



Cathedral Church of Christ, Canterbury

**Report and Accounts
For the year ended 31 March 2022**

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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Report and Accounts for the year ended 31 March 2022

Objectives and Activities

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.

The Chapter sets out its Strategic Direction and expands the principal objectives in a separate Strategic Plan. From this Plan the priorities for the year are identified. The Plan informs the budgetary provision for the year ahead and is used as a framework by departmental heads to set priorities and to deliver the strategic vision identified by the Chapter.

The Covid pandemic has meant that the immediate priority is to maximise income, constrain costs and strengthen the financial position of the cathedral.

The Chapter has taken due regard of the Charity Commission's guidance on public benefit in determining its mission, setting its strategic objectives and planning the activities undertaken.

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 'Precincts 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.

The Canterbury Journey project (described on pages 6 and 7 of this report) is enabling further positive engagement with the public and during the year there have been a number of workshops, symposia, exhibitions and events including a number of activity days for families.

The Chapter is responsible for maintaining the fabric, stained glass and monuments of the Cathedral for the enjoyment of current visitors and future generations.

There is a strong emphasis on public benefit across all the activities of the Cathedral. A key element of The Canterbury Journey project is to make the Cathedral and Collections more accessible to the public, and provide better resources and interpretation for all visitors.

Impact of the Coronavirus pandemic

The Coronavirus pandemic had a significant impact on activities across the Cathedral. The Cathedral, The Cathedral Lodge Hotel and Conference Centre and shop were all shut for much of the year ended 31 March 2021 and whilst public worship resumed on 17 April 2021 with limited numbers in the congregation, it was a further month before the Cathedral reopened to other visitors.

Over the year to 31 March 2022, we saw around 60% fewer visitors than we saw in the year to 31 March 2020, the year immediately before the pandemic. Pre-pandemic Canterbury saw many foreign visitors including tour groups, students and school children. During the year ended 31 March 2022, we saw very few visitors in these categories and were dependent on local visitors and the "staycation market". We were grateful for the Government's temporary reduction in VAT rates for the hospitality and tourism sector. Without this and the Cultural Recovery Grants that we were able to access, the impact would have been even greater.

As we came out of the pandemic, the Cathedral's hotel saw visitor numbers recover quite quickly as people who had been at home for much of the last 12 months started to travel. As a result, income from this area of the organisation was at around 85% of pre-pandemic levels.

During the year retail activity started to pick up and the businesses occupying Chapter's investment properties started on the road to recovery. The Cathedral shop in its new location with new product and restructured had a successful year in spite of fewer visitors to the Cathedral.

Staff returned to work in all areas during the year. Some staff have been offered the opportunity to continue to work partly from home, whilst most staff have returned to the Cathedral and Precincts on a full time basis. 81 staff were made redundant or took voluntary redundancy in the year to 31 March 2021. This year we have concentrated on settling in the new structures and delivering the efficiencies anticipated from the restructure.

During the year ended 31 March 2021, the Cathedral was awarded a number of recovery grants from a number of sources which were critical to the financial sustainability of the organisation. In the current year, a grant of £1.49m from the Cultural Recovery Fund was notified to meet specified costs in the period April to June 2021 and to help the Cathedral rebuild its reserves.

The Chapter took out a £4m Coronavirus Business Interruption Loan (CBILS) in the year to 31 March 2021 with its bankers to help manage cash flow. Loan repayments started at the end of 2021.

As a result of the Cathedral closures last year, the Dean and the residentiary canons started to film acts of worship from their houses and gardens which were made available to the public via the internet. These continued throughout the year ended 31 March 2022 and have continued to be hugely successful and have attracted a global audience.

Restructuring

As stated above, the Chapter carried out some significant restructuring in the year ended 31 March 2021. The priority this year has been to ensure that the new structures work and that services can be delivered effectively. The Chapter has started a major investment programme to improve IT across the organisation and during the year a new ticketing system was introduced and a new fundraising system delivered which is being phased in over a few months. In addition further work was done to improve the audio visual provision in the Cathedral. This is the start of a bigger project and there will be significant investment in technology over the next few years to improve the efficiency and effectiveness of the organisation and to enable better service delivery.

A review of the main activities follows under separate headings.

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 normally take place throughout the year - including weddings, funerals, memorial services and christenings. Visitors are warmly invited to attend wherever possible.

Worship has continued throughout the coronavirus pandemic and although at the start of the year the Cathedral was closed, for most of the year it was possible to hold the normal daily acts of worship in the Cathedral. Live streaming of the Sunday Eucharist and daily evensong has continued and is followed by a global audience. In addition services have continued to take place in the homes and gardens of the Dean and residentiary canons. These services have had a wide following across the world and have proven to be very popular. They have allowed people to engage with the Cathedral's worship in ways that have not previously been possible with a fully international reach. In particular, the online Morning Prayer services delivered by Dean Robert Willis, mostly from his garden with impromptu appearances of his cats and other animals, have reached a global audience of tens of thousands and offered an enormous support to many over the pandemic.

The Cathedral has continued to follow the Government and Church of England's advice guidance on social distancing throughout the year. At times this meant that the congregation attending acts of worship in the Cathedral was limited in number, attendees had to book in advance, provide contact details for track and trace and wear masks.

Under normal circumstances the Cathedral is used regularly by the King's School Canterbury for daily prayers and Sunday worship, for concerts, and for its annual Commemoration Service. No such services were able to take place during the year due to the pandemic.

Other services and events usually hosted by the Cathedral for the Diocese of Canterbury, for local schools and for many other organisations including local charities, universities and community-based groups mostly did not take place in the year.

The musical life of the Cathedral continued to be important throughout the year. It was possible, for some parts of the year, to have the choirs singing. Again, Government advice was followed in respect of social distancing, track and trace arrangements and use of masks. When live music was not possible, historic recordings of the choirs and organ were available for use. Carol Services at the Cathedral did take place and were well attended.

In July 2021 Dr David Newsholme was appointed as the new Director of Music, formally taking up his post from 1 January 2022.

As part of the restructuring process 4 choral scholars were recruited and joined the music department on 1 September 2021. They have been a successful addition to the team and it is intended to continue the programme next year, when the initial 4 scholars reach the end of their contracts.

The visiting choir programme which is an important aspect of building up our community links, was unable to operate in 2020/21 but we were able to welcome a number of visiting choirs back to the Cathedral this year.

The Cathedral continued its ministry to the wider Church of England. Extensive work took place in planning the worship and hospitality for the Lambeth Conference which is expected to take place in the summer of 2022.

Other main Cathedral Events held in the Year

As a result of the pandemic, very few events were held in the Cathedral during the year. Graduation ceremonies, conferences and concerts planned for the year were cancelled.

Visitors to the Cathedral

The Cathedral reopened for visitors in mid-May 2021. Nevertheless, due to the Coronavirus pandemic, the Cathedral welcomed substantially fewer visitors (including worshippers, people attending events, Precincts Pass holders and 'tourists') than historically. In the calendar year 2019, there were 876,700 visitors. In 2021 there were 336,298 (2020:117,300).

Included within the total visitor numbers for the calendar year 2021, were 111,402 paying visitors (compared with 91,475 in 2020 and 371,212 in 2019). The Cathedral was shut for the first four and a half months of the calendar year.

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. The standard adult entry charge was temporarily reduced from £12.50 to £10.00 in July 2020 and remained at that level throughout 2020-21. In April 2021 the ticket price was increased to £14.00 per adult (for an annual ticket) with children free of charge throughout the year. The income was aided by the temporary VAT reduction introduced by the Government to help the tourism and hospitality sectors.

The Visits department continues to be supported by around 600 volunteers who do a huge amount to welcome visitors, act as guides within the Cathedral, and answer any questions they might have.

Cathedral and Precincts upkeep

Works to the Fabric of the Cathedral and other major works in the Precincts

The Chapter is committed to conserving and developing the fabric of Canterbury Cathedral, its ancillary buildings, monuments and Precincts.

A grant uplift request to the NLHF (£975,000 additional NLHF grant) and programme extension were submitted and were granted allowing The Canterbury Journey works to continue until the end of 2022. We continually review and update on the full detailed close out programme, including the financial statement/cashflow with the knowledge now of having the additional grant and extension to the project.

This NLHF grant uplift has also allowed the posts of the Project Director, Project Accountant, Community Engagement Manager, Collections Manager and Market & Communications Officer to continue. The Head of Learning & Participation role finished as planned on 8th October 2021.

Works in the run up the end of 2021 went well and set up 2022 as a critical year for the conclusion of many aspects of The Canterbury Journey, though as ever, we were mitigating against the impacts of Covid-19 upon staff/contractors and delivery of works where possible.

The final account figure was formally agreed with the contractor for the Visitor Centre in this period, which was a big milestone after many months of negotiation.

The temporary roof over the South Nave Aisle was removed, as far as Bay Two and works to remove the scaffolding to ground level on the South Nave Aisle are now complete.

Some minor works completing elements on the Western Towers are still underway, which will allow more scaffold to be removed from both towers in May. This scaffold removal allowed the clock dial to be unwrapped and the hands reattached on the South West tower. The clock pendulum in the North West tower has now been installed and the final finishing touches to making the whole mechanism, dial and bells operational again will be delivered in the summer of 2022.

The installation of the fully conserved George Austin Jr stained glass windows in the North Clerestory level is now complete.

The work to consolidate the masonry in the lower parts of the vault and the interior of the clerestory continued through to the end of 2021. Scaffolders successfully removed the entire Safety Deck from the Nave from January to March 2022.

Laser and other cleaning and conservation works on Christ Church Gate continued through the first quarter of 2022, meanwhile masonry works progressed in the workshop ready for fixing to commence in earnest at the end of April.

The Visitor Centre is up and running, with all areas now being put to full use. April 1st marked the beginning of the new financial year, and it was a real milestone for the Cathedral Shop. It was the end of the first full year of trading in the new Visitor Centre. 2021-22 has seen them consistently beat their sales budgets month-on-month. This has resulted in the shop making a larger financial contribution (profit) to the Cathedral over the last financial year than in the last 10 years combined, showing the value of the shop in its new facilities/location and with its new team.

June 2021 saw the installation of the Viewing Gallery and Water Tower/Library Corridor exhibitions and both were opened to the public.

The second week in February 2022 saw the long-awaited installation of the Crypt exhibition space. The install was completed by 5pm on Friday 11th February and the exhibition opened to the public on Monday 14th February (half-term). The exhibition has been well received and footfall was high during the spring half-term holiday.

We have now reached the current 3% retention limit that the NLHF currently have in place for the project.

We will now enter the close-out works and transition to post project handover of the final capital works through the remainder of 2022. An exciting time for all the new facilities and exhibitions to be used and enjoyed by all visitors to the Cathedral.

The Cathedral was successful in attracting a grant of £349,000 from the Culture Recovery, Major Works Fund grant scheme to repair the wall plates in the Trinity Chapel. 80% of the work was completed by the year end.

Education and outreach

The promotion of Education and Learning remains a key part of the mission of Canterbury Cathedral.

Schools Department:

Following the second lockdown, visits from schools in the UK resumed in May 2021. The first schools to book and visit the Cathedral were UK primary schools. Initially we found that bookings were much closer to the date of visit and several schools had to cancel at short notice due to rising Covid cases amongst staff and pupils. Bookings both from UK primary and also secondary schools have continued to increase significantly as we enter the final term of the 2021/22 academic year.

We received no visits from overseas schools during the pandemic. Following the relaxation in travel restrictions, the first overseas school visit was from Belgium on 31st March 2022. In April 2022 a further 12 overseas schools have visited and increasing numbers are booked from May onwards. We currently have bookings up to and including November 2022, indicating an increased confidence moving forward.

The Cathedral Schools Department and the Canterbury Journey learning teams have been working on a combined project to create a suite of online learning resources with themes ranging from 'Pilgrimage' to a more science and engineering based 'How did they build that'. This resource was completed before the end of the last academic year in July 2021. The first of the digital loan boxes focusing on pilgrimage is also expected to go live before the end of this academic year in July 2022.

Archives and Library:

The reading room reopened on 21st April 2021 on a two-day a week basis. There were 546 individual research visits to the Reading Room in the twelve months to 31st March 2022. Group visits recommenced after the lifting of Covid restrictions. Initially, levels were low, but they picked up in autumn 2021, with 60 groups visiting in the six months to end March. These included school, university and special interest groups. Staff have also delivered 10 talks to outside groups in the past year, either by zoom or in person.

In November two members of staff from the disbanded Conservation Department joined the Archives and Library team. Nine volunteers have been working onsite, helping with repackaging, cataloguing work and welcoming visits, with a further volunteer carrying out listing work from home. A University of Kent student work placement was hosted in October 2021.

Of the accessions to the Archives and Library collection, most significant were drawings by Erwin Bossanyi, stained glass artist (died 1975), a portrait bust of the artist, and a 1728 manuscript map of Eastry manor.

In summer 2021, items from the collections were lent to the British Museum's Becket exhibition and also the Becket exhibition at the Beaney Institute in Canterbury. Both were considered very successful, with high levels of attendance. The portrait of Dean Victor de Waal was lent in November 2021 for an exhibition at the Jewish Museum in New York.

Training and Conferences:

Chapter remains committed to its apprenticeship programme and is keen to promote traditional crafts and trades and recognising that there is a growing shortage of skilled craftsmen and craftswomen with practical experience. The Chapter aims to give young people opportunities to gain training and experience in a variety of roles: stonemasonry, plumbing, gardening, electrical work, scaffolding, cooking, and carpentry. 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 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. During the year there was however only one apprentice who had his apprenticeship extended due to Covid.

The Anglican Communion worldwide continues to be supported by offering courses: one usually takes place in January each year for newly consecrated bishops and a second, held in June, for newly ordained priests. Attendees at these courses are termed 'Canterbury Scholars' and receive regular newsletters to help them keep in touch with one another. It was decided not to hold the January course in 2020 as it was anticipated that the Bishops would be in Canterbury later in the year to attend the Lambeth Conference. As a result of the Coronavirus pandemic the Lambeth Conference has been postponed until 2022. There were no courses in 2021 for bishops or newly ordained priests due to the pandemic. 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.

Public lectures provided further opportunities for the public to learn more about the history and treasures of the Cathedral and its current day activities and worship.

Public Learning and Participation:

After a very stop/start year and furloughing through 2020/21, work from the Learning & Participation team picked up a pace through 2021/22 and had peaks and troughs and some uncertainty with ongoing restrictions hindering many aspects and timings of delivery.

That said, later in the year, much on site activity was being delivered again and work progressed with the online learning elements of the project, as well as the physical exhibition spaces.

The Community Engagement Manager has noticed what a positive effect use of the Community Studio has had on his work. As the Dean noted, the Community Studio was designed as a relaxed place where people could gather comfortably with facilities and refreshments. The Community Engagement Manager has been able to host events including these, such as:

- Canterbury College exhibition.
- Great British Fish and Chips exhibition.
- Great British Fish and Chips Private View networking event.
- Macular Society, Kent branch, meeting.
- Porchlight homeless charity tea and cake meet up.
- Volunteer coaching 1-2-1 session.
- Scouts Group.

Colleagues across the Cathedral have also booked the Community Studio for other activities including:

- Staff training.
- Theological study sessions.
- Wreath making.

October half-term saw great engaging activities for families within the Chapter House.

Since the end of 2021 we have been working with Kent County Council reparation team to set up the re-wilding project in the garden of No. 15 The Precincts. The project is being led by Canon Emma and delivered by Head Gardener Tom. We have been supporting the logistics and planning and will continue to support Tom with the delivery.

Work continued on the development of the digital loan box for pilgrimage. The Collections Manager continued working on the supporting text for the artefacts associated with each story and this was reviewed and edited by the Schools Officer and the Director of the Stained Glass Studio. Work also continued on the development of the Cabinet of Curiosities digital loan box. Content for the 8 objects chosen for inclusion in the Anglo-Saxon section of the box was completed. Additional content will be added to this section, including short films and 3-D images.

Work continued on the digital infrastructure project, which will bring a new holistic collections management system and a new digital asset management system to the Cathedral.

We conducted a tour in January for recently arrived Afghan nationals who are staying in Canterbury until they are permanently resettled in the UK. These tours were organised with the support of the relocation team from Canterbury City Council. In February we delivered another tour for Afghan nationals. The group enjoyed the tour followed by refreshments in the Community Studio.

During the February half-term break, Afghan families with children were invited to attend Gargoyle Week. The children who attended enjoyed the activity and the organiser from the Canterbury City Council resettlement team reported that it was a good event to promote integration into Canterbury City. After taking part in the hands on activity, the two groups were led around the Cathedral by Community Engagement Ambassador volunteers.

For the wider February half-term engagement works, we delivered family engagement activities branded as Gargoyle Week. We worked with the Margate based not-for-profit social enterprise Clay Space, to develop air dry clay gargoyles that participants were able to create and take home.

The Head of Learning & Participation role finished as planned on 8th October 2021, as the strategic nature of that role and its work has been successfully delivered. Our thanks go to Jan Leandro in that role for all that she has done for the Cathedral in her 6 years working here.

A very interesting year in terms of delivering Learning & Participation, but this picked up significantly through 2021 and will continue to progress through 2022 with the delivery of more and more resources and activities, both on and off-site, as well as online.

The transition to handover all the knowledge and experience gained, as well as resources produced and evaluation undertaken to create a sustainable offering for Learning & Participation for the Cathedral post project is underway.

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 educated.

The Dean is Chairman of the Governors of the King's School.

Various senior members of staff are members of the Diocesan Advisory Committee and hold trusteeships of local charities.

The work of the Cathedral is assisted by some 800 volunteers. In a normal year around 600 volunteers 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 signed up some new ones. Others have however decided not to return and all are thanked for their service over the years. 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'.

Achievements and Performance

The Chapter has identified five strategic objectives to support the Cathedral's mission statement (see page 2) which are fundamental to the life and work of the Cathedral. These are supported by seven key values which underpin and inform the activities of the Cathedral:

- To maintain the highest standard of liturgy and music.
- To care for all people and provide welcome and hospitality in keeping with the Benedictine tradition.
- To maintain our buildings, assets and culture to the highest possible standards.
- To be a centre of excellence in all that we do.
- To minimise our impact on the environment and to adopt environmentally friendly practices wherever possible.
- To maintain a stable economic base to ensure long term financial sustainability and self-sufficiency.

- To encourage ideas and innovation to meet the challenges of the 21st Century, and ensure our relevance to the communities we serve.

Performance against the Strategic Objectives is measured against these values.

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.

The regular pattern of daily worship continued as far as possible during the year but with significantly reduced congregations. When the Cathedral was shut as a result of the Coronavirus pandemic, Chapter introduced on-line worship. This has proven to be very popular and is likely to continue to be part of the regular pattern of worship offered by Canterbury Cathedral.

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.

All people are made welcome to the Cathedral whether they come to worship, as pilgrims, to attend events, for education or as tourists. We monitor visitor feedback through Trip Advisor and other forms of social media and proactively conduct customer surveys.

We use the feedback to improve services to visitors.

To conserve and develop the fabric of Canterbury Cathedral, its ancillary buildings, monuments and precincts as part of a UNESCO World Heritage site.

The Chapter employs a skilled work force covering all building trades, and conservators and craftsmen and women to maintain its property. Priorities for the Cathedral are informed by the Quinquennial Inspection Reports within budgetary and fundraising constraints.

As noted earlier work included major conservation to the Cathedral and associated buildings as part of the Canterbury Journey project, and as facilitated by grants from the Culture Recovery Fund for Heritage. Cyclical and reactive maintenance continued across the Estate.

The Chapter will be reassessing its priorities as the recovery from the Coronavirus pandemic becomes clearer.

To be a centre of excellence for education and learning.

The Cathedral's activities and achievements are indicated earlier in this report and are an important strand of the Canterbury Journey project.

To manage the Cathedral, its assets and activities with financial and operational efficiency

The strategic objectives set by the Chapter form the basis for a long-term business plan and financial forecast, which help the Chapter and senior management understand and develop the sustainability of the Cathedral. The financial forecast is updated regularly throughout the year to take account of audited accounts, changes in activity and revised budget predictions.

The financial plan has been used to establish key performance indicators which are regularly monitored by the Chapter.

Grant claims were made monthly to the National Lottery Heritage Fund in respect of expenditure on The Canterbury Journey project until the grant retention level was reached. Project forecasts are kept under continuous review.

Managers prepare a budget which is approved by the Chapter each year. Monthly accounts are produced against budget and variances reported and investigated.

Visitor income is a key source of income for the Cathedral and in setting the ticket price Chapter has reference both to the need to generate income and to ensure value for money for visitors.

Rents from investment property and donations are the other key sources of income. The Chapter is grateful to the many supporters who give donations which help sustain the Cathedral. These might be through grants, regular gifts, legacies or in memoriam donations. We hope to develop our voluntary income by keeping our supporters updated and engaged.

The International Study Centre and Lodge make a significant contribution. Other retail and trading activities are carried out by a trading subsidiary, Cathedral Enterprises Limited, which transfers its taxable profits (if any) to the Cathedral under a Gift Aid-compliant Deed of Covenant. Potential new commercial opportunities are regularly explored.

Investment income is monitored against benchmarks as reported in the Financial Review.

The Chapter has a procurement policy which aims to ensure that the Cathedral gets value for money for goods and services purchased.

The Chapter recognises its environmental responsibility and is committed to reducing the use of energy within the Precincts, reducing waste, and managing resources effectively. Energy usage has been monitored in all buildings used by the Chapter since 2008. Most of the buildings are difficult to heat and light efficiently because of their age and structure and it is clear that large reductions in energy use will not be achieved without significant investment. However, steps have been taken to raise awareness amongst staff, to replace light fittings with energy efficient equivalents, insulate roof spaces, improve heating controls and explore alternative energy supplies. We installed solar panels on the stone yard roof in 2011.

The Cathedral achieved a bronze Eco-Church award in 2019. Also in 2019 its electricity supplies were moved to a 100% renewable contract.

In 2021, QODA was appointed by the Church of England Church Commissioners to consider how Canterbury Cathedral and a number of other buildings could become carbon neutral. The resulting report identified that achieving Zero Carbon by 2030 would be incredibly difficult to achieve and incredibly expensive. The report made a number of recommendations including the use of air source heat pumps. The Chapter are now considering how to take the report forward to address the challenges that we face to eliminate the Cathedral's carbon footprint.

The Chapter has in place an Environment and Resources Group made up of senior staff and members of the Chapter to monitor energy usage and improvements. This Group will be working with Chapter to help introduce changes to address the environmental challenges ahead.

In response to the pandemic, Chapter restructured, took out a Coronavirus Business Interruption Loan, furloughed staff and sought grant income to help protect the financial position of the organisation. As the pandemic abates, we are now concentrating on improving efficiency across all areas of the business. The Chapter is investing in technology to support this.

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 £4.78million 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 was designated at the year end to meet future marketing costs and £2,000 was designated to meet future costs associated with the Girls' Choir. £3.61million 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 £1.17million.
- Restricted Funds which totalled £11.63million 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 (£49.06million 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 as fixed assets) should cover between three and six months' total operating costs. (Chapter defines this as total costs even where costs were funded by restricted funds). Due to the pandemic, liquid free reserves have dropped to represent around 1.3 months' of total operating costs. If costs met by restricted funds are excluded, this increases to 1.5 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 4.4 months.

Unrestricted reserves were heavily depleted during the pandemic but they allowed Chapter to meet its financial obligations in the short term as staff were furloughed and restructuring took place.

Unrestricted Fund Results for the Year

There was a net surplus on unrestricted funds for the year of £474,000 before taking account of net unrealised gains on investments of £17,000, unrealised gains of £14,000 on investment property and a net transfer of funds from general funds of £82,000. This compares with a deficit of £2,641,000 in the previous year before taking account of unrealised gains of £155,000 and a transfer of funds from restricted funds of £124,000.

The total net movement in unrestricted funds for the year was an increase of £423,000 compared with a decrease of £2,235,000 in 2020-21.

The outgoing transfer of funds to the unrestricted funds related in part to costs incurred on works to endowment property which were capitalised in the year, offset by a transfer of funds from restricted funds to match the capitalisation of some assets which had been funded from restricted gifts in the year.

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 just before the pandemic started, from its old premises to the new Welcome Centre which was created by the Canterbury Journey project. Having been open in its new site for only a few days, when the pandemic started, it was closed for much of 2020/21. Happily the shop reopened on 30 April 2021 and remained open for the rest of the financial year.

The Cathedral's trading subsidiary has had a successful year working from its new premises in the Cathedral's Visitor Centre and under its new structure. Running costs were reduced considerably and in spite of fewer visitors to the Cathedral has maintained sales and increased profits.

Over the year the business returned an operating surplus of £102,000 on a turnover of £796,000 compared with an operating loss of £126,000 in the previous year, on a turnover of £334,000.

The 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 over the next year. Profitability has been helped by lower costs and a smaller location which has allowed management to reduce staff levels and to better manage stock. The looming cost of living crisis is however a concern and the Board are 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.

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 £322,000. This compares to net expenditure of £395,000 in 2020/21.

After accounting for unrealised gains on investments of £280,000 and transfers of funds to the general fund of £42,000 to match capitalised expenditure which was funded from restricted income, the restricted funds showed a surplus of £560,000 for the year. In 2020/21 there was a net surplus of £1,191,000 on restricted funds after taking account of unrealised gains on investments of £1,710,000 and a net transfer to permanent and general funds of £124,000.

Donations receivable by the Chapter from the trustees of the Canterbury Cathedral Trust towards the restoration of the fabric and the maintenance of the music and choir foundation during the year amounted to £824,000 (2021: £876,000), including £396,000 towards the Canterbury Journey project (2021: £606,000). The Friends of Canterbury Cathedral donated £377,000 of which £335,000 was restricted (2021: £97,000 of which £85,000 was restricted).

Other restricted donations received in the year were £129,000 compared to £58,000 in the previous year.

A grant of £1,573,000 was receivable in the year from the National Lottery Heritage Fund towards the Canterbury Journey project (2021: £930,000).

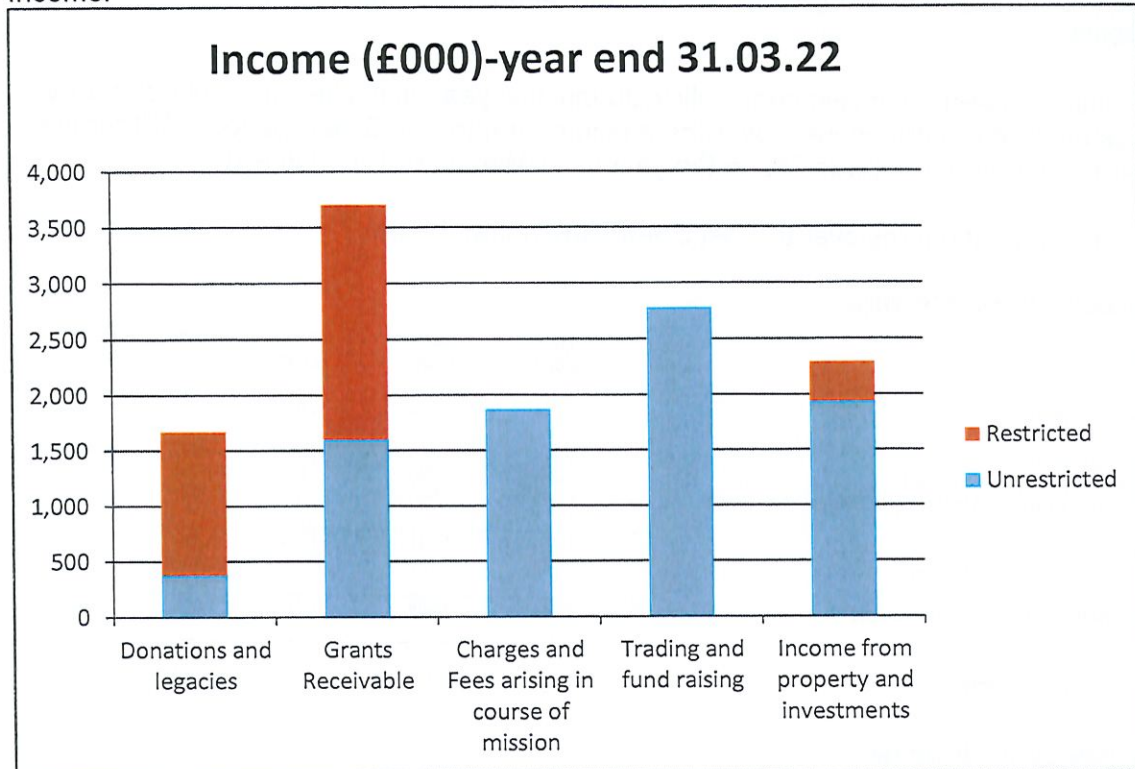
Other grants included a grant from the Cultural Recovery Fund toward the repair of the wall plates in the Trinity Chapel.

The expenses borne by restricted funds and Trusts totalled £3,427,000 (2021: £3,658,000).

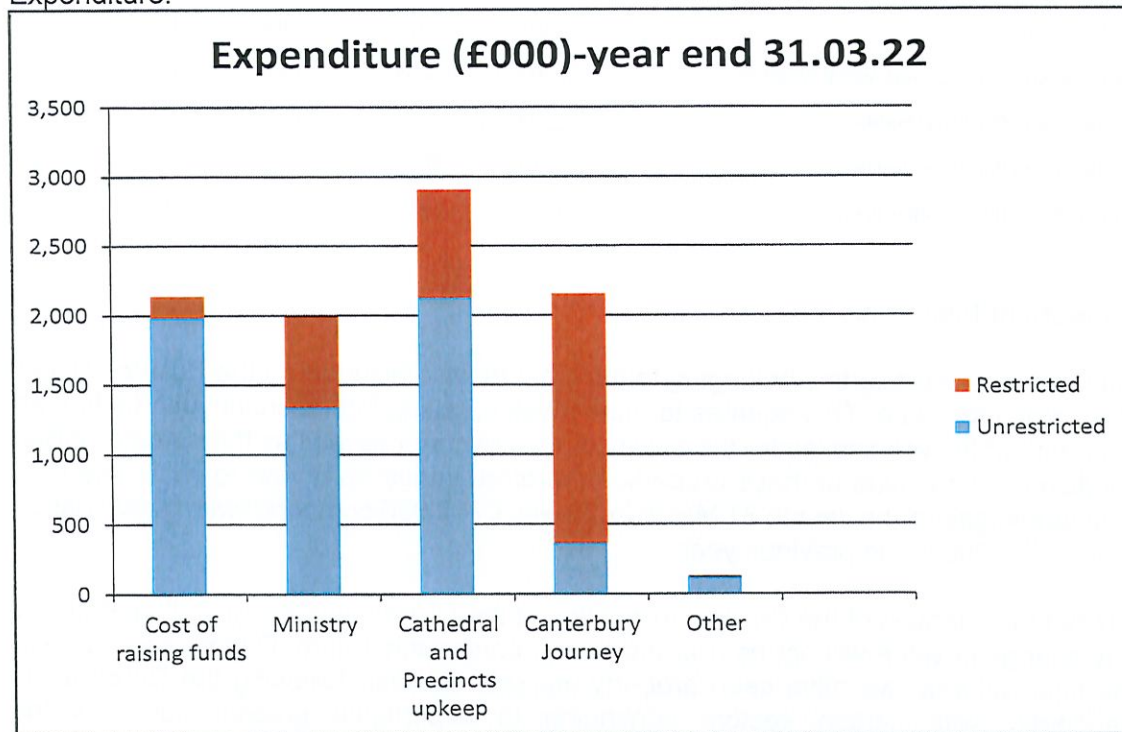
Summary of Total Income and Expenditure

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

Income:



Expenditure:



Investments

The Chapter of Canterbury has a long term portfolio consisting of both investment property and investments. The latter are held mainly in Sarasin Alpha Endowment Fund units and in two funds managed by Cazenove Schroder. There are also investments in funds managed by CCLA (see note 6). In making and holding investments, the Chapter

seeks to comply with the guidance set out in Church of England's Ethical Investment policies.

Chapter updated its investment policy during the year and aims to achieve a total investment return of CPI +4% over the medium term (a 3 to 5 year period). CPI for the year to 31 March 2022 was 7%. In the year to 31 March 2021, CPI was 0.7%.

The investment returns over the last 5 years are shown below.

Total Return on Investment properties

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Rents and other Income	1,944	1,916	2,078	2,118	1,993
Landlord's repairs	(288)	(101)	(321)	(586)	(476)
Insurance, cleaning and utility costs	(85)	(89)	(68)	(75)	(86)
Other costs including management and professional charges	(117)	(195)	(76)	(64)	(71)
Net Income	1,454	1,531	1,613	1,393	1,360
Net gain on revaluation of property	787	(25)	148	509	132
Total Return on Investment properties	2,241	1,506	1,761	1,902	1,492
Total Return on Investment properties %	7.2%	4.9%	5.9%	6.5%	5.2%

Total Return on Other Investments

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Investment Income	347	421	409	419	332
Net unrealised (loss)/gain on revaluation of investments	371	2,126	(762)	299	(98)
Total Return on Other Investments	718	2,547	(353)	718	234
Total Return on Other Investments %	5.9%	25.6%	(3.3)%	6.9%	2.2%
FTSE All-Share Total % Return (UK)	13.0%	26.7%	(18.5)%	6.4%	1.3%

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 2022 was £787,000 compared with a revaluation loss of £25,000 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 will not be realised in the foreseeable future. During the course of the financial year we have seen property markets stabilise following the Coronavirus pandemic, with certain sectors continuing to experience growth, such as the industrial/distribution and residential sectors. Retail property transactions have picked up, with local evidence emerging at much the same level as in 2019. Demand for independent type shops has been good over the year and retail in the Cathedral old part of the city, anecdotally, is faring better than in the rest of the city where voids are higher.

A full revaluation of the Chapter's property portfolio was carried out in the year ended 31 March 2021.

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 two properties were transferred into the investment property portfolio having previously been used by Chapter for non-investment purposes.

Non-Investment Properties

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 accounts. 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 2022 resulted in an overall increase in value of £1,339,000 compared with a decrease in the year to 31 March 2021 of £117,000.

It is not the intention of the Chapter to sell any of the properties making up its Estate, so any changes in value will not 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 Canterbury Journey Project has a separate risk map covering the physical and non-physical works and a separate management process which feeds into the Cathedral risk management process.

The following major risks were identified in 2021-22. The key actions to mitigate the risks are noted alongside each. The potential impact of the Coronavirus pandemic on the Cathedral's financial sustainability, activities and staff was initially recognised in February 2020 and is highlighted below.

Risk	Management Action
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	-Significant restructuring taken place and review of activities and systems to improve efficiency. Maximising grant opportunities and introducing new activities to attract visitors. CBILS Loan taken out to manage cash flow. Investment in technology to improve efficiency.
Staff morale low as a result of the impact of Coronavirus pandemic on the organisation and necessary restructuring.	-Good communication with staff throughout the consultation process and beyond. -Good pastoral care arrangements.
Impact on Cathedral life as a result of insufficient funds to enable further major projects and managing expectation around planned major projects.	- Wide level communication to stakeholders and interested parties. - Ensure strong project management. - Ongoing review of business planning and management processes. -Fundraising team focused on raising funds for Chapter priorities.
Cathedral taking on more activities than can be managed.	-Chapter ensuring proper prioritisation of projects. -Regular monitoring of project activity.
Unanticipated issues identified during delivery of major projects causing time delays and cost over-runs.	- 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.

The Cathedral's response to the Coronavirus Pandemic

The Chapter's immediate priority is to rebuild its finances as we recover from the challenges posed by the Coronavirus pandemic.

Having restructured last year, the Chapter is focussing on growing income, containing costs and improving efficiency. Historically Canterbury Cathedral has relied heavily on foreign tourists. This market is anticipated to be slow in recovering from the pandemic. In addition some of the border control arrangements as a result of Brexit have exacerbated challenges for recovery of the foreign travel market.

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.

Chapter is also carrying out an Estates review to maximise income generation and during the year, with the support of a grant from The Friends of Canterbury Cathedral, were able to refurbish parts of Cathedral House to bring the building back into use as offices thus freeing up other property for commercial letting.

Over the course of the pandemic, the Cathedral has been streaming daily acts of worship which have attracted world-wide audiences. In addition the Chapter has generated more on-line content including lectures and readings to further engage with the public. It is planned to continue on-line worship alongside public worship in the Cathedral.

Fundraising has become even more important and the fundraising team is focussing on funding recovery and protecting the activities of the Chapter.

We have been successful in attracting a number of grants from various grant giving bodies to help the Cathedral recover from the pandemic for which Chapter is very grateful.

A Coronavirus Business Interruption Loan Scheme (CBILS) loan was taken out from the Cathedral's bankers for £4million to help manage cash flow. Repayments of the loan commenced in the autumn of 2021.

Chapter is considering forecasts and cash flow predictions on a regular basis and is confident that with the measures it is taking to control costs and generate income, the Cathedral will weather the pandemic and its aftermath. The Cathedral has unrestricted listed investments valued at £815,000 at 31 March 2022 which could be sold if necessary to assist cash flow. New capital projects will only be undertaken where funding is in place. Projects which will help improve the long term financial health of the Cathedral will be prioritised.

Other priorities

The Canterbury Journey project continues to be the main focus for Chapter as the project draws to an end at the end of 2022, following a grant uplift and extension of time which was granted by the NLHF. Work is ongoing to ensure a smooth transition from the project team to the operating teams in all areas.

There will remain 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 and Chapter is scoping this so that the project can continue as the Canterbury Journey work concludes, adapting and utilising scaffolding which is already in place.

A new ticketing system was introduced during the year ended 31 March 2022, and introduction of online ticket sales and an improved system for group sales are priorities for the next year. These projects were delayed by the pandemic and are crucial to improve efficiency and data management. Work has also started on the introduction of a new Precincts Pass for local residents which will be delivered and operational in the second half of 2022.

Work continues on digitising some of the collections to widen access through new technology.

A new multi-media guide has been developed to help visitors better understand the Cathedral, its history, people and architecture. This is complete and has been piloted. It

is now available to the public and part of the focus for 2022 will be to get it more widely used.

One of the main priorities for Chapter is to further invest in technology and IT to improve the efficiency of the organisation. This is a long term project and will take a number of years to complete.

Cathedrals Measure 2021

The Cathedrals Measure 2021 was given Royal Assent in April 2021. As a result of the Measure, cathedrals are set to become registered charities. 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 move to charitable status late in 2023 to allow for a new Dean to provide input to the process.

Structure, Governance and Management

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 International Study Centre (ISC).

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

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, the Receiver General 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 Chairman 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 Accounts.

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 accounts 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 Administration of the Cathedral

The Cathedral is administered by the Chapter through the Receiver General and the Heads of Departments. The Chapter sets the strategic direction for the Cathedral and the day to day management is exercised by the departmental heads and co-ordinated by the Receiver General, who oversees the financial and central administration, together with the personnel management of all Cathedral staff. Formal and ad hoc committees are chaired by members of the Chapter and these direct the processes of planning and co-ordination.

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, 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 International Study Centre 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 Receiver General is appointed by the Chapter and the four non-executive lay 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 Very Reverend Robert Willis retired as Dean on 16 May 2022, on the eve of his 75th birthday after 21 years in post. Chapter wish 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 Chapter, staff and volunteers of the Cathedral wish Robert a long and happy retirement.

The Very Reverend Jane Hedges joined the Chapter as a Residentiary Canon and Acting Dean on 20 June 2022. Jane Ibbotson and Richard Oldfield joined Chapter on 1 January 2022. The Venerable Jo Kelly Moore left Chapter on 4 December 2021 to become the Dean of St Albans and William Pettit retired on 17 April 2022.

Thanks are also offered to Air Marshal Chris Nickols, Interim Receiver General left on 22 April 2022. He came initially for a 9 month period and stayed significantly longer to help steer the Cathedral through the Covid-19 pandemic. Kathryn Beldon has been appointed as Interim Receiver General and joined the Cathedral on 4 July 2022 for a 12 month term.

Ms Angela Sutton (Head of Estates and Fabric) left the Cathedral at the end of December 2021 and Canon Andrew Dodd has assumed the role of Head of Estates and Fabric.

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 Management 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 minimise pressure on supporters and 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. During the year ended 31 March 2022, the Chapter received no complaints about its fundraising activities.

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 non-compliance;
- 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.

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 (from 20 Jun 2022) |
| • The Reverend Canon Emma Pennington | Canon Missioner |
| • The Reverend Canon Timothy Naish | Canon Librarian |
| • The Reverend Canon Andrew Dodd | Canon Treasurer |
| • The Venerable Jo Kelly Moore | Archdeacon of Canterbury (until 4 December 2021) |
| | |
| • Mrs Caroline Spencer | |
| • Mr William Pettit (until 17 April 2022) | |
| • Mrs Janice Reid | |
| • Miss Jane Ibbotson (from 1 January 2022) | |
| • Mr Richard Oldfield (from 1 January 2022) | |

Receiver General

Air Marshal Christopher Nickols
(until 22 Apr 2022)

Mrs Kathryn Beldon (from 4 July 2022)

Surveyor to the Fabric

Mr Jonathan Deeming

Consultant Archaeologist

Ms Nathalie Cohen (until 31 December 2021)

Director of Music

Dr David Newsholme (from 1 January 2022)

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 Reverend Canon Andrew Dodd | Canon Treasurer |
| • Air Marshal Christopher Nickols | Receiver General (until 22 April 2022) |
| • Mr Michael Steed | |
| • Mr Adrian Inscoc | |
| • Mr Christopher Byrne (until July 2021) | |
| • 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 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:

- | | |
|-------------------------------------------------|-------------------------------------------------------|
| • Mr Michael Archer OBE (Chairman) | Appointed by:
The Chapter (until 30 April 2021) |
| • Mr Richard Halsey (Chairman) | Cathedrals Fabric Commission
(from 27 May 2021) |
| • Mr Eric Parry RA | The Chapter (until 30 April 2021) |
| • Professor Christopher Wilson | Cathedrals Fabric Commission
(until 30 April 2021) |
| • The Reverend Canon Dr Nicholas Thistlethwaite | Cathedrals Fabric Commission (until 30 April 2021) |
| • Mr Martin Standcliffe | The Chapter |
| • Dr Alixe Bovey | Cathedrals Fabric Commission |
| • Ms Anna Eavis | The Chapter |
| • Mr Graham Sharpe | The Chapter (from 27 May 2021) |
| • Professor Paul Bennett | The Chapter (from 27 May 2021) |
| • Ms Edith Belnnerhassett | Cathedrals Fabric Commission
(from 27 May 2021) |
| • Air Marshal Christopher Nickols | Secretary (Until 22 April 2022) |

Address of the Cathedral Office

Cathedral House
The Precincts
Canterbury
Kent CT1 2EH

Professional Advisors include:

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

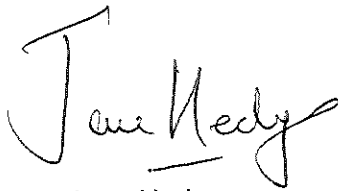
Cazenove
Schroder & Co. Limited
31 Gresham Street
London EC2V 7QA

Archaeological Consultants

Canterbury Archaeological Trust Ltd
92A Broad Street
Canterbury
Kent CT1 2LU

Architects

Purcell LLP
9 The Precincts
Canterbury
Kent CT1 2EE



Jane Hedges
Acting Dean

15 July

2022

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 2022 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 2022 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 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)

Auditor's responsibilities for the audit of the accounts (continued)

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

28 July 2022

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	<u>8,563</u>	<u>3,749</u>	<u>-</u>	<u>12,312</u>	<u>9,673</u>
Expenditure on:						
Raising funds	3	<u>1,984</u>	<u>150</u>	<u>-</u>	<u>2,134</u>	<u>1,704</u>
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
		<u>6,105</u>	<u>3,277</u>	<u>-</u>	<u>9,382</u>	<u>11,005</u>
Total Expenditure		<u>8,089</u>	<u>3,427</u>	<u>-</u>	<u>11,516</u>	<u>12,709</u>
Net income/(expenditure) before investment gains/(losses)		<u>474</u>	<u>322</u>	<u>-</u>	<u>796</u>	<u>(3,036)</u>
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		<u>31</u>	<u>280</u>	<u>847</u>	<u>1,158</u>	<u>2,101</u>
Net income/(expenditure) before transfers		<u>505</u>	<u>602</u>	<u>847</u>	<u>1,954</u>	<u>(935)</u>
Gross transfers between funds	14	<u>(82)</u>	<u>(42)</u>	<u>124</u>	<u>-</u>	<u>-</u>
Net income/(expenditure)		<u>423</u>	<u>560</u>	<u>971</u>	<u>1,954</u>	<u>(935)</u>
Other recognised gains/(losses) on revaluation						
International Study Centre	7	-	-	(180)	(180)	(576)
Non investment property	7	-	-	1,519	1,519	(117)
Net movement in funds		<u>423</u>	<u>560</u>	<u>2,310</u>	<u>3,293</u>	<u>(1,628)</u>
Reconciliation of funds:						
Total funds brought forward		4,360	11,066	46,753	62,179	63,807
Total funds carried forward		<u>4,783</u>	<u>11,626</u>	<u>49,063</u>	<u>65,472</u>	<u>62,179</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.

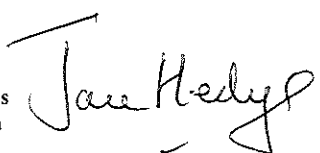
**Consolidated balance sheet
at 31 March 2022**

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2022	Total Funds 2021
Note		£'000	£'000	£'000	£'000	£'000
Fixed Assets						
Investment assets						
Property	5	754	750	31,178	32,682	30,978
Listed Investments	6	815	9,265	2,415	12,495	12,074
		<u>1,569</u>	<u>10,015</u>	<u>33,593</u>	<u>45,177</u>	<u>43,052</u>
Tangible fixed assets						
International Study Centre	7	-	-	5,052	5,052	5,232
Other property	7	565	-	10,394	10,959	10,233
Other tangible assets	9	1,479	-	-	1,479	1,623
		<u>2,044</u>	<u>-</u>	<u>15,446</u>	<u>17,490</u>	<u>17,088</u>
Total fixed assets		<u>3,613</u>	<u>10,015</u>	<u>49,039</u>	<u>62,667</u>	<u>60,140</u>
Current Assets						
Stocks	10	221	-	-	221	249
Debtors	11	1,559	-	-	1,559	1,572
Short term notice deposits		-	-	-	-	2,000
Cash at bank and in hand		5,632	1,611	24	7,267	5,650
		<u>7,412</u>	<u>1,611</u>	<u>24</u>	<u>9,047</u>	<u>9,471</u>
Liabilities due within one year						
Creditors	12	3,375	-	-	3,375	3,765
Net current assets		<u>4,037</u>	<u>1,611</u>	<u>24</u>	<u>5,672</u>	<u>5,706</u>
Total assets less current liabilities		<u>7,650</u>	<u>11,626</u>	<u>49,063</u>	<u>68,339</u>	<u>65,846</u>
Liabilities due after more than one year						
Bank Loan	13	2,867	-	-	2,867	3,667
Total net assets		<u>4,783</u>	<u>11,626</u>	<u>49,063</u>	<u>65,472</u>	<u>62,179</u>
Funds						
General	14	4,738	-	-	4,738	4,301
Designated	14	45	-	-	45	59
Restricted	14	-	11,578	-	11,578	11,018
Trust Funds	14	-	48	2,421	2,469	2,394
Corporate Estate	14	-	-	46,642	46,642	44,407
		<u>4,783</u>	<u>11,626</u>	<u>49,063</u>	<u>65,472</u>	<u>62,179</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 of the property.

The financial statements were approved and authorised for issue by the Chapter on 15/07/2022 and signed on their behalf by:

Jane Hedges
Acting Dean



Andrew Dodd
Canon Treasurer



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

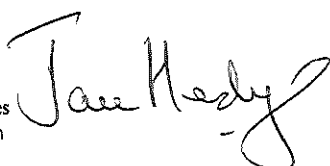
**Entity-only balance sheet
at 31 March 2022**

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2022	Total Funds 2021
	Note	£'000	£'000	£'000	£'000	£'000
Fixed Assets						
Investment assets						
Property	5	754	750	31,178	32,682	30,978
Listed investments	6	815	9,265	2,415	12,495	12,074
Investment in Subsidiary	24	190	-	-	190	190
		<u>1,759</u>	<u>10,015</u>	<u>33,593</u>	<u>45,367</u>	<u>43,242</u>
Tangible fixed assets						
International Study Centre	7	-	-	5,052	5,052	5,232
Other property	7	565	-	10,394	10,959	10,233
Other tangible assets	9	1,419	-	-	1,419	1,551
		<u>1,984</u>	<u>-</u>	<u>15,446</u>	<u>17,430</u>	<u>17,016</u>
Total fixed assets		<u>3,743</u>	<u>10,015</u>	<u>49,039</u>	<u>62,797</u>	<u>60,258</u>
Current Assets						
Stocks	10	64	-	-	64	82
Debtors	11	1,516	-	-	1,516	1,580
Loan to Subsidiary	11	183	-	-	183	200
Short term notice deposits		-	-	-	-	2,000
Cash at bank and in hand		5,377	1,611	24	7,012	5,522
		<u>7,140</u>	<u>1,611</u>	<u>24</u>	<u>8,775</u>	<u>9,384</u>
Liabilities due within one year						
Creditors	12	3,260	-	-	3,260	3,721
Net current assets		<u>3,880</u>	<u>1,611</u>	<u>24</u>	<u>5,515</u>	<u>5,663</u>
Total assets less current liabilities		<u>7,623</u>	<u>11,626</u>	<u>49,063</u>	<u>68,312</u>	<u>65,921</u>
Liabilities due after more than one year						
Bank Loan	13	2,867	-	-	2,867	3,667
Total net assets		<u>4,756</u>	<u>11,626</u>	<u>49,063</u>	<u>65,445</u>	<u>62,254</u>
Funds						
General		4,711	-	-	4,711	4,376
Designated	14	45	-	-	45	59
Restricted	14	-	11,578	-	11,578	11,018
Trust Funds	14	-	48	2,421	2,469	2,394
Corporate Estate	14	-	-	46,642	46,642	44,407
		<u>4,756</u>	<u>11,626</u>	<u>49,063</u>	<u>65,445</u>	<u>62,254</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 of the property.

The financial statements were approved and authorised for issue by the Chapter on 15/07/2022 and signed on their behalf by:

Jane Hedges
Acting 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 2022

	2022 £'000	2021 £'000	
Cash flow statement			
Net cash used in operating activities	<u>(1,581)</u>	<u>(4,244)</u>	
Cash flows from investing activities			
Income from property (net)	1,454	1,531	
Income from investments (net)	347	421	
Purchase of investments	(50)	-	
Purchase of tangible fixed assets	<u>(220)</u>	<u>(177)</u>	
Net cash provided by investing activities	<u>1,531</u>	<u>1,775</u>	
Cash flows from financing activities			
Repayment of borrowings	(333)	-	
New borrowing	-	4,000	
Net cash (used in)/provided by financing activities	<u>(333)</u>	<u>4,000</u>	
(Decrease)/increase in cash and cash equivalents in year	(383)	1,531	
Cash and cash equivalents at 1 April	7,650	6,119	
Cash and cash equivalents at 31 March	<u>7,267</u>	<u>7,650</u>	
Reconciliation of net income/(expenditure) before investment gains and (losses) to net cash used in operating activities			
Total net gains/(losses) on investments	£'000	£'000	
	796	(3,036)	
Net income/(expenditure) before transfers			
Adjustments for:			
Income from property (net)	(1,454)	(1,531)	
Income from investments (net)	(347)	(421)	
Depreciation	240	161	
Loss on disposal of Fixed Assets	-	17	
Decrease in stocks	28	18	
Decrease in debtors	13	1,165	
Decrease in creditors	(857)	(617)	
Net cash used in operating activities	<u>(1,581)</u>	<u>(4,244)</u>	
Analysis of cash and cash equivalents			
	£'000	£'000	
Cash at bank and in hand	7,267	5,650	
Short term notice deposits	-	2,000	
Total cash and cash equivalents	<u>7,267</u>	<u>7,650</u>	
Analysis of changes in net funds/(debt)			
	At 1 April 2021 £'000	Cash Flows £'000	At 31 March 2022 £'000
Cash and cash equivalents	7,650	(383)	7,267
Bank loan	<u>(4,000)</u>	<u>333</u>	<u>(3,667)</u>
	<u>3,650</u>	<u>(50)</u>	<u>3,600</u>

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 2022 with comparative information given in respect to the year to 31 March 2021.

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 £11,966,000 (2021: £9,843,000) and its net income for the year was £736,000 (2021: net expenditure: £2,915,000).

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 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 has had a significant financial impact on the Cathedral which continues to be felt. In addition the war in Ukraine and high inflationary pressures are likely to have an impact on both income and costs. Visitor numbers are significantly below pre-covid levels which is reflected in lower income figures. A number of measures have been taken to attract visitors to

Principal Accounting Policies

the Cathedral including extending the Kids go Free" offer and holding a number of family activities during school holidays. The Cathedral underwent a restructure last year which has helped reduce the cost-base 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 met in 2021/22. Although post pandemic income levels remain uncertain, the Chapter remains confident in the support of the bank and the range of measures available to the Cathedral to maintain ongoing liquidity.

As a result of these actions and 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 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 2022

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 (I S C) Capital Fund

This fund receives all donations, grants and legacies that are specified to be used in connection with the International Study Centre.

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 2022

	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	2022	2022	2022	2021	2021	2021
	£'000	£'000	£'000	£'000	£'000	£'000
2 Income and endowments from:						
Donations and legacies						
Donations	312	96	408	338	58	396
Gift aid on donations	16	5	21	33	-	33
The Friends of Canterbury Cathedral	42	335	377	12	85	97
Canterbury Cathedral Trust Fund	1	427	428	23	247	270
Canterbury Cathedral Trust Fund - Canterbury Journey (note 15)	-	396	396	-	606	606
Legacies	12	28	40	112	17	129
	<u>383</u>	<u>1,287</u>	<u>1,670</u>	<u>518</u>	<u>1,013</u>	<u>1,531</u>
Covid-19 grants including Coronavirus Job Retention Scheme funds						
Coronavirus Job Retention Scheme	51	-	51	1,472	-	1,472
Cultural Recovery Scheme	1,453	-	1,453	999	593	1,592
Other	44	-	44	45	-	45
	<u>1,548</u>	<u>-</u>	<u>1,548</u>	<u>2,516</u>	<u>593</u>	<u>3,109</u>
Other Grants in support of mission						
Church Commissioners	27	141	168	-	256	256
Heritage Lottery Fund - Canterbury Journey (note 15)	-	1,573	1,573	-	930	930
Other	24	392	416	11	37	48
	<u>51</u>	<u>2,106</u>	<u>2,157</u>	<u>11</u>	<u>1,223</u>	<u>1,234</u>
Charges and fees arising in the course of mission						
Facility fees	247	-	247	65	-	65
International Study Centre	1,581	-	1,581	374	-	374
Library, Archives, Schools and Courses income	43	-	43	36	-	36
	<u>1,871</u>	<u>-</u>	<u>1,871</u>	<u>475</u>	<u>-</u>	<u>475</u>
Trading and fundraising						
Admission fees from visitors	1,802	-	1,802	555	-	555
Gift aid on annual admissions	125	-	125	73	-	73
Other income from visitors	61	-	61	8	-	8
Gross income from trading and other activities	787	-	787	351	-	351
	<u>2,775</u>	<u>-</u>	<u>2,775</u>	<u>987</u>	<u>-</u>	<u>987</u>
Investments						
Property	1,902	42	1,944	1,874	42	1,916
Listed investments and interest receivable	33	314	347	29	392	421
	<u>1,935</u>	<u>356</u>	<u>2,291</u>	<u>1,903</u>	<u>434</u>	<u>2,337</u>
Total income	<u>8,563</u>	<u>3,749</u>	<u>12,312</u>	<u>6,410</u>	<u>3,263</u>	<u>9,673</u>
3 Expenditure on:						
Raising Funds						
Costs of facilities for visitors	521	-	521	352	-	352
Gross costs of trading and other activities	601	-	601	460	-	460
Investment property costs	340	150	490	385	-	385
Support services (note 21)	522	-	522	507	-	507
	<u>1,984</u>	<u>150</u>	<u>2,134</u>	<u>1,704</u>	<u>-</u>	<u>1,704</u>

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

	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	2022	2022	2022	2021	2021	2021
	£'000	£'000	£'000	£'000	£'000	£'000
4 Expenditure on Charitable Activities:						
Ministry						
Clergy stipends and working expenses	99	141	240	103	192	295
Clergy housing costs	179	-	179	136	3	139
Services and music costs	748	520	1,268	743	409	1,152
Support services (note 21)	315	-	315	311	-	311
	<u>1,341</u>	<u>661</u>	<u>2,002</u>	<u>1,293</u>	<u>604</u>	<u>1,897</u>
Cathedral and precincts upkeep						
Major repairs and restoration	-	449	449	-	778	778
Organ Project	-	1	1	-	10	10
Maintenance and interior upkeep	658	182	840	1,390	140	1,530
Cathedral insurance	84	-	84	81	-	81
Precincts, security and gardens upkeep	818	151	969	711	3	714
Support services (note 21)	564	-	564	528	-	528
	<u>2,124</u>	<u>783</u>	<u>2,907</u>	<u>2,710</u>	<u>931</u>	<u>3,641</u>
Education and outreach						
International Study Centre	1,501	119	1,620	1,110	-	1,110
Schools department & courses	79	-	79	78	4	82
Archives and library	118	2	120	170	2	172
Charitable giving	68	-	68	108	-	108
Support services (note 21)	319	-	319	331	-	331
	<u>2,085</u>	<u>121</u>	<u>2,206</u>	<u>1,797</u>	<u>6</u>	<u>1,803</u>
Other expenditure	<u>109</u>	<u>6</u>	<u>115</u>	<u>41</u>	<u>-</u>	<u>41</u>
The Canterbury Journey Project (note 15)						
Major repairs, conservation and improvements	225	1,156	1,381	1,347	1,705	3,052
Exhibition, education and interpretation	79	242	321	-	5	5
Professional fees	73	147	220	78	179	257
Direct staff and other costs	69	161	230	81	228	309
	<u>446</u>	<u>1,706</u>	<u>2,152</u>	<u>1,506</u>	<u>2,117</u>	<u>3,623</u>
Total	<u>6,105</u>	<u>3,277</u>	<u>9,382</u>	<u>7,347</u>	<u>3,658</u>	<u>11,005</u>

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

5 Investment property

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2021	740	750	29,488	30,978
Additions	-	-	124	124
Net transfer from Non Investment Properties (note 7)	-	-	793	793
Net increase on revaluation	14	-	773	787
Market value 31 March 2022	<u>754</u>	<u>750</u>	<u>31,178</u>	<u>32,682</u>
Net increase on revaluation year ended 31 March 2021	<u>17</u>	<u>125</u>	<u>(167)</u>	<u>(25)</u>

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.Beldin 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 2020.

6 Listed Investments

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2021	790	8,943	2,341	12,074
Additions	8	42	-	50
Net gains on disposals and revaluations	17	280	74	371
Market value 31 March 2022	<u>815</u>	<u>9,265</u>	<u>2,415</u>	<u>12,495</u>
Analysed as follows:				
Sarasin Endowments Fund Units	815	7,769	1,976	10,560
Schroder Charity Multi-Asset Fund Units	-	744	-	744
Schroder Income Fund Units	-	752	-	752
COIF Units	-	-	431	431
CBF Investments	-	-	8	8
	<u>815</u>	<u>9,265</u>	<u>2,415</u>	<u>12,495</u>

7 Tangible Fixed Assets: Non-investment properties

International Study Centre (ISC)

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Depreciated replacement cost value at 1 April 2021	-	-	5,232	5,232
Net decrease on revaluation	-	-	(180)	(180)
Depreciated replacement cost value at 31 March 2022	<u>-</u>	<u>-</u>	<u>5,052</u>	<u>5,052</u>

The valuation of the ISC reduced by £576k in the year ended 31 March 2021.

Other non investment property

	Unrestricted Fund £'000	Restricted Fund £'000	Permanent Fund £'000	Total £'000
Market value at 1 April 2021	565	-	9,668	10,233
Transfer to investment property (note 5)	-	-	(793)	(793)
Net increase on revaluation	-	-	1,519	1,519
Market value 31 March 2022	<u>565</u>	<u>-</u>	<u>10,394</u>	<u>10,959</u>
Net decrease on revaluation year ended 31 March 2022	<u>127</u>	<u>-</u>	<u>(244)</u>	<u>(117)</u>

Non-investment properties are held and used as follows:

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	<u>565</u>	<u>-</u>	<u>1,859</u>	<u>2,424</u>
	<u>565</u>	<u>-</u>	<u>10,394</u>	<u>10,959</u>

At 31 March 2021

for Cathedral clergy, choir and staff housing	-	-	5,494	5,494
for Cathedral trading activities	-	-	2,520	2,520
for Cathedral maintenance and administration	<u>565</u>	<u>-</u>	<u>1,654</u>	<u>2,219</u>
	<u>565</u>	<u>-</u>	<u>9,668</u>	<u>10,233</u>

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

7 Continued

All the non-investment properties are freehold: they are valued for the purpose of these accounts by the Estates Surveyor, 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 2020.

The 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 2022

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. In the current year the most significant accessions were drawings by Erwin Bossanyi (stained glass artist), a portrait bust of the artist and a 1728 manuscript map of Eastry manor.

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 2021	193	3,435	1,336	155	5,119
Additions	1	33	66	-	100
Disposals	-	(4)	-	-	(4)
At 31 March 2022	194	3,464	1,402	155	5,215
Depreciation					
At 1 April 2021	121	2,136	1,106	133	3,496
Charge for year	13	122	99	9	243
Depreciation on disposals	-	(3)	-	-	(3)
At 31 March 2022	134	2,255	1,205	142	3,736
Net book values					
At 31 March 2022	60	1,209	197	13	1,479
At 31 March 2021	72	1,299	230	22	1,623
Entity-only balance sheet (i.e. excluding shop fixtures and fittings)					
Net book values at 31 March 2022		1,209	197	13	1,419
Net book values at 31 March 2021		1,299	230	22	1,551

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

	2022 £'000	2021 £'000
10 Stocks		
General Stock	32	37
Stock of Stone	32	45
Entity stocks	64	82
Shop trading stocks	157	167
Total stocks	<u>221</u>	<u>249</u>
11 Debtors		
Trade debtors including rent receivable	642	604
Amounts owed by related undertakings	36	128
Amounts owed in respect to The Canterbury Journey	82	118
VAT	189	58
Other debtors	610	504
Total unrestricted fund debtors	<u>1,559</u>	<u>1,412</u>
Restricted fund legacies receivable and investment income	-	160
	<u>1,559</u>	<u>1,572</u>
Entity debtors		
Trade debtors including rent receivable	633	574
Amounts owed by related undertakings	5	128
Grants owed in respect to The Canterbury Journey	82	118
VAT	189	58
Other debtors	576	449
Amounts owed by subsidiary company	214	293
Total unrestricted fund debtors	<u>1,699</u>	<u>1,620</u>
Restricted fund legacies receivable and investment income	-	160
	<u>1,699</u>	<u>1,780</u>
12 Creditors		
Bank Loan	800	333
Expense creditors	518	279
Rent and insurance in advance	483	458
VAT	-	651
Taxation	-	82
Accruals	538	1,081
Other creditors	1,036	878
Total unrestricted fund creditors	<u>3,375</u>	<u>3,762</u>
Restricted fund other creditors and accruals	-	3
	<u>3,375</u>	<u>3,765</u>
Entity creditors		
Bank Loan	800	333
Expense creditors	526	266
Rent and insurance in advance	483	458
VAT	-	650
Taxation	-	82
Accruals	315	1,048
Other creditors	1,136	881
Total unrestricted fund creditors	<u>3,260</u>	<u>3,718</u>
Restricted fund other creditors and accruals	-	3
	<u>3,260</u>	<u>3,721</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 2022 included within creditors on the balance sheet and which are represented by investments and cash was £232,000 (2021: £226,000).

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

13	Liabilities due after more than one year	Unrestricted	
		2022	2021
		£'000	£'000
	Coronavirus Business Interruption Loan	<u>2,867</u>	<u>3,667</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. Thereafter interest accrues at 1.88% above bank base rate. 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 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	<u>44,407</u>	<u>-</u>	<u>-</u>	<u>124</u>	<u>2,111</u>	<u>46,642</u>
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						
WE/EM 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>

Comparative information for the year ended 31 March 2021 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 2022

15 The Canterbury Journey Project

	Unrestricted £ 000	Restricted £ 000	2022 Total £ 000	2021 Total £ 000
Income				
NLHF Grant	-	1,573	1,573	930
Canterbury Cathedral Trust Fund	-	396	396	606
Transfer of Funds from Fabric Fund	-	231	231	-
Transfer of Funds from General Fund	-	24	24	-
Other	8	40	48	82
	<u>8</u>	<u>2,264</u>	<u>2,272</u>	<u>1,618</u>
Expenditure				
Project Costs	(446)	(1,706)	(2,152)	(3,623)
	<u>(438)</u>	<u>558</u>	<u>120</u>	<u>(2,005)</u>
Transfer of funds to reflect capitalised project costs	51	(51)	-	-
	<u>(387)</u>	<u>507</u>	<u>120</u>	<u>(2,005)</u>

As shown in note 4, costs in the year costs of £1,706,000 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 of £446,000 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 January 2023. The commitment shown includes the element of disallowed VAT.

Amounts payable:	2022 £ 000	2021 £ 000
Within one year	8	11
Within two to five years	-	8
	<u>8</u>	<u>19</u>

17 Auditor's remuneration

	£'000	£'000
Audit Services	34	28
Other Services - VAT / Gift Aid advice	13	6
Other Services - Audit of Subsidiary	6	6
	<u>53</u>	<u>40</u>

18 Employee information

The average weekly number of employees during the year was 164 (2021: 181) full-time equivalents and 245 (2021: 220) based on headcount. These are analysed as follows:

	2022		2021	
	FTE	Headcount	FTE	Headcount
Cathedral staff (including Welcome Centre, Virgiers and Music)	35	65	32	50
Works department (including Stained Glass studio)	47	68	60	65
International Study Centre	28	45	27	34
Cathedral shop	7	12	11	16
Administration (including Friends and Security)	47	55	51	55
	<u>164</u>	<u>245</u>	<u>181</u>	<u>220</u>

19 Emoluments of employees and key management personnel

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

	2022 £'000	2021 £'000
Salaries and Stipends	4,814	5,960
National Insurance Costs	396	451
Other Pension Costs	349	422
	<u>5,559</u>	<u>6,833</u>

Redundancy costs of £73k included in the above were incurred in the year (2021: £657,000).

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

19 Emoluments of employees and key personnel (continued)

There were three employees whose earnings fell in the band £70,000 to £80,000 (2021: one) and none whose earnings fell in the band £80,000 to £90,000 (2021: three) and none whose earnings fell in the band £100,000 to £110,000 (2021: one).

Members of the Chapter received the following remuneration in the year:	Salary	Pension Contributions
	£'000	£'000
The Dean	39	12
Canon Librarian	30	10
Archdeacon	25	3
Canon Treasurer	31	10
Canon Missioner	31	10

The remuneration of 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 £1,087 incurred by four members of Chapter (2021: £10,519, incurred by 2 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 £392,004 (2021: £478,679, included Executive Director Strategic Development).

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 £330,591 (2021: £367,508). Contributions of £0 (2021: £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 (2021: £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 (2021: 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 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using appropriate assumptions.

The most recent statement shows a balance sheet deficit recovery liability of £4,000 at 31 December 2021 (2020: £7,000). Contributions paid for the year were £20,029 (2021: £17,987).

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

21 Support services

These comprise:

	2022 £000	2021 £000
Administration and finance	1,203	1,039
Information technology	321	379
Personnel and training	226	258
	<u>1,750</u>	<u>1,676</u>
Support Services include Governance costs of	<u>34</u>	<u>34</u>

Redundancy Costs of £73,104 have been included within the above note (2021: £657,000)

These have been apportioned based on estimated time spent per category and these equate to approximately 30.4% to the cost of raising funds, 18.3% to ministry, 33.0% to cathedral and precincts upkeep and 18.3% to education and outreach (see notes 3 and 4).

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

The Chapter of Canterbury has entered into contracts associated with The Canterbury Journey project and the repair of the Trinity Chapel Wall Plates of £9 million (2021: £19.8 million). Of those amounts, at the year end £0.4 million (2021: £1.2 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 298061) 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 recognised 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 2022 are summarised as follows:

	The Friends of Canterbury Cathedral £000	The Canterbury Cathedral Trust £000
Income and Expenditure Account		
Gross Income	<u>434</u>	<u>866</u>
Net surplus before revaluation and grant commitments	<u>324</u>	<u>714</u>
Grant funding to Cathedral	<u>287</u>	<u>728</u>
Balance Sheet		
Investments	1,062	6,521
Net Current Assets	<u>943</u>	<u>1,829</u>
Net Assets	<u>2,005</u>	<u>8,350</u>

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

24.2 Not controlled by the Chapter (continued)

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

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 2021

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2021
	Note	£'000	£'000	£'000	£'000
Income and Endowments from:					
Donations and legacies		518	1,013	-	1,531
Covid-19 grants including Coronavirus Job Retention Scheme funds		2,516	593	-	3,109
Other Grants in support of mission		11	1,223	-	1,234
Charges and fees arising in the course of mission		475	-	-	475
Trading and fundraising		987	-	-	987
Investments		1,903	434	-	2,337
Total Income	2	<u>6,410</u>	<u>3,263</u>	<u>-</u>	<u>9,673</u>
Expenditure on:					
Raising funds	3	1,704	-	-	1,704
Charitable activities:					
Ministry	4	1,293	604	-	1,897
Cathedral and precincts upkeep	4	2,710	931	-	3,641
Education and outreach	4	1,797	6	-	1,803
Other expenditure: VAT payable	4	41	-	-	41
The Canterbury Journey Project	4	1,506	2,117	-	3,623
Total Expenditure		<u>9,051</u>	<u>3,658</u>	<u>-</u>	<u>12,709</u>
Net (expenditure)/ income before investment (losses)/gains		<u>(2,641)</u>	<u>(395)</u>	<u>-</u>	<u>(3,036)</u>
Net (losses)/gains on investments					
Investment property	5	17	125	(167)	(25)
Listed investments	6	138	1,585	403	2,126
Total net (losses)/gains on investments		<u>155</u>	<u>1,710</u>	<u>236</u>	<u>2,101</u>
Net (expenditure)/ income before transfers		<u>(2,486)</u>	<u>1,315</u>	<u>236</u>	<u>(935)</u>
Gross transfers between funds	14	124	(124)	-	-
Net (expenditure)/ income		<u>(2,362)</u>	<u>1,191</u>	<u>236</u>	<u>(935)</u>
Other recognised losses					
Non investment property	7	127	-	(244)	(117)
Net movement in funds		<u>(2,235)</u>	<u>1,191</u>	<u>(584)</u>	<u>(1,628)</u>
Reconciliation of funds:					
Total funds brought forward		6,595	9,875	47,337	63,807
Total funds carried forward		<u>4,360</u>	<u>11,066</u>	<u>46,753</u>	<u>62,179</u>

Consolidated balance sheet
at 31 March 2021

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2021
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
Investment assets					
Property	5	740	750	29,488	30,978
Listed Investments	6	790	8,943	2,341	12,074
		<u>1,530</u>	<u>9,693</u>	<u>31,829</u>	<u>43,052</u>
Tangible fixed assets					
International Study Centre	7	-	-	5,232	5,232
Other property	7	565	-	9,668	10,233
Other tangible assets	9	1,623	-	-	1,623
		<u>2,188</u>	<u>-</u>	<u>14,900</u>	<u>17,088</u>
Total fixed assets		<u>3,718</u>	<u>9,693</u>	<u>46,729</u>	<u>60,140</u>
Current Assets					
Stocks	10	249	-	-	249
Debtors	11	1,412	160	-	1,572
Cash at bank and in hand		4,410	1,216	24	5,650
		<u>8,071</u>	<u>1,376</u>	<u>24</u>	<u>9,471</u>
Liabilities due within one year					
Creditors	12	3,762	3	-	3,765
Net current assets		<u>4,309</u>	<u>1,373</u>	<u>24</u>	<u>5,706</u>
Total net assets		<u>8,027</u>	<u>11,066</u>	<u>46,753</u>	<u>65,846</u>
Liabilities due after more than one year					
Bank Loan	13	3,667	-	-	3,667
Total net assets		<u>4,360</u>	<u>11,066</u>	<u>46,753</u>	<u>62,179</u>
Funds					
General	14	4,301	-	-	4,301
Designated	14	59	-	-	59
Restricted	14	-	11,018	-	11,018
Trust Funds	14	-	48	2,346	2,394
Corporate Estate	14	-	-	44,407	44,407
		<u>4,360</u>	<u>11,066</u>	<u>46,753</u>	<u>62,179</u>

Revaluation reserves of £4.065m (2020: £1.939m) are included in the above funds relating to non-property investments of which £1.030m (2020: £0.627m) relates to the permanent fund, £2.657m (2020: £1.072m) to restricted funds and £0.378m (2020: £0.239m) to general funds. The revaluation reserve for property cannot be determined given the historic nature of some

Entity-only balance sheet
at 31 March 2021

		Unrestricted Funds	Restricted Funds	Permanent Funds	Total Funds 2021
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
Investment assets					
Property	5	740	750	29,488	30,978
Listed investments	6	790	8,943	2,341	12,074
Investment in Subsidiary	24	190	-	-	190
		<u>1,720</u>	<u>9,693</u>	<u>31,829</u>	<u>43,242</u>
Tangible fixed assets					
International Study Centre	7	-	-	5,232	5,232
Other property	7	565	-	9,668	10,233
Other tangible assets	9	1,551	-	-	1,551
		<u>2,116</u>	<u>-</u>	<u>14,900</u>	<u>17,016</u>
Total fixed assets		<u>3,836</u>	<u>9,693</u>	<u>46,729</u>	<u>60,258</u>
Current Assets					
Stocks	10	82	-	-	82
Debtors	11	1,420	160	-	1,580
Cash at bank and in hand		<u>4,282</u>	<u>1,216</u>	<u>24</u>	<u>5,522</u>
		<u>7,984</u>	<u>1,376</u>	<u>24</u>	<u>9,384</u>
Liabilities due within one year					
Creditors	12	3,718	3	-	3,721
		<u>4,266</u>	<u>1,373</u>	<u>24</u>	<u>5,663</u>
Net current assets					
		<u>4,266</u>	<u>1,373</u>	<u>24</u>	<u>5,663</u>
Total assets less current liabilities		<u>8,102</u>	<u>11,066</u>	<u>46,753</u>	<u>65,921</u>
Liabilities due after more than one year					
Bank Loan	13	3,667	-	-	3,667
		<u>4,435</u>	<u>11,066</u>	<u>46,753</u>	<u>62,254</u>
Total net assets		<u>4,435</u>	<u>11,066</u>	<u>46,753</u>	<u>62,254</u>
Funds					
General		4,376	-	-	4,376
Designated	14	59	-	-	59
Restricted	14	-	11,018	-	11,018
Trust Funds	14	-	48	2,346	2,394
Corporate Estate	14	-	-	44,407	44,407
		<u>4,435</u>	<u>11,066</u>	<u>46,753</u>	<u>62,254</u>

Notes to the financial statements
for the year ended 31 March 2021

Analysis of consolidated reserves

	Opening balance £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Capital losses £'000	Closing balance £'000
Income Funds						
Unrestricted Funds						
The Cathedral including Cathedral Enterprises	6,536	6,410	(9,051)	124	282	4,301
Designated for future marketing to visitors	57	-	-	-	-	57
Designated for future costs for the Girls' choir	2	-	-	-	-	2
	<u>6,595</u>	<u>6,410</u>	<u>(9,051)</u>	<u>124</u>	<u>282</u>	<u>4,360</u>
Restricted Funds						
Fabric Maintenance	2,308	809	(851)	132	431	2,829
Ivor Read Fabric Maintenance Fund	3,393	153	(53)	-	720	4,213
The Ivor Read Charity	725	42	-	(132)	125	760
ISC Capital	553	1	-	-	-	554
Music and Choir (incorporating Cathedral Organ)	1,699	362	(371)	-	329	2,019
Chapels	36	-	-	-	-	36
Church Commissioners	-	256	(256)	-	-	-
Canterbury Journey Fund	127	1,573	(2,117)	(93)	-	(510)
Friends	108	3	-	(27)	15	99
ISC Scholarship	631	41	(4)	-	90	758
Jackman	83	-	-	-	-	83
Triforium	38	-	-	-	-	38
Other	135	14	(6)	(4)	-	139
Total restricted funds	<u>9,836</u>	<u>3,254</u>	<u>(3,658)</u>	<u>(124)</u>	<u>1,710</u>	<u>11,018</u>
Trust Fund Income balances						
For the benefit of Music and Choir	28	6	-	-	-	34
For the benefit of the cathedral and precincts	7	3	-	-	-	10
For the benefit of education, the library and Archives	4	-	-	-	-	4
	<u>39</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48</u>
Total restricted and Trust Fund income balances	<u>9,875</u>	<u>3,263</u>	<u>(3,658)</u>	<u>(124)</u>	<u>1,710</u>	<u>11,066</u>
Permanent Funds						
Corporate estate of the Cathedral	<u>45,394</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(987)</u>	<u>44,407</u>
Trust fund capital balances						
For the benefit of Music and Choir						
A G Halford Bequest	182	-	-	-	35	217
Spence Cathedral Choir Fund	1,562	-	-	-	331	1,893
Crawford Benefaction	49	-	-	-	10	59
Other	44	-	-	-	7	51
	<u>1,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>383</u>	<u>2,220</u>
For the benefit of the cathedral and precincts						
FE Cleary precincts fund	72	-	-	-	15	87
Other	20	-	-	-	5	25
	<u>92</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>112</u>
For the benefit of education, the library, archives						
WE/EM Church endowment fund	14	-	-	-	-	14
Total Trust fund capital balances	<u>1,943</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403</u>	<u>2,346</u>
Total permanent and Trust Fund capital	<u>47,337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(584)</u>	<u>46,753</u>
Total reserves	<u>63,807</u>	<u>9,673</u>	<u>(12,709)</u>	<u>-</u>	<u>1,408</u>	<u>62,179</u>