3,260
Net current assets		<u>2,768</u>	<u>1,625</u>	<u>24</u>	<u>4,417</u>	<u>5,515</u>
Total assets less current liabilities		<u>6,600</u>	<u>11,071</u>	<u>50,259</u>	<u>67,930</u>	<u>68,312</u>
Liabilities due after more than one year						
Bank Loan	13	2,066	-	-	2,066	2,867
Total net assets		<u>4,534</u>	<u>11,071</u>	<u>50,259</u>	<u>65,864</u>	<u>65,445</u>
Funds						
General		4,489	-	-	4,489	4,711
Designated	14	45	-	-	45	45
Restricted	14	-	11,023	-	11,023	11,578
Trust Funds	14	-	48	2,316	2,364	2,469
Corporate Estate	14	-	-	47,943	47,943	46,642
		<u>4,534</u>	<u>11,071</u>	<u>50,259</u>	<u>65,864</u>	<u>65,445</u>

Revaluation reserves of £3.742m (2022: £4.436m) are included in the above funds relating to non-property investments of which £1.055m (2022: £1.104m) relates to the permanent fund, £2.397m (2022: £2.937m) to restricted funds and £0.290m (2022: £0.395m) to general funds. The revaluation reserve for property cannot be determined given the historic nature of some of the property.

The financial statements were approved and authorised for issue by the Chapter on 28/07/2023 and signed on their behalf by:



David Monteith
Dean



Andrew Dodd
Canon Treasurer

The notes numbered 1 to 24 and the appendix which contains comparative information form part of these accounts.

Consolidated cashflow statement
For the year ended 31 March 2023

	2023 £'000	2022 £'000
Cash flow statement		
Net cash used in operating activities	<u>(1,516)</u>	<u>(1,581)</u>
Cash flows from investing activities		
Income from property (net)	1,206	1,454
Income from investments (net)	386	347
Purchase of investments	-	(50)
Purchase of tangible fixed assets	<u>(268)</u>	<u>(220)</u>
Net cash provided by investing activities	<u>1,324</u>	<u>1,531</u>
Cash flows from financing activities		
Repayment of borrowings	<u>(800)</u>	<u>(333)</u>
Net cash (used in)/provided by financing activities	<u>(800)</u>	<u>(333)</u>
(Decrease)/increase in cash and cash equivalents in year	(992)	(383)
Cash and cash equivalents at 1 April	7,267	7,650
Cash and cash equivalents at 31 March	<u>6,275</u>	<u>7,267</u>

Reconciliation of net income/(expenditure) before investment gains and (losses) to net cash used in operating activities

	£'000	£'000
Net (expenditure)/income before transfers	(217)	796
Adjustments for:		
Income from property (net)	(1,206)	(1,454)
Income from investments (net)	(386)	(347)
Depreciation	228	240
(Increase)/decrease in stocks	(65)	28
Decrease in debtors	40	13
Increase/(decrease) in creditors	90	(857)
Net cash used in operating activities	<u>(1,516)</u>	<u>(1,581)</u>

Analysis of cash and cash equivalents

	£'000	£'000
Cash at bank and in hand	6,275	7,267
Short term notice deposits	-	-
Total cash and cash equivalents	<u>6,275</u>	<u>7,267</u>

Analysis of changes in net funds/(debt)

	At 1 April 2022 £'000	Cash Flows £'000	At 31 March 2023 £'000
Cash and cash equivalents	7,267	(992)	6,275
Bank loan	<u>(3,667)</u>	<u>800</u>	<u>(2,867)</u>
	<u>3,600</u>	<u>(192)</u>	<u>3,408</u>

Canterbury Cathedral

Principal Accounting Policies

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

Basis of Preparation of accounts

These accounts have been prepared for the year ended 31 March 2023 with comparative information given in respect to the year to 31 March 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies or other notes to these accounts.

The accounts have been prepared in accordance with the Regulations on Accounting and Reporting by English Anglican Cathedrals as specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999 ('Cathedral Regulations') and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Canterbury Cathedral is an ecclesiastical corporation and constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and rounded to the nearest thousand pounds.

Basis of consolidation

The group accounts consolidate the accounts of the Cathedral and its subsidiaries, Cathedral Enterprises Limited and the Ivor Read Charity. No separate statement of financial activities has been presented for the Cathedral alone as permitted by Cathedral Regulations. The Cathedral's total income for the year was £11,474,000 (2022: £11,966,000) and its net expenditure for the year was £267,000 (2022: net income £736,000).

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Chapter and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- assessing the probability of receipt of legacy income and determining the amount to be recognised as income in the accounts;
- estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation charge;
- assessing the appropriateness of the assumptions and methodology used in determining the fair value of investment and non-investment properties;
- assessing the need for any provision against slow moving or obsolete stock;
- assessing the recoverability of outstanding debtors and the need for any provision for bad or doubtful debts;
- determining the value of designated funds needed at the year end to meet specific future expenditure;
- assessing the basis for the allocation of support costs and
- estimating future income and expenditure flows for the purpose of assessing going concern, including the continuing impact of the Coronavirus pandemic.

Assessment of going concern

The Chapter has made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Covid-19 pandemic together with Brexit have have a significant financial impact on the Cathedral which continues to be felt. In addition the war in Ukraine and high inflationary pressures are having an impact on both income and costs. Visitor numbers for the year were 72% of pre-covid levels which is reflected in the income figures. A number of measures have been taken to attract visitors

Principal Accounting Policies

to the Cathedral including extending the "Kids go Free" offer and holding a number of family activities during school holidays. The Cathedral underwent a restructure in 2021 which has helped reduce the costbase and we continue to look for further efficiencies. An Estates rationalisation programme has commenced to free up property for commercial letting to help increase income. The Chapter took out a Coronavirus Business Interruption Loan with its bankers in the year ended 31 March 2021 which has provided additional liquidity. The loan is subject to an EBITDA related covenant tested annually, which was waived by the bank in 2022/23. The Chapter remains confident in the support of the bank and the range of measures available to the Cathedral to maintain ongoing liquidity.

In spite of the continuing uncertainty, the Chapter has concluded that the level of uncertainty does not cast significant doubt on the ability of the Cathedral to continue as a going concern. The Chapter is of the opinion that the Cathedral will have sufficient resources to meet its liabilities as they fall due.

Income recognition

Income is recognised in the period in which the Cathedral has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, legacies, grants, charges and fees arising in the course of mission, income from trading and fundraising activities and investment income.

Donations (including income from offertory and similar collections) are recognised when the Cathedral has confirmation of both the amount and the settlement date. When donations are pledged but not received, the income is accrued for when the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the Cathedral is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Cathedral and it is probable that those conditions will be fulfilled within the reporting period.

When a third party pays for goods or services on behalf of the Cathedral the cost is shown as both a donation and expenditure in the statement of financial activities. Similarly, donated goods and services are valued on an arm's length basis and shown as income and either capital or revenue expenditure as appropriate. No monetary value is placed on the services provided by Cathedral volunteers.

Legacies are recognised in the statement of financial activities when the chapter is satisfied that:

- the Cathedral is entitled to the legacy,
- the value of the legacy can be reliably estimated,
- the executors have established that there are sufficient surplus assets in the estate to pay the legacy and that receipt of the legacy is therefore probable and
- fulfilment of any conditions attached to the legacy is wholly in the control of the Cathedral.

Grants from government and other agencies, including the National Lottery Heritage Fund, have been included as grants in support of mission. Income is deferred when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Monies receivable from the Government's Coronavirus Job Retention Scheme are recognised when the charity has entitlement to the income and when the amount receivable can be quantified.

Income from charges and fees arising in the course of mission are recognised as and when the related goods or services are provided.

Income generated from the activities of the trading subsidiary comprises income from the Cathedral shop, catering and external work carried out by the Cathedral's stained glass and stonemasons' departments. It is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when it is receivable; this is normally upon notification from the bank of the interest payable or paid.

Income from the rental of properties is recognised when the income is receivable under the lease document, when the amount can be measured reliably and it is probable such income will be received.

Principal Accounting Policies**Expenditure recognition**

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Cathedral 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 direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure category. The classification between activities is as follows:

- Expenditure on raising funds comprises the costs incurred by the trading subsidiary, investment property management costs, the costs of facilities provided to visitors, fundraising costs and support costs.
- Charitable expenditure comprises the costs of Ministry, cathedral and precincts upkeep, education and outreach and the Canterbury Journey project. Such costs include staff costs and other direct overheads attributable to those purposes.

A detailed analysis of the expenditure is provided in note 4.

All expenditure is stated inclusive of irrecoverable VAT.

Support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary object of the Cathedral it is necessary to provide support in the form of administration and financial procedures, information technology, personnel and training. Support costs are apportioned based on estimated time spent per category. Governance costs include audit fees and relevant expenditure relating to specific meetings and are included within support costs.

Investment in subsidiary company

The Cathedral's investment in its subsidiary company is included on the Cathedral's balance sheet at cost.

Investment and non-investment properties

Freehold properties are included in the balance sheet at market value as detailed in the notes to the accounts with the exception of the Cathedral Lodge (International Study Centre) which is included at depreciated replacement cost. Properties are classed as investments or tangible fixed assets according to their use.

Listed Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and either their opening carrying value, or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value and the carrying value at year end. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

The Cathedral and its Ancillary buildings

No value is attributed in these accounts to the Cathedral and its ancillary buildings on the basis that the buildings are of a unique historic nature and are held primarily for the mission of the Cathedral. The nature and construction of the buildings are such that conventional valuation approaches lack sufficient reliability. The cost of providing a full valuation would be significant and onerous compared with the benefit derived by users of the accounts. A value is agreed for insurance purposes which represents the cost of restoration and repair in the event of a serious loss.

Principal Accounting Policies

Heritage Assets and Inventory

The Chapter does not consider that reliable cost or valuation information can be obtained for items recorded in inventory prepared under s24 of the Care of Cathedrals Measure 2011. The age, variety and lack of comparable market data would make any attempt at valuation extremely onerous and costly compared with the benefit derived by users of the accounts.

Similarly, the Chapter considers that obtaining valuations for the books, manuscripts and artefacts and other heritage assets in its care would involve disproportionate cost compared with the benefit derived by users of the accounts. Consequently no values are attributed to heritage assets in the balance sheet.

Heritage assets acquired are not capitalised in the balance sheet. The Chapter considers that the inclusion of isolated assets would give the reader of the accounts a false impression of the true value of heritage assets in its care.

The Cathedral has a policy of retaining its heritage assets for the long term and cannot dispose of these assets without the agreement of the Cathedral Fabric Commission for England (CFCE)/Church Commissioners. Heritage items are generally acquired by donation.

Expenditure to preserve and maintain objects recorded in the Inventory or held as heritage assets is recognised in the statement of financial activities in the year that the expenditure is incurred.

Other fixed assets

Items of plant, machinery, vehicles, office equipment, loose tools, furniture and fittings costing in excess of £1,000 are capitalised and depreciated at rates calculated to write off their original cost over the expected useful life of the assets concerned as follows:

- Motor vehicles – 5 years
- Computer and telephone system – 3 years
- Fire alarm system – 10 years
- Shop fittings – 8 years
- Other furniture, fixtures and fittings – 5 years
- Scaffolding - 10 years

Stock and work in progress

Stock and work-in-progress are valued at the lower of cost and net realisable value.

Debtors

Debtors are recognised at the 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 that have a maturity of less than three months from the date of investment or acquisition. Deposits made for longer than three months but less than one year have been disclosed as short term deposits.

Principal Accounting Policies

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 Chapter anticipates it will pay to settle the debt.

Funds held as Trustee

In addition to the Trust Funds which are for the benefit of the Cathedral and included in Restricted Funds, the Chapter acts as Trustee for a number of other Trust Funds of which the Cathedral is not a beneficiary. These funds are included as creditors in the financial statements of the Cathedral.

Funds structure

Funds are divided between Permanent, Restricted and Unrestricted funds. These are described in note 1 to these accounts.

Pensions

The Chapter operates a money purchase pension scheme with defined contribution levels together with a Group Personal Pension Scheme whereby the Chapter agrees to pay, for eligible employees, a defined contribution into the member's individual pension plan. The charge in the Statement of Financial Activities represents the amounts payable in respect of the year.

The Cathedral also participates in the Church of England Funded Pension Scheme which is a defined benefit scheme. It is not possible to identify the assets and liabilities that are attributable to the Cathedral and therefore the normal contributions to the scheme are recognised when payable. The present value of the expected deficit recovery contributions is recognised as a liability at the balance sheet date. The amount is reviewed annually taking into account any changes to the deficit contribution rate or the implicit rate of interest used in discounting the liability.

Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

**Notes to the financial statements
for the year ended 31 March 2023**

1 Funds

Funds are divided between Permanent, Restricted and Unrestricted.

1.1 The **Permanent Fund** represents the Corporate Estate of the Chapter and, as an endowment fund, cannot be expended, although it may be realised and reinvested in a different form. Also included is the capital of trust funds of which the Chapter is the Trustee and which are for the benefit of the Cathedral.

1.2 The **Restricted Funds** may only be applied for particular purposes. Brief descriptions of these Funds are:

Fabric Maintenance Fund

This fund may only be applied towards repairs and major works of refurbishment to the fabric of the Cathedral.

Music and Choir Fund

This fund may only be used to meet the costs of the Choir and the provision of Music in the Cathedral generally.

International Study Centre/Canterbury Cathedral Lodge (I S C) Capital Fund

This fund receives all donations, grants and legacies that are specified to be used in connection with the Canterbury Cathedral Lodge.

ISC Scholarship Fund

This fund receives donations, grants and legacies specified for use towards the courses and training run by The Chapter of Canterbury for new Bishops and Seminarians.

The Ivor Read Charity and Ivor Read Maintenance Fund

In 2017 the trustees of The Ivor Read Charity distributed the assets of the charity to the beneficiaries. Canterbury Cathedral became the sole beneficiary of the charity. The Ivor Read Maintenance Fund was established from the assets transferred from the charity. The funds can only be used for the repair and maintenance of the Cathedral.

Other Restricted Funds

This group includes other funds (including any accumulated income from trust funds) which have been given for various specific purposes.

1.3 The **Unrestricted Funds** are those which can be applied for any of the purposes for which the Chapter was established.

General Fund

This is the main unrestricted fund through which are passed all the regular items of income and expenditure relating to the day-to-day running of the Cathedral.

Designated Funds

When appropriate the Chapter will set aside sums within unrestricted funds for certain specified purposes. These are termed "Designated Funds". If in due course they are not required for those purposes they may be transferred back to the General Fund.

1.4 In addition to the Trust Funds which are for the benefit of the Cathedral and included in the Restricted Funds mentioned above, the Chapter acts as Trustee for a number of other Trust Funds of which the Cathedral is not a beneficiary. These funds are included as creditors in the accounts of the Cathedral.

Notes to the financial statements
for the year ended 31 March 2023

	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	2023	2023	2023	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
2 Income and endowments from:						
Donations and legacies						
Donations	322	93	415	312	96	408
Gift aid on donations	35	3	38	16	5	21
The Friends of Canterbury Cathedral	-	423	423	42	335	377
Canterbury Cathedral Trust Fund	-	594	594	1	427	428
Canterbury Cathedral Trust Fund - Canterbury Journey (note 15)	-	387	387	-	356	356
Legacies	5	12	17	12	28	40
	<u>362</u>	<u>1,512</u>	<u>1,874</u>	<u>383</u>	<u>1,287</u>	<u>1,670</u>
Covid-19 grants including Coronavirus Job Retention Scheme funds						
Coronavirus Job Retention Scheme	-	-	-	51	-	51
Cultural Recovery Scheme	-	-	-	1,453	-	1,453
Other	-	-	-	44	-	44
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,548</u>	<u>-</u>	<u>1,548</u>
Other Grants in support of mission						
Church Commissioners	14	120	134	27	141	168
Heritage Lottery Fund - Canterbury Journey (note 15)	-	427	427	-	1,573	1,573
Other	97	24	121	24	392	416
	<u>111</u>	<u>571</u>	<u>682</u>	<u>51</u>	<u>2,106</u>	<u>2,157</u>
Charges and fees arising in the course of mission						
Facility fees	382	6	388	247	-	247
Canterbury Cathedral Lodge (International Study Centre)	1,941	-	1,941	1,581	-	1,581
Library, Archives, Schools and Courses income	47	-	47	43	-	43
	<u>2,370</u>	<u>6</u>	<u>2,376</u>	<u>1,871</u>	<u>-</u>	<u>1,871</u>
Trading and fundraising						
Admission fees from visitors	2,854	-	2,854	1,802	-	1,802
Gift aid on annual admissions	173	-	173	125	-	125
Other income from visitors	127	-	127	61	-	61
Gross income from trading and other activities	1,277	-	1,277	787	-	787
	<u>4,431</u>	<u>-</u>	<u>4,431</u>	<u>2,775</u>	<u>-</u>	<u>2,775</u>
Investments						
Property	1,994	42	2,036	1,902	42	1,944
Listed investments and interest receivable	20	366	386	33	314	347
	<u>2,014</u>	<u>408</u>	<u>2,422</u>	<u>1,935</u>	<u>356</u>	<u>2,291</u>
Total income	<u>9,288</u>	<u>2,497</u>	<u>11,785</u>	<u>8,563</u>	<u>3,749</u>	<u>12,312</u>
3 Expenditure on:						
Raising Funds						
Costs of facilities for visitors	655	-	655	521	-	521
Gross costs of trading and other activities	891	-	891	601	-	601
Investment property costs	830	-	830	340	150	490
Support services (note 21)	529	-	529	522	-	522
	<u>2,905</u>	<u>-</u>	<u>2,905</u>	<u>1,984</u>	<u>150</u>	<u>2,134</u>

Notes to the financial statements
for the year ended 31 March 2023

	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
4 Expenditure on Charitable Activities:	2023	2023	2023	2022	2022	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Ministry						
Clergy stipends and working expenses	188	120	308	99	141	240
Clergy housing costs	129	-	129	179	-	179
Services and music costs	799	512	1,311	748	520	1,268
Major repairs & restoration	-	58	58	-	-	-
Support services (note 21)	323	-	323	315	-	315
	<u>1,439</u>	<u>690</u>	<u>2,129</u>	<u>1,341</u>	<u>661</u>	<u>2,002</u>
Cathedral and precincts upkeep						
Major repairs and restoration	-	275	275	-	449	449
Organ Project	-	-	-	-	1	1
Maintenance and interior upkeep	981	172	1,153	658	182	840
Cathedral insurance	93	-	93	84	-	84
Precincts, security and gardens upkeep	727	47	774	818	151	969
Support services (note 21)	553	-	553	564	-	564
	<u>2,354</u>	<u>494</u>	<u>2,848</u>	<u>2,124</u>	<u>783</u>	<u>2,907</u>
Education and outreach						
Canterbury Cathedral Lodge (ISC)	1,905	194	2,099	1,501	119	1,620
Schools department & courses	103	67	170	79	-	79
Education of craft apprentices	-	-	-	-	-	-
Archives and Library	238	1	239	118	2	120
Charitable giving	78	-	78	68	-	68
Support services (note 21)	343	-	343	319	-	319
	<u>2,667</u>	<u>262</u>	<u>2,929</u>	<u>2,085</u>	<u>121</u>	<u>2,206</u>
Other expenditure	-	27	27	109	6	115
The Canterbury Journey Project (note 15)						
Major repairs, conservation and improvements	156	244	400	225	1,156	1,381
Exhibition, education and interpretation	-	22	22	79	242	321
Professional fees	21	343	364	73	147	220
Direct staff and other costs	125	253	378	69	161	230
	<u>302</u>	<u>862</u>	<u>1,164</u>	<u>446</u>	<u>1,706</u>	<u>2,152</u>
Total	<u>6,762</u>	<u>2,335</u>	<u>9,097</u>	<u>6,165</u>	<u>3,277</u>	<u>9,382</u>

Notes to the financial statements
for the year ended 31 March 2023

5 Investment property

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2022	754	750	31,178	32,682
Transfer from Non Investment Properties	-	-	704	704
Transfer to Non Investment Properties (note 7)	-	-	(1,433)	(1,433)
Net increase on revaluation	33	-	681	714
Market value 31 March 2023	787	750	31,130	32,667
Net increase on revaluation year ended 31 March 2022	14	-	773	787

All investment property is freehold and appears at Market Value. The valuations have been made for the purpose of these accounts by the Estates Surveyor Mrs N.Deldin BSc(Hons), MRICS. They are based on various specific assumptions regarding occupation and use appropriate to each property at the balance sheet date using her knowledge of the property market in Canterbury, which has been supplemented by advice on the value of some properties by an independent firm of Chartered Surveyors. The entire portfolio was revalued in the year in accordance with the requirements of the RICS Global Standards 2022.

6 Listed Investments

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2022	815	9,265	2,415	12,495
Additions	29	(29)	-	-
Net losses on disposals and revaluations	(49)	(540)	(105)	(694)
Market value 31 March 2023	795	8,696	2,310	11,801
Analysed as follows:				
Sarasin Endowments Fund Units	795	7,286	1,892	9,973
Schroder Charity Multi-Asset Fund Units	-	483	-	483
Schroder Income Fund Units	-	727	-	727
COIF Units	-	-	410	410
CBF Investments	-	-	8	8
	795	8,696	2,310	11,801

7 Tangible Fixed Assets: Non-investment properties

International Study Centre (ISC) also known as Canterbury Cathedral Lodge	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Depreciated replacement cost value at 1 April 2022	-	-	5,052	5,052
Net decrease on revaluation	-	-	505	505
Depreciated replacement cost value at 31 March 2023	-	-	5,557	5,557

The valuation of the ISC reduced by £180k in the year ended 31 March 2022.

Other non investment property

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2022	565	-	10,394	10,959
Transfer from investment property (note 5)	-	-	1,433	1,433
Net transfer to Investment Properties	-	-	(704)	(704)
Net increase on revaluation	43	-	115	158
Market value 31 March 2023	608	-	11,238	11,846
Net decrease on revaluation year ended 31 March 2022	-	-	1,519	1,519

Non-investment properties are held and used as follows:

At 31 March 2023	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
for Cathedral clergy, choir and staff housing	-	-	6,539	6,539
for Cathedral trading activities	-	-	2,696	2,696
for Cathedral maintenance and administration	608	-	2,003	2,611
	608	-	11,238	11,846
At 31 March 2022				
for Cathedral clergy, choir and staff housing	-	-	5,987	5,987
for Cathedral trading activities	-	-	2,548	2,548
for Cathedral maintenance and administration	565	-	1,859	2,424
	565	-	10,394	10,959

Notes to the financial statements for the year ended 31 March 2023

7 Continued

All the non-investment properties are freehold: they are valued for the purpose of these accounts by Mrs N.Beldin BSc(Hons), MRICS, in accordance with the Regulations on Accounting and Reporting by English Anglican Cathedrals. All properties were valued in the year in accordance with the RICS Global Standards 2022.

Canterbury Cathedral Lodge (ISC) has been valued on a depreciated replacement cost basis, as provided for in the Cathedral Regulations.

The valuations of other non investment properties are based on various specific assumptions regarding occupation and use of each property at the balance sheet date with, where appropriate, allowance being made for deferment to the date when legal possession can be obtained of properties occupied by members of the Chapter and staff under the terms of their employment.

In accordance with the Regulations, no value has been attributed to the Cathedral and its ancillary buildings (see note 8).

8 Assets not recognised in the Balance Sheet

Cathedral, Ancillary Buildings and Inventory

The history of Canterbury Cathedral goes back to 597AD when St Augustine, sent by Pope Gregory the Great as a missionary, established his seat (or 'Cathedra') in Canterbury. The oldest part of the current building is the crypt which dates back to the 11th century. The rest of the existing building was mostly constructed between 1175 and 1405 and was substantially completed in its current form by 1498. It stands in the centre of Canterbury within its own walled precincts surrounded by medieval buildings and ruins. Parts of the monastery's Granary, Bakery and Brewery still stand along with a Romanesque Water Tower which was once the centre of the monastic water supply. The Chapter House leading off the Cloisters is the largest of its kind in England. The Cathedral has some of the finest stained glass in the country including some which dates to the 12th and 13th centuries.

Objects considered to be of architectural, archaeological, artistic or historic interest are recorded in the Inventory in accordance with S13(1) of the Care of Cathedrals Measure 1990. These objects are held primarily for use by the Cathedral in its mission or have been vested in Chapter over time and are held as part of the historical record of the Cathedral.

No value is attributed to the Cathedral, ancillary buildings or items recorded in the Inventory as explained in the accounting policy note.

The Chapter has a statutory duty under the Cathedrals Measure 1999 to manage and maintain the Cathedral, its contents and other buildings and monuments. Chapter has a planned programme of major restoration works to the Cathedral and other buildings which is informed by a full quinquennial review by the Surveyor to the Fabric. Works are overseen by the Clerk of Works and the Surveyor to the Fabric. The majority of the conservation and repair is carried out by highly skilled craftsmen and women employed by the Cathedral.

Conservation and Management of Heritage Assets

No value is attributed to Heritage Assets as explained in the accounting policy note.

Since the Reformation, a series of donations have formed the core of the holdings now in the Cathedral Library. The Library contains about 30,000 books and pamphlets printed before 1900, and an expanding collection of some 20,000 books and serials published in the 20th and 21st centuries. It is particularly rich in books on church history, older theology, national and local history, travel, natural science, medicine and the anti-slavery movement.

Notes to the financial statements for the year ended 31 March 2023

8 Continued

The Cathedral also has an archive which dates from the 8th century and is particularly rich in charters, accounts and court material from the Middle Ages. Amongst other records it includes records of the Cathedral's estates, records relating to the Cathedral and precincts buildings, records relating to the monks, clergy and lay personnel of the Cathedral, and surviving manuscripts and service books from the medieval Cathedral.

The Cathedral Archive is also home to two very significant collections of artefacts. The first of these is the original silk vestments of Archbishop Hubert Walter (d.1205). The second is the collection of objects acquired by Dr John Bargrave, a canon of Canterbury Cathedral, during his travels around Europe between 1645 and 1660.

The collections in the Archives and Library are managed by a Librarian and Archivist. The collections are maintained under strictly controlled environmental conditions to ensure their long term protection. Necessary conservation works are carried out by trained conservators. The Library and Archive welcomes researchers with interests in the collections. Due to its unique nature, access to parts of the collection is restricted although the Bargrave Collection is available as a virtual tour through the Cathedral's website.

There have been a number of new accessions to the Archives collections and to the printed book collection over the last 5 years. These have been highlighted each year in the report to the accounts. Notable accessions this year include a set of sermons of the Very Rev. Ian White-Thomson, Dean of the Cathedral from 1963 to 1976. Material added to the object collection over the period includes items found during the restoration of the Nave roof, detached worked stone transferred from the Stonemasonry Team and the Surveyor to the Fabric, and a candlestick made for the visit of Pope St John Paul II in 1982.

9 Other tangible fixed assets

	Shop fixtures and fittings £'000	Other fixed assets & fire alarm system £'000	Computers and telephone system £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2022	193	3,464	1,401	155	5,213
Additions	20	18	230	-	268
Disposals	-	-	-	-	-
At 31 March 2023	213	3,482	1,631	155	5,481
Depreciation					
At 1 April 2022	134	2,255	1,204	142	3,735
Charge for year	13	113	94	8	228
Depreciation on disposals	-	-	-	-	-
At 31 March 2023	147	2,368	1,298	150	3,963
Net book values					
At 31 March 2023	66	1,114	333	5	1,518
At 31 March 2022	60	1,209	197	13	1,479
Entity-only balance sheet (i.e. excluding shop fixtures and fittings)					
Net book values at 31 March 2023		1,114	333	5	1,452
Net book values at 31 March 2022		1,209	197	13	1,419

Notes to the financial statements
for the year ended 31 March 2023

	2023 £'000	2022 £'000
10 Stocks		
General Stock	51	32
Stock of Stone	34	32
Entity stocks	85	64
Shop trading stocks	201	157
Total stocks	<u>286</u>	<u>221</u>
11 Debtors		
Trade debtors including rent receivable	692	642
Amounts owed by related undertakings	205	36
Amounts owed in respect to The Canterbury Journey	-	82
VAT	5	189
Other debtors	617	610
Total unrestricted fund debtors	<u>1,519</u>	<u>1,559</u>
Restricted fund legacies receivable and investment income	-	-
	<u>1,519</u>	<u>1,559</u>
Entity debtors		
Trade debtors including rent receivable	663	633
Amounts owed by related undertakings	194	5
Grants owed in respect to The Canterbury Journey	-	82
VAT	5	189
Other debtors	600	576
Amounts owed by subsidiary company	378	214
Total unrestricted fund debtors	<u>1,840</u>	<u>1,699</u>
Restricted fund legacies receivable and investment income	-	-
	<u>1,840</u>	<u>1,699</u>
12 Creditors		
Bank Loan	800	800
Expense creditors	470	518
Rent and insurance in advance	513	483
VAT	84	-
Taxation	-	-
Accruals	460	538
Other creditors	1,138	1,036
	<u>3,465</u>	<u>3,375</u>
Entity creditors		
Bank Loan	800	800
Expense creditors	402	526
Rent and insurance in advance	539	483
VAT	84	-
Accruals	308	315
Other creditors	1,144	1,136
Total unrestricted fund creditors	<u>3,277</u>	<u>3,260</u>
Restricted fund other creditors and accruals	-	-
	<u>3,277</u>	<u>3,260</u>

The Chapter acts as trustee for a number of trusts which are not for the benefit of Canterbury Cathedral.

The value of the trusts at 31 March 2023 included within creditors on the balance sheet and which are represented by investments and cash was £244,000 (2022: £232,000).

Notes to the financial statements
for the year ended 31 March 2023

13	Liabilities due after more than one year	Unrestricted	
		2023	2022
		£'000	£'000
	Coronavirus Business Interruption Loan	<u>2,066</u>	<u>2,867</u>

A £4m loan was advanced in November 2020 by the charity's bank. No interest was payable on the loan for the initial 12 months. The Interest rate was fixed for 5 years at 2.79%. The loan is repayable in 60 equal consecutive monthly instalments commencing November 2021 and is secured by way of a formal first charge over three freehold properties. Liabilities due within one year include £800,000 being amounts repayable on the loan within one year.

Notes to the financial statements
for the year ended 31 March 2023

14 Analysis of consolidated reserves

	Opening balance £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Capital gains/losses £'000	Closing balance £'000
Income Funds						
Unrestricted Funds						
The Cathedral including Cathedral Enterprises	4,738	9,288	(9,667)	177	27	4,563
Designated for future marketing to visitors	43	-	-	-	-	43
Designated for future costs for the Girls' choir	2	-	-	-	-	2
	<u>4,783</u>	<u>9,288</u>	<u>(9,667)</u>	<u>177</u>	<u>27</u>	<u>4,668</u>
Restricted Funds						
Fabric Maintenance	2,683	429	(441)	80	(153)	2,598
Ivor Read Fabric Maintenance Fund	4,486	137	(8)	-	(211)	4,404
The Ivor Read Charity	801	42	(2)	(80)	-	761
ISC Capital	435	-	(194)	-	-	241
Music and Choir (incorporating Cathedral Organ)	1,969	484	(509)	-	(116)	1,828
Chapels	34	-	-	-	-	34
Church Commissioners	-	120	(120)	-	-	-
Canterbury Journey Fund (see note 15)	(3)	862	(862)	-	-	(3)
Friends	104	290	(58)	(177)	(5)	154
ISC Scholarship	800	50	(66)	-	(55)	729
Jackman	83	-	-	-	-	83
Triforium	38	-	-	-	-	38
Other	148	83	(75)	-	-	156
Total restricted funds	<u>11,578</u>	<u>2,497</u>	<u>(2,335)</u>	<u>(177)</u>	<u>(540)</u>	<u>11,023</u>
Trust Fund Income balances						
For the benefit of Music and Choir	34	-	-	-	-	34
For the benefit of the cathedral and precincts	10	-	-	-	-	10
For the benefit of education, the library and Archives	4	-	-	-	-	4
	<u>48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>
Total restricted and Trust Fund income balances	<u>11,626</u>	<u>2,497</u>	<u>(2,335)</u>	<u>(177)</u>	<u>(540)</u>	<u>11,071</u>
Permanent Funds						
Corporate estate of the Cathedral	46,642	-	-	-	1,301	47,943
Trust fund capital balances						
For the benefit of Music and Choir						
A G Halford Bequest	235	-	-	-	(12)	223
Spence Cathedral Choir Fund	1,934	-	-	-	(82)	1,852
Crawford Benefaction	64	-	-	-	(3)	61
Other	53	-	-	-	(2)	51
	<u>2,286</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(99)</u>	<u>2,187</u>
For the benefit of the cathedral and precincts						
FE Cleary precincts fund	94	-	-	-	(5)	89
Other	27	-	-	-	(1)	26
	<u>121</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>115</u>
For the benefit of education, the library, archives						
WEEM Church endowment fund	14	-	-	-	-	14
Total Trust fund capital balances	<u>2,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(105)</u>	<u>2,316</u>
Total permanent and Trust Fund capital	<u>49,063</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,196</u>	<u>50,259</u>
Total reserves	<u>65,472</u>	<u>11,785</u>	<u>(12,002)</u>	<u>-</u>	<u>683</u>	<u>65,938</u>

Comparative information for the year ended 31 March 2022 is included in the appendix.

For further details of the funds, see note 1.

Notes to the financial statements
for the year ended 31 March 2023

15 The Canterbury Journey Project

	Unrestricted £ 000	Restricted £ 000	2023 Total £ 000	2022 Total £ 000
Income				
NLHF Grant	-	427	427	1,573
Canterbury Cathedral Trust Fund	-	387	387	396
Transfer of Funds from Fabric Fund	-	-	-	231
Transfer of Funds from General Fund	-	-	-	24
Other	(3)	48	45	48
	<u>(3)</u>	<u>862</u>	<u>859</u>	<u>2,272</u>
Expenditure				
Project Costs	(302)	(862)	(1,164)	(2,152)
	<u>(305)</u>	<u>-</u>	<u>(305)</u>	<u>120</u>

As shown in note 4, costs in the year costs of £862,000 were met from restricted income received in the year from a National Lottery Heritage Fund (NLHF) grant and matched funds from Canterbury Cathedral Trust Fund and from other restricted funds.

An additional sum £302,000 was incurred by the Cathedral for costs associated with the project. Note 4 shows the break down of these costs.

16 Commitments under operating leases

The Chapter has a commitment to make payments under an operating lease for photocopiers. This lease expires in July 2026. The commitment shown includes the element of disallowed VAT.

Amounts payable:	2023 £ 000	2022 £ 000
Within one year	14	8
Within two to five years	18	-
	<u>32</u>	<u>8</u>

17 Auditor's remuneration

	2023 £'000	2022 £'000
Audit Services	33	34
Other Services - VAT / Gift Aid advice	7	13
Other Services - Audit of Subsidiary	8	6
	<u>48</u>	<u>53</u>

18 Employee information

The average weekly number of employees during the year was 154 (2022: 164) full-time equivalents and 231 (2022: 245) based on headcount. These are analysed as follows:

	2023		2022	
	FTE	Headcount	FTE	Headcount
Cathedral staff (including Welcome Centre, Virgins and Music)	36	65	35	65
Works department (including Stained Glass studio)	38	50	47	68
Canterbury Cathedral Lodge (International Study Centre)	30	49	28	45
Cathedral shop	8	14	7	12
Administration (including Friends and Security)	42	53	47	55
	<u>154</u>	<u>231</u>	<u>164</u>	<u>245</u>

19 Earnings of employees and key management personnel

Staff costs (including those in respect to Chapter members) during the year were as follows:

	2023 £'000	2022 £'000
Salaries and Stipends	4,906	4,814
National Insurance Costs	425	396
Other Pension Costs	339	349
	<u>5,670</u>	<u>5,559</u>

Redundancy costs of £96k included in the above were incurred in the year (2022: £73k).

Notes to the financial statements
for the year ended 31 March 2023

19 Earnings of employees and key personnel (continued)

There were 2 employees whose earnings fell in the band £70,000 to £80,000 (2022: three) and 1 employee whose earnings fell in the band £100,000 to £110,000 (2022: zero)

Members of the Chapter received the following remuneration in the year:

	Salary	Pension Contributions
	£000	£000
The Dean	11	3
The Dean (retired)	6	(3)
The Interim Dean	17	-
Canon Librarian	31	10
Archdeacon	26	5
Canon Treasurer	31	9
Canon Missioner	31	9

The remuneration and pension provision for Clerical members of the Chapter was paid in accordance with the scales laid down annually by the National Church Institutions.

Expenses paid to members of the Chapter amounted to £3,370 incurred by four members of Chapter (2022: £1,087, incurred by 4 members of Chapter). These relate to travelling, hospitality and other working expenses.

Key management personnel include the members of Chapter, the Receiver General, Director of Finance and Planning. The total remuneration of key management personnel, including employer's national insurance and pension contributions was £354,024 (2022: £392,004).

20 Pensions

The Chapter continued to operate a Group Personal Pension Scheme whereby the Chapter agrees to pay, for eligible employees, a defined contribution into the member's individual pension plan. An insurance company independently administers contributions to the scheme. The pension cost charge represents contributions payable by the Chapter to the scheme and amounted to £331,389 (2022: £330,591). Contributions of £0 (2022: £Nil) were payable to the scheme at the year end.

The Chapter continued to operate a money purchase pension scheme with defined contribution levels, which is closed to new members. An insurance company independently administers the scheme. No contributions were payable by the Chapter to the scheme (2022: £Nil).

The Chapter participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in section 28 of FRS102. This means it is not possible to attribute the Scheme's assets and liabilities to a specific Responsible Body and this means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the statement of financial activities (SoFA) in the year are contributions payable towards benefits and expenses accrued in that year.

There were two active members of the scheme in the year (2022: two)

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using appropriate assumptions.

The most recent statement shows a balance sheet deficit recovery liability of £0 at 31 December 2022 (2021: £4,000). Contributions paid for the year to 31 March 2023 were £15,040 (2022: £20,029).

Notes to the financial statements
for the year ended 31 March 2023

21 Support services

These comprise:

	2023	2022
	£000	£000
Administration and finance	1,096	1,203
Information technology	391	321
Personnel and training	261	226
	<u>1,748</u>	<u>1,750</u>

Support Services include Governance costs of

	<u>33</u>	<u>34</u>
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These have been apportioned based on estimated time spent per category and these equate to approximately 30.3% to the cost of raising funds, 18.5% to ministry, 31.8% to cathedral and precincts upkeep and 19.5% to education and outreach (see notes 3 and 4).

Redundancy Costs of £96,064 have been included within the above note (2022: £73,104).

22 Corporation Tax

No Corporation Tax is due on any surpluses generated from the sale of spare accommodation capacity in the Cathedral Lodge during the year. There were sufficient tax losses brought forward to cover any potential liability.

23 Capital Commitments

There were no capital commitments at the year end (2022: £9 million of which at the year end £0.4 million remained committed but not accrued).

24 Related Entities

24.1 Controlled by the Chapter

The Chapter has one wholly owned subsidiary company, Cathedral Enterprises Limited, (company registration number 3295400 England and Wales) which carries out Cathedral trading activities. Taxable Profits if any are transferred to the Cathedral via a Gift Aid compliant Deed of Covenant. Cathedral Enterprises Limited pays a commercial rent to the Cathedral for the premises which it occupies. This and other transactions between the two entities are eliminated on consolidation.

The Ivor Read Charity (Charity Registration No 258061) is a registered charity with the principal object of making payment to Canterbury Cathedral for the benefit of the maintenance of the fabric of the cathedral. The Chapter of Canterbury became the sole trustee of the charity on 11 December 2017.

The only asset held by the Ivor Read Charity is land comprising a golf course in the South East of England which has been valued at £750,000 and is included within these accounts as an investment property asset. Rental income is recognized in the consolidated accounts along with any expenditure incurred.

24.2 Not controlled by the Chapter

There are two Charities which are wholly for the benefit of the Cathedral but which are not controlled by the Chapter, these being The Friends of Canterbury Cathedral and The Canterbury Cathedral Trust Fund.

The accounts for the year ended 31 March 2023 are summarised as follows:

	The Friends of Canterbury Cathedral £000	The Canterbury Cathedral Trust £000
Income and Expenditure Account		
Gross Income	<u>288</u>	<u>681</u>
Net surplus before revaluation and grant commitments	<u>164</u>	<u>512</u>
Grant funding to Cathedral	<u>357</u>	<u>790</u>
Balance Sheet		
Investments	1,029	6,123
Net Current Assets	719	1,551
Net Assets	<u>1,748</u>	<u>7,674</u>

**Notes to the financial statements
for the year ended 31 March 2023**

24.2 Not controlled by the Chapter (continued)

The figures are taken from the audited accounts of Canterbury Cathedral Trust Fund and the independently reviewed accounts of The Friends of Canterbury Cathedral.

Canterbury Cathedral Trust Fund has a policy of recognising grants when they are committed whereas the income recognised in the accounts of Canterbury Cathedral represents only the grants receivable for project expenditure incurred in the year.

Except for transactions included in notes 19 and 24 there are no related party transactions which require disclosure.

Consolidated statement of financial activities for the year ended 31 March 2022

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2022	Total Funds 2021
	Note	£'000	£'000	£'000	£'000	£'000
Income and Endowments from:						
Donations and legacies		383	1,287	-	1,670	1,531
Covid-19 grants including Coronavirus Job Retention Scheme funds		1,548	-	-	1,548	3,109
Other Grants in support of mission		51	2,106	-	2,157	1,234
Charges and fees arising in the course of mission		1,871	-	-	1,871	475
Trading and fundraising		2,775	-	-	2,775	987
Investments		1,935	356	-	2,291	2,337
Total Income	2	8,563	3,749	-	12,312	9,673
Expenditure on:						
Raising funds	3	1,984	150	-	2,134	1,704
Charitable activities:						
Ministry	4	1,341	661	-	2,002	1,897
Cathedral and precincts upkeep	4	2,124	783	-	2,907	3,641
Education and outreach	4	2,085	121	-	2,206	1,803
Other expenditure:	4	109	6	-	115	41
The Canterbury Journey Project	4	446	1,706	-	2,152	3,623
		6,105	3,277	-	9,382	11,005
Total Expenditure		8,089	3,427	-	11,516	12,709
Net income/(expenditure) before investment gains/(losses)		474	322	-	796	(3,036)
Net gains/(losses) on investments						
Investment property	5	14	-	773	787	(25)
Listed investments	6	17	280	74	371	2,126
Total net gains on investments		31	280	847	1,158	2,101
Net income/(expenditure) before transfers		505	602	847	1,954	(935)
Gross transfers between funds	14	(82)	(42)	124	-	-
Net income/(expenditure) Other recognised gains/(losses) on revaluation		423	560	971	1,954	(935)
International Study Centre	7	-	-	(180)	(180)	(576)
Non investment property	7	-	-	1,519	1,519	(117)
Net movement in funds		423	560	2,310	3,293	(1,628)
Reconciliation of funds:						
Total funds brought forward		4,360	11,066	46,753	62,179	63,807
Total funds carried forward		4,783	11,626	49,063	65,472	62,179

The notes numbered 1 to 24 and the appendix which contains comparative information form part of these accounts.

The Statement of Financial Activities includes all gains and losses recognised in the year.

Consolidated balance sheet
at 31 March 2022

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2022
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
Investment assets					
Property	5	754	750	31,178	32,682
Listed Investments	6	815	9,265	2,415	12,495
		<u>1,569</u>	<u>10,015</u>	<u>33,593</u>	<u>45,177</u>
Tangible fixed assets					
International Study Centre	7	-	-	5,052	5,052
Other property	7	565	-	10,394	10,959
Other tangible assets	9	1,479	-	-	1,479
		<u>2,044</u>	<u>-</u>	<u>15,446</u>	<u>17,490</u>
Total fixed assets		<u>3,613</u>	<u>10,015</u>	<u>49,039</u>	<u>62,667</u>
Current Assets					
Stocks	10	221	-	-	221
Debtors	11	1,559	-	-	1,559
Cash at bank and in hand		5,632	1,611	24	7,267
		<u>7,412</u>	<u>1,611</u>	<u>24</u>	<u>9,047</u>
Liabilities due within one year					
Creditors	12	3,375	-	-	3,375
Net current assets		<u>4,037</u>	<u>1,611</u>	<u>24</u>	<u>5,672</u>
Total assets less current liabilities		<u>7,650</u>	<u>11,626</u>	<u>49,063</u>	<u>68,339</u>
Liabilities due after more than one year					
Bank Loan	13	2,867	-	-	2,867
Total net assets		<u>4,783</u>	<u>11,626</u>	<u>49,063</u>	<u>65,472</u>
Funds					
General	14	4,738	-	-	4,738
Designated	14	45	-	-	45
Restricted	14	-	11,578	-	11,578
Trust Funds	14	-	48	2,421	2,469
Corporate Estate	14	-	-	46,642	46,642
		<u>4,783</u>	<u>11,626</u>	<u>49,063</u>	<u>65,472</u>

Revaluation reserves of £4,436m (2021: £4.065m) are included in the above funds relating to non-property investments of which £1.104m (2021: £1.030m) relates to the permanent fund, £2.937(2021: £2.657m) to restricted funds and £0.395m (2021: £0.378m) to general funds. The revaluation reserve for property cannot be determined given the historic nature of some

Entity-only balance sheet
at 31 March 2022

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2022
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
Investment assets					
Property	5	754	750	31,178	32,682
Listed investments	6	815	9,265	2,415	12,495
Investment in Subsidiary	24	190	-	-	190
		<u>1,759</u>	<u>10,015</u>	<u>33,593</u>	<u>45,367</u>
Tangible fixed assets					
International Study Centre	7	-	-	5,052	5,052
Other property	7	565	-	10,394	10,959
Other tangible assets	9	1,419	-	-	1,419
		<u>1,984</u>	<u>-</u>	<u>15,446</u>	<u>17,430</u>
Total fixed assets		<u>3,743</u>	<u>10,015</u>	<u>49,039</u>	<u>62,797</u>
Current Assets					
Stocks	10	64	-	-	64
Debtors	11	1,516	-	-	1,516
Cash at bank and in hand		5,377	1,611	24	7,012
		<u>7,140</u>	<u>1,611</u>	<u>24</u>	<u>8,775</u>
Liabilities due within one year					
Creditors	12	3,260	-	-	3,260
Net current assets		<u>3,880</u>	<u>1,611</u>	<u>24</u>	<u>5,515</u>
Total assets less current liabilities					
Liabilities due after more than one year					
Bank Loan	13	2,867	-	-	2,867
Total net assets		<u>4,756</u>	<u>11,626</u>	<u>49,063</u>	<u>65,445</u>
Funds					
General		4,711	-	-	4,711
Designated	14	45	-	-	45
Restricted	14	-	11,578	-	11,578
Trust Funds	14	-	48	2,421	2,469
Corporate Estate	14	-	-	46,642	46,642
		<u>4,756</u>	<u>11,626</u>	<u>49,063</u>	<u>65,445</u>

Notes to the financial statements
for the year ended 31 March 2022

14 Analysis of consolidated reserves

	Opening balance £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Capital gains/(losses) £'000	Closing balance £'000
Income Funds						
Unrestricted Funds						
The Cathedral including Cathedral Enterprises	4,301	8,563	(8,075)	(82)	31	4,738
Designated for future marketing to visitors	57	-	(14)	-	-	43
Designated for future costs for the Girls' choir	2	-	-	-	-	2
	<u>4,360</u>	<u>8,563</u>	<u>(8,089)</u>	<u>(82)</u>	<u>31</u>	<u>4,783</u>
Restricted Funds						
Fabric Maintenance	2,829	491	(459)	(231)	53	2,683
Ivor Read Fabric Maintenance Fund	4,213	109	(21)	-	185	4,486
The Ivor Read Charity	760	42	(1)	-	-	801
ISC Capital	554	-	(119)	-	-	435
Music and Choir (incorporating Cathedral Organ)	2,019	420	(510)	-	40	1,969
Chapels	36	-	(2)	-	-	34
Church Commissioners	-	141	(141)	-	-	-
Canterbury Journey Fund (see note 15)	(510)	2,009	(1,706)	204	-	(3)
Friends	99	307	(304)	-	2	104
ISC Scholarship	758	42	-	-	-	800
Jackman	83	-	-	-	-	83
Triforium	38	-	-	-	-	38
Other	139	188	(164)	(15)	-	148
Total restricted funds	<u>11,018</u>	<u>3,749</u>	<u>(3,427)</u>	<u>(42)</u>	<u>280</u>	<u>11,578</u>
Trust Fund Income balances						
For the benefit of Music and Choir	34	-	-	-	-	34
For the benefit of the cathedral and precincts	10	-	-	-	-	10
For the benefit of education, the library and Archives	4	-	-	-	-	4
	<u>48</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>
Total restricted and Trust Fund income balances	<u>11,066</u>	<u>3,749</u>	<u>(3,427)</u>	<u>(42)</u>	<u>280</u>	<u>11,626</u>
Permanent Funds						
Corporate estate of the Cathedral	44,407	-	-	124	2,111	46,642
Trust fund capital balances						
For the benefit of Music and Choir						
A G Halford Bequest	217	-	-	-	18	235
Spence Cathedral Choir Fund	1,893	-	-	-	41	1,934
Crawford Benefaction	59	-	-	-	5	64
Other	51	-	-	-	2	53
	<u>2,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66</u>	<u>2,286</u>
For the benefit of the cathedral and precincts						
FE Cleary precincts fund	87	-	-	-	7	94
Other	25	-	-	-	2	27
	<u>112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>121</u>
For the benefit of education, the library, archives						
WEEM Church endowment fund	14	-	-	-	-	14
Total Trust fund capital balances	<u>2,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>2,421</u>
Total permanent and Trust Fund capital	<u>46,753</u>	<u>-</u>	<u>-</u>	<u>124</u>	<u>2,186</u>	<u>49,063</u>
Total reserves	<u>62,179</u>	<u>12,312</u>	<u>(11,516)</u>	<u>-</u>	<u>2,497</u>	<u>65,472</u>