



WINCHESTER
CATHEDRAL

ANNUAL REPORT

STATUTORY SUPPLEMENT AND AUDITED
ACCOUNTS

FOR THE YEAR ENDED
31 MARCH 2020

The Cathedral Church of the
Holy Trinity, St Peter and St Paul,
and of St Swithun in Winchester

Annual Report Statutory Supplement and Audited Accounts 2019/20

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1 Aims and Objectives

Winchester Cathedral is the seat of the Bishop of Winchester, the Rt Revd Timothy Dakin, and a centre of worship and mission for the Diocese, living the mission of Jesus and serving the common good.

Mission

To renew, inspire and unite people in faith, hope and love.

Our calling

To be a Christian community of worship, witness and welcome, rooted in Benedictine values and confident of growth.

To play a full part in the mission of the Diocese of Winchester and more widely to serve the whole Church of God in Christ Jesus.

To be a sign of the Kingdom of God, seeking in partnership with others the unity, peace and justice which is God's gift and will for the world.

To nurture Christian faith, hope and learning across the generations, using the abundant heritage of our tradition.

To be a diverse community in which people flourish in one body through collaboration, mutual respect and shared celebration.

To conserve and develop the buildings, contents and estates in our care.

To thrive and not just survive.

2 Chapter Reports

2.1 The Dean

Renew, inspire, unite: looking to the future with faith, hope and love.

The renewed Cathedral Calling and Vision statement was launched at the Cathedral Community Day and then at Diocesan Synod. The Cathedral mission, purpose, values and priorities, as articulated by Chapter after wide consultation, have been set out to build a sustainable future, inspire more people and serve the common good.

A renewal priority is building a sustainable future by caring for the fabric of the cathedral for future generations and improving access to heritage for more people. The launch of Kings and Scribes: Birth of a Nation was a great achievement, setting the highest standard for exhibitions, and access, in a heritage site. The visit of HRH the Earl of Wessex to view the exhibitions and attend a specially devised Service of Celebration was a highlight of the year.

The renewal of creation and care for the environment was the focus for Harvest Festival activities 2019. The new Green Hampshire Harvest weekend, in partnership with the University of Winchester, is a significant contribution to the common good. This year the Cathedral was awarded its silver 'Eco-Church Award', a significant mile-stone in our journey to become greener.

As the cathedral seeks to welcome more children and young adults, The Pilgrims School, continues to enable cathedral ministry to touch the lives of pupils and their families, alongside the extensive work of the cathedral education department. Three Chapter members serve on the Governing Body of the Pilgrims School. This year saw the resignation of the Head Teacher, Mr T Burden, to take up ordination training and the appointment of Dr Sarah Essex as his successor.

In order to ensure the highest standards of safeguarding for children and adults at risk every member of clergy, staff and volunteers is now required to do appropriate safeguarding training. The appointment of a full-time Safeguarding Manager has supported this work.

The renewal of the Cathedrals Measure, as a result of the Cathedral Working Group report, is anticipated in 2021. The Chapter took a full part in consultation process with the General Synod Revision committee and our General Synod representatives.

The cathedral seeks to offer inspirational worship. Music is of enormous significance in the life and worship of the cathedral. It was a great joy to celebrate the 20th anniversary of the Girl Choristers with many musicians, past and present.

During the year Canon Andy Trenier was appointed as Canon Precentor to lead the development of worship to focus both on excellence and wider engagement. This year, as was the national trend, we saw more people coming to worship at Christmas, particularly to special and less formal services. This was supported by close cooperation with the Market and ice rink activities and the excellent new sound system. The Lantern Parade is now a very successful example of a public event in which ministry plays a full part and which attracts hundreds of families.

'Ashes to Go' took place outside the cathedral again on Ash Wednesday. This year also saw a new initiative around wider engagement with Holy Week and Easter through striking and innovative publicity. It is our intention to enable more people to engage with the most significant events of the year and to do this by working increasingly with the arts.

The Year of Pilgrimage was launched in January with the interactive 'Labyrinth' installation by The Revd G Sakakini. A very successful exhibition was staged with The Kings School with pupils engaging with the art of the cathedral.

The cathedral continues to welcome people to deeper faith through baptism and confirmation. This year the cathedral ordinand, The Revd M Renshaw, became a deacon and took up his curacy in Southampton. The cathedral seeks to unite people through wider social engagement and serving the common good. The clergy of the cathedral preached in parishes throughout the Diocese and I took part in the Bishops senior team meetings, attended the four-day diocesan Synod conference and the BST residential. Six new honorary Canons were installed to honour clergy from parish and specialist ministry.

The cathedral hosted many services and events for the wider civic and church community. Local and national charities were supported throughout the year in prayer, including a special service with the homeless charities of Winchester, and with fund raising including the Trinity Centre Sleep Out, the Christmas Market charity chalets and Voices for Hospices concert which raised over £20,000.

During the year I was privileged to visit two of our partner churches. I travelled with a group of cathedral pilgrims to the bi-annual festival at Abbaye-de-Fleury and also represented the diocese, with The Bishop of Basingstoke, at the enthronement of the new Archbishop of Uganda in Namirembe Cathedral. Following violence against Muslims in New Zealand and against Christians in Sri Lanka letters of condolence, and then visits were exchanged with the local Muslim worshipping community. Clergy attended the local Iftar (fast breaking) during Ramadan. A Jewish led Seder meal took place during Holy Week.

I was honoured to be a commissioner on the Commission for Hampshire 2050 working towards a vibrant, thriving and green county for all its citizens.

Chapter welcomed Jane Hands as a new member and we said farewell to the cathedral curate, The Revd Katie Lawrence.

The thriving cathedral services and activities came to an abrupt end with the outbreak of the Coronavirus. From 22 March following government and C of E guidelines the building stood silent and empty, but the cathedral remained alive and the community kept praying. New opportunities were seized for on-line communication and many lessons were learned. The cathedral offered a daily reflection, Dean's weekly messages and recorded worship and live worship on Zoom. This has raised our ambition for our worship reaching people in their own homes and across the world.

I would like to thank everyone who contributes to the extraordinarily rich ministry of the cathedral and to its life in any way. We look to the future with faith, hope and love.

The Very Rev'd Catherine Ogle, Dean of Winchester

2.2 The Receiver General

As I write my last annual report for Winchester Cathedral and reflect on the activities of the reporting year, I note that it just goes to show that the best laid plans can be scuppered. The world as we know it changed forever as the coronavirus swept through the continents and arrived at our shores, and at its climax taking dramatic effect on March 23rd 2020 resulting in the Cathedral building and estates going into Lockdown.

The economic landscape as we knew it decimated within two days and overnight the cathedral personnel found themselves operating remotely within 24 hours. I have always been grateful to the huge team spirit and the willingness to tackle any situation no matter what is thrown at us. Very few organisations have the ability to be so resourceful and resilient and it is with that speed and effectiveness that gave us a good start to tackle the upcoming year and start to navigate our way out of Covid-19 protecting the staff and the buildings within our care. Business continuity in action!

2019/2020 was a very tough financial year and we started the year with a deficit budget and with so much to achieve. The Kings and Scribes exhibition opened with a soft launch on May 21st and by February this year we were up on all our projected budgeted visitor numbers and looking forward to a successful trading year. The

exhibition consists of 3 major galleries. The Scribes Tale including the presentation of the 12th Century Romanesque display Bible beautifully conserved and its fascinating history over the Centuries. Decoding the Stones – celebrating the Cathedral architecture and how it has evolved over a millennium. One of my favourite exhibits is the ‘Stonemasons Banker’ and the film of one of our apprentices using the same skills today to carve another capital for the Cathedral. Then the story of the ‘Birth of a Nation’, highlighting events, royal lineage and an intriguing insight into the forensic science of the investigative work reassembling and analysing the comingled bones laid to rest in the Mortuary Chests many centuries ago. With more to understand and to be revealed regarding the contents as future time and resources permit. The discovery of the vista from the Triforium is amazing and especially after arriving in our state of the art glass lift. A wonderful if not traumatic achievement (16.4 metres later plus an additional unbudgeted expense of 1.4 million) which provides physical access for all. As part of our HLF public engagement programme, conservation in Action, we hosted the Stone Festival which takes place every two years – this celebrates the craft skills of our Masons. We have now completed our Heritage Lottery fund projects, all achieved on time and within budget and in May this year we have paid the remaining project retentions.

The Christmas Ice Rink sparkled this year when the Christmas tree took up its central focal point again on the Ice Rink. The Christmas market was another huge success as we welcomed 380,000 visitors to the Outer and Inner Close. Winchester Cathedral at the heart of our community once more.

I am delighted to report that the Cathedral ended the year with another surplus of one hundred and eight thousand pounds on our general fund. This means our reserves now stand at two million two hundred thousand pounds which should provide cover for twelve months of operating costs for our Cathedral.

On a personal note I will remember fondly this significant chapter of a long and successful career path which I have enjoyed tremendously. I wish to express my deep gratitude to a wonderful team of Colleagues, Volunteers, Chapter, all our associated Boards and Committees and to Dean Catherine and Dean James – Bishop Tim and Bishop Michael. To each and every one thank you and may Winchester Cathedral continue to thrive not just survive.

Canon Annabelle Boyes, Receiver General and Canon Treasurer

2.3 Worship

For most of the first half of this year the Liturgy and Music Department carried on without a Precentor at the helm, the Chapter and congregations having bid a warm farewell to Canon Sue Wallace, who moved onto her new role, as a Liturgical Consultant, with its thanks.

I began my own tenure here with a very warm and gratefully received welcome on the 15th September. Barely weeks later the cathedral celebrated with joy the completion of a very significant round of development and the opening of the Kings and Scribes Exhibition with a special service attended by the Earl of Wessex.

The round of Autumn services continued apace with an excellent joint Evensong on the Obit of William of Wykham featuring contributions from New College, Oxford, Winchester College, and ourselves. A Harvest Sunday special service focussed on Climate Change was innovative and more hard-hitting than usual, and welcomed for it. Law Sunday went off without a hitch, and delivered another hard-hitting sermon from the Rev'd Jonathan Aitken. A refreshed partnership with the diocese facilitated an excellent Licencing of Lay Ministry. A more engaging Lantern Parade was envisaged and delivered and Remembrance-tide and All Souls tide went very well.

Christmas at Winchester is a sight to behold and an experience not to be forgotten. A new Emergency Services Carol service was very well received, (the nave being filled with the flashing lights of a police response motorbike) and some theatrics at the Market Carol services helped those services really take-off. More sublime were the Carol Services, Britten performance, and Christmas Eucharists- all of which were terrific.

More mundanely we had established a clearer fee structure and invoicing system and that has led to a large income associated with the delivery of special services in the second half of the year.

We said goodbye to Rhian Bufton, as Choirs Administrator, whilst thanking her and Sue Armstrong for remaining around to see us through the vacancy. Also departing this year was Richard Pratt, as Liturgy Administrator, like Rhian, after many years of service. Richard will continue as Lay Clerk however. Lastly, also departing, was bass Jack Comerford, who moved back to London. Each goes with our thanks and congratulations.

As recruitment in the New Year began and concluded successfully, with newly configured posts, so the world began to wake up to the Covid19 pandemic. In February and March the possibility of cancelling our two planned choir tours became an inevitability. Just as new staff arrived, (Lucy Hole as Liturgy Clerk and Kate Downer as Choirs Officer), so our corporate worship began to come under threat. First the cathedral closed to the public, and then to all of us, myself having had to self-isolate two weeks prior due to a family member, and then others in the family, myself included, falling ill.

We fit in one of a number of long-planned military memorials but the inevitable happened and lockdown began. The story of what happened next is one for next year. And as we pray for the future meanwhile we give thanks for the past year.

Canon Andy Trenier, Precentor and Sacrist

2.4 Education and Spirituality

The main gain for education in the past year was the exhibition, *Kings & Scribes: The Birth of a Nation*, which was opened more than a year ago now. It has been one of the greatest pleasures of my ministry to be involved in this project since its inception, to be a part of a multi-talented project team under the visionary direction of Canon Annabelle Boyes and also including the help of my departmental colleagues Jo Bartholomew (Curator), David Rymill (Archivist) and Cheryl Bryan (Director of Learning). The result was so much more than anyone could have imagined or hoped for, and this is entirely due to good teamwork and persistent hard work over eight years.

As tribute will be paid to Annabelle elsewhere, I shall keep my superlatives succinct, but I must add my own thanks for the myriad ways in which she has supported, coached and included me in her world of governance, operations and commerce. It has been an utter joy and an education to be tucked under her wing.

Talking of education, Cheryl's retirement in April marked the end of a long and distinguished period of service, much of it with her running the Learning Centre single-handedly. Cheryl has had a passion to ensure that children sense the Christian spirituality of the building and its history. We are pleased that a successor has been found in Emma Bournier, formerly Deputy Headteacher at Wellstead Primary School.

Jo Bartholomew left us at the end of June, again to retire, after thirteen years in post; the hand-over notes she has left me make me keenly aware of just how many plates she was spinning to keep our collections safe, conserved and accessible. The exhibition tested the whole design team to the limit, especially those, like Jo, whose work was officially less than full-time. We were grateful for the extra miles she went to meet our aspirations and deadlines.

The climate emergency remains high on the Cathedral's agenda. We were pleased, therefore, to be involved in the greening of the Hampshire Harvest weekend in October, adding an educational element with a 'big top' marquee where a series of talks were held throughout the weekend. We also commissioned, from the Winchester School of Art, a giant bee made mostly out of recycled plastic, which looked rather exotic perched over the west end porch. This was complemented by artwork on the subject of bees made by schools from around the Diocese, and by the pupils planting pollinating plants in the cathedral grounds.

Sadly, the programme of events planned from the beginning of 2020 to mark a Year of Pilgrimage had to be cancelled, with the exception of Gill Sakakini's intriguing coffee-ground labyrinth. It is an exercise in pilgrimage to let go of one's own best plans and efforts to accept a wilder reality; nonetheless, it was sad to cancel many lectures and events. However, we are rapidly learning new tricks with the ubiquitous Zoom, which will allow lectures in future to reach a much wider audience.

Canon Dr Roland Riem, Vice-Dean and Canon Chancellor

2.5 Canon Principal

The role of Canon Principal helps the Cathedral express its mission and ministry at the centre of the Diocese of Winchester. Canon Mark Collinson leads the Diocese of Winchester School of Mission, based in Wolvesey, which trains and equips laity and clergy to join in God's mission wherever God has called us to be.

The fruit of this training is celebrated in the Cathedral at two key points in the year. In July 2018 the bishop ordained ten deacons and eight priests to serve in parishes across the diocese. In October the bishop licensed four new Licensed Lay Ministers and three new Licensed Lay Workers who had completed their training in the School of Mission. A further four LLMs transferred from other dioceses. All these people have been nurtured to be able to understand their vocation and to fulfil their calling in licensed ministry. One of them is serving in Winchester Prison, not serving time, but serving the staff and inmates bringing the light and joy of Christ where freedom is restricted.

This service in October also celebrates the ministry of the laity as eighty-eight people were prayed for and sent into the diocese from the cathedral with the Bishop's Commission for Mission. As well as lay pastors and worship leaders people were commissioned to help others grow their faith in Christ and nurture faith in children, families and young people. The Cathedral is thereby launching people into varied lay ministries across the diocese. Cathedral members are also welcome to follow these programmes that help us all to fulfil our calling as disciples of Christ.

I continue to supervise Chloë Sheppard who leads Close Pastors and is training to be an evangelist in the Church Army. Chloë and the other Close Pastors are wonderful at connecting with and praying for those who gather in the Outer Close, not least some who are addicts and homeless, and this ministry is another sign of our Benedictine welcome to all.

Canon Mark Collinson, Canon Principal

2.6 Lay Canons

Canon George reports that 2019/20 was the most exciting and challenging in his six years on Chapter. The build-up to, and opening of the Kings and Scribes Exhibition, which was the culmination of years of hard work, thought and prayer, resulted in bringing not only new insight into the cathedral's history, but shone a light on why we are here, bringing to life our Calling and Vision document, encapsulated in the words: Renew, Inspire and Unite.

Equally challenging was the impact of the pandemic. The extra load this put on everyone, including the Dean and Chapter, the staff, and the Pilgrims' school was extraordinary. More will be said in next year's report, but the rapid response and sheer dedication of the clergy and staff, both at the cathedral and the school has been an inspiration to us all.

George was on the panel to choose our new precentor, and as a Chapter appointment and vice-chair of governors at the school, was instrumental in the selection process for the new Head, as well as the new Director of Finance and Resources.

During the year, Canon Mark established his role as the Chapter's link with the Cathedral Volunteers. He held regular meetings with the section heads and visited the volunteers in action to listen and to hear their ideas, suggestions and concerns for feedback to Chapter.

Mark led the Chapter's immediate communications response to the Covid-19 crisis, devising new ways of reaching audiences. A daily video reflection from members of the Cathedral clergy and others was established, together with the live streaming of services and weekly messages from the Dean. Although the Cathedral building had to close in response to the public health guidance, this ensured that the Cathedral's mission was still very much alive and open virtually for ministry, reflection and prayer.

Jane Hands joined Chapter in June 2019 after a career as a lawyer with the City law firm Slaughter and May. Loving the collegiality of Chapter life in all its richness and variety, Jane has been supporting Chapter as it considers how to respond to the constitutional and governance changes which have been recommended for all Cathedrals by the Cathedrals Working Group. To date, this has meant participation in the consultation process, and early-stage planning for the changes which are scheduled to take effect under new legislation in 2021.

Canon Mark Byford
Canon Jane Hands
Canon George Medd
Lay Canons & members of Chapter

3 Legal and administrative information

3.1 Legal name of the Cathedral

The legal name of the Cathedral is: The Cathedral Church of the Holy Trinity, St Peter and St Paul, and of St Swithun in Winchester

Name commonly used: Winchester Cathedral

3.2 Chapter Office

The Cathedral Office
9 The Close
Winchester
Hampshire SO23 9LS

Telephone: 01962 857200

E-mail: cathedral.office@winchester-cathedral.org.uk

Website: www.winchester-cathedral.org.uk

3.3 Chapter

Members of Chapter during the year to 31 March 2020 were as follows:

The Dean	The Very Revd Catherine Ogle
Vice-Dean & Canon Chancellor	The Revd Canon Dr Roland Riem
Receiver General & Canon Treasurer	Canon Annabelle Boyes MBE DL
Canon Principal	The Revd Canon Mark Collinson
Canon Precentor & Sacrist	The Revd Andy Trenier (from 15 September 2019)
Lay Canon	Canon Mark Byford
Lay Canon	Canon Jane Hands (from 21 June 2019)
Lay Canon	Canon George Medd

3.4 Officers of the Foundation

High Steward	His Grace The Duke of Wellington OBE DL
Counsellor	His Honour Michael Brodrick
Clerk at Law	Julian Hartwell

3.5 Council

Members of the Cathedral Council during the year to 31 March 2019 were as follows:

Miss Jean Ritchie QC (Chair) (Bishop's appointment)
The Very Revd Catherine Ogle (ex officio)
Canon Annabelle Boyes MBE DL (Chapter appointment)
Brigadier Alastair Bruce of Crionaich OBE DL (Bishop's appointment)
Mr David Evans (Bishop's appointment)
Lady Louisa Portal MBE DL (Bishop's appointment)
The Revd Canon Dr Roland Riem (Chapter appointment)
Mr Martin Rudd (Bishop's appointment)
The Revd Canon Peter Seal (appointed by College of Canons)
Mr George Seligman (Bishop's appointment)
Ms Natalie Shaw (elected by Cathedral community)
The Revd Canon Jo Stoker (appointed by College of Canons)
Mr Paul Wing (elected by Cathedral community)
The Revd Dr Andrew Wood (Bishop's appointment)

Visitor: The Rt Revd Timothy Dakin, Lord Bishop of Winchester
Mr Stephen Adam (Minutes Secretary)

3.6 College of Canons

Visitor

Lord Bishop of Winchester, The Rt Revd Timothy Dakin

The Chapter of Winchester

The Dean of Winchester, The Very Revd Catherine Ogle

Vice-Dean & Canon Chancellor, The Revd Canon Dr Roland Riem

Canon Precentor, The Revd Canon Andy Trenier (from 15 September 2019)

Receiver General & Canon Treasurer, Canon Annabelle Boyes MBE DL

Canon Principal, The Revd Canon Mark Collinson

Canon Mark Byford

Canon Jane Hands (from 21 June 2019)

Canon George Medd

Bishop's Staff

The Bishop of Basingstoke, The Rt Revd David Williams

The Bishop of Southampton, The Rt Revd Debbie Sellin (from 3 July 2019)

The Dean of Winchester, The Very Reverend Catherine Ogle

The Dean of Guernsey, The Very Revd Tim Barker

The Dean of Jersey, The Very Revd Mike Keirle

The Archdeacon of Winchester, The Venerable Richard Brand

The Archdeacon of Bournemouth, The Venerable Dr Peter Rouch

The Rt Revd Canon Abbot Giles Hill OSB, Abbot of Alton

Lay Canon Andrew Robinson, Diocesan Secretary

Canon Theologian

The Revd Canon Dr Francis Orr-Ewing (2018)

Honorary Canons

The Revd Canon Clive Hawkins (2005)

The Revd Canon Jo Stoker (2008)

The Revd Canon Gary Philbrick (2009)

The Revd Canon Geoff Houghton (2011)

The Revd Canon Dr Andrew Goddard (2012)

The Revd Canon Peter Seal (2013)

The Revd Canon Karen Mackinnon (2014)

The Revd Canon Howard Wright (2016)

The Revd Canon Andy McPherson (2016)

The Revd Canon Richard Harlow (2017)

The Revd Canon Peter Salisbury (2017)

The Revd Canon Brian Wakelin (2017)

The Revd Canon Christine Dale (2017)

The Revd Canon Fiona Gibbs (2017)

The Revd Canon Dr Erica Roberts (2020)

The Revd Canon Marion de Quidt (2020)

The Revd Canon Charles Stewart (2020)

The Revd Canon Linda Scard (2020)

The Revd Canon Mike Powis (2020)

The Revd Canon Dodie Marsden (2020)

Ecumenical Canons

The Abbot of Fleury (2011)

The Revd Canon Paul Townsend (2011)

The Revd Canon Dr Howard Mellor (2011)

The Revd Canon Dr Andrew Wood (2016)

The Revd Canon Billy Kennedy (2016)

3.7 Other key appointments

Receiver General & Canon Treasurer	Mrs Annabelle Boyes MBE DL Cdir FloD FLCM
Cathedral Architect	Mr Nick Cox MA (Cantab) Dip Arch RIBA AABC Nick Cox Architects, 77 Heyford Park Upper Heyford OX25 5HD
Archaeologist	Dr John Crook MA FSA DPhil 52 Canon Street Winchester SO23 9JW
Director of Music	Mr Andrew Lumsden MA FRCO

3.8 Finance and Investment Advisory Committee

Mr Edmund Byers (chair)
The Very Revd Catherine Ogle – The Dean (Chapter)
The Revd Canon Dr Roland Riem – Vice-Dean & Canon Chancellor (Chapter)
Mrs Annabelle Boyes MBE DL - Receiver General & Canon Treasurer (Chapter)
Mr Stephen Frost
The Lord Poole
Mr John Pringle
Mr Christiaan Beech - Head of Finance (in attendance)

3.9 Fabric Advisory Committee

Professor Martin Biddle CBE (Chair)
Mr Antony Feltham-King (Vice Chair)
Mr Christopher Gordon
Mr John Spokes QC
Professor Michael Wheeler
Professor Barbara Yorke
The Revd Jeremy Davies
The Very Revd Catherine Ogle – The Dean (in attendance)
Mrs Annabelle Boyes MBE DL – Receiver General & Canon Treasurer (Secretary)
Mr Nick Cox, Cathedral Architect (in attendance)
Dr John Crook, Cathedral Archaeologist (in attendance)

3.10 Winchester Cathedral Enterprises Ltd

Mr Damien Carpanini (Director and Chair)
Mrs Annabelle Boyes MBE DL (Managing Director)
The Revd Canon Dr Roland Riem (Director)
Mr Robert Carr-Archer (Director)
Mr Rupert Ellwood (Director)

Mr Christiaan Beech (Company Secretary)

3.11 Auditors

Mazars LLP
5th Floor
Merck House
Seldown Lane
Poole
BH15 1TW

3.12 Bankers and other professional advisers

Bankers	National Westminster Bank plc High Street Winchester SO23 9AW
Clerk at Law	Mr Julian Hartwell LLB Martyrwell, Cheriton Alresford, Nr Winchester SO24 02A
Occupational Health Adviser	Dr S Chapman Swift Medical Services, St Clements Partnership Tanner Street, Winchester SO23 8AP
Property Agents	Carter Jonas 9a Jewry Street Winchester SO23 8RZ
Quantity Surveyors	David Bailey Associates 11 Clearmount Road Weymouth DT4 9LD
Solicitors	Godwins 12 St Thomas Street Winchester SO23 9HF
Media Advisor	Chilton Media Law 8 West Street London WC2H 9NG
Investment Managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA
Investment Managers	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ

3.13 Volunteer Section Heads

	Chapter Lead
Mrs Carole Barrett & Miss Anne Peebles-Brown, Hospitality Team	The Dean
Mrs Frances Carroll, Dean Garnier Gardeners	The Dean
Mrs Elaine Howells, Litter Pickers	The Dean
Mr Paul Wing, Head Sidesman & lunchtime recitals	The Dean
Mrs Jo Bartholomew, Curator, librarian & cleaning team	Canon Roland Riem
Mrs Cheryl Bryan, Children's education	Canon Roland Riem
Mr William Cole, Resources Room	Canon Roland Riem
Mrs Audrey Constantine, Intercessions	Canon Roland Riem
Mr Julian English, South Transept Co-ordinator	Canon Roland Riem
The Revd Nick Fennemore, Visitor Chaplains	Canon Roland Riem
Mrs Brenda Fletcher, Information Desk	Canon Roland Riem
Mr Phillip Johnson, Calligraphers	Canon Roland Riem
The Revd Katie Lawrence, Children's Church & Close Pastors	Canon Roland Riem
Mr Stephen O'Connell, Guides	Canon Roland Riem
Mr Brian Scott, Welcoming Stewards	Canon Roland Riem
Mr Jeff Steer, Tower Tour Guides	Canon Roland Riem
Mrs Priscilla Welch, Children's Church	Canon Roland Riem
Miss Chloe Sheppard, Close Pastor	Canon Roland Riem
Ms Jenny Hubbs, Education & Spirituality	Canon Roland Riem
Mr Nick Bucknall, Bell Ringers	Canon Andy Trenier
Mrs Rhian Bufton, Choir Chaperone	Canon Andy Trenier
Mr Keith Clark, Junior Choir	Canon Andy Trenier
Mrs Anna Diamond, Broderers	Canon Andy Trenier
Mrs Carol Geddes & Mr Richard Steadman, Chamber Choir	Canon Andy Trenier
Mr Daren Gibb, Virgers, Communion Assistants & Communion linen	Canon Andy Trenier
Ms Claudia Grinnell, Nave Choir	Canon Andy Trenier
Mrs Andrea Hall, Wardrobe Team	Canon Andy Trenier
Mrs Lucy Hutchin, Sunday morning coffee team	Canon Andy Trenier
Mrs Sue Ouvry, Eucharist Readings	Canon Andy Trenier
Mrs Susan Lindley & Judith Pope, Family welcome	Canon Andy Trenier
Miss Marion Steeds, Proof Readers	Canon Andy Trenier
Mr John Weatherley, Servers	Canon Andy Trenier
Mrs Margaret Braddock, Holy Dusters / Brass Band	Canon Annabelle Boyes
Mrs Svetlana Cochrane, Shop	Canon Annabelle Boyes
Mrs Sheena Crawford-Moody, Events Stewards & Programme sellers	Canon Annabelle Boyes
Mrs Mel Donaldson, Cloisters	Canon Annabelle Boyes
Mrs Svetlana Cochrane, Deanery Bookstall	Canon Annabelle Boyes
Mr Peter Matthews, Cash Counters	Canon Annabelle Boyes
Mrs Helen McGarry, Flower Arrangers	Canon Annabelle Boyes
Mr Patrick Green, Gardeners	Canon Annabelle Boyes
Mrs Sarah Williams, St. Christopher's	Canon Annabelle Boyes

4 Structure, governance and management

4.1 Governing Statute

The Cathedral is governed by the Cathedrals Measures 1999 and the Constitution and Statutes that came into effect on 19 April 2000 as amended on 17 February 2009, and on the 10 December 2014. In addition the Care of Cathedrals Measure 2011.

4.2 Relationship with the Diocese of Winchester

The Diocesan Bishop is The Right Reverend Timothy Dakin, Lord Bishop of Winchester.

The Cathedral is the formal 'seat' of the Bishop of Winchester, and he is the official Visitor. After consultation with the Chapter and subject to any provision in the Statutes, he may officiate in the Cathedral and use it in his work of teaching and mission, for ordinations and synods and for other Diocesan occasions and purposes. The Bishop is a valued friend and advisor to the Cathedral, which in turn seeks to support the Bishop's work of leading the Diocese in mission and ministry. Chapter members actively participate in the Mission and Ministry of the Diocese, Diocesan committees and working groups. The Dean serves on the Bishop's Staff. The Bishop of Winchester is supported by two Suffragan Bishops – The Bishops of Basingstoke and Southampton.

4.3 Organisational structure – the body corporate

The Dean & Chapter of the Cathedral – The Chapter, the Council, and the College of Canons form the body corporate of the Cathedral.

The Chapter of the Cathedral

The Chapter consists of the Dean, two Residentiary Canons, the Receiver General & Canon Treasurer, Canon Principal and up to three Lay Canons, members recruited for their skills and expertise in specific areas of the Cathedral's life. Chapter holds the executive role of the body corporate and is responsible for leadership, policy, strategy, vision, and also has fiduciary responsibilities.

Residentiary members of Chapter are responsible for different portfolios within the Cathedral's life – mission and social responsibility, pastoral care and spiritual development, education and visits, liturgy and music and patronage. These departments are supported by a range of committees and teams. The Receiver General & Canon Treasurer has overall delegated responsibility for cathedral administrative support services and resources (Chief Operating Officer).

The Cathedral Council

The Council is an advisory and consultative body, established to support the work of the Chapter and to ensure accountability to the wider community and Diocese. It provides a sounding board and guidance for Chapter as well as offering an informal 'watchdog' role to ensure that the Cathedral fulfils its legal responsibilities. It also has a formal role if any amendments to the Cathedral's Constitution and Statutes should be proposed.

The College of Canons

The College consists of senior clergy and lay members from across the Diocese, appointed by the Bishop, along with a number of ecumenical canons (representatives from other denominations). Its role is to ensure that the Cathedral is open to informed opinions, observations and comment from churches within and beyond the Diocese.

4.4 Organisational structure – other key committees and groups

The Finance and Investment Advisory Committee

This committee is a sub-committee of Chapter and is responsible for advising Chapter in connection with its responsibilities in the field of financial and investment management.

The Fabric Advisory Committee

This committee is responsible for ensuring that any work to the fabric of the Cathedral is done with proper regard to due and legal process. It includes the Cathedral Architect, the consultant Archaeologist, and other experts in the conservation and repair of historic buildings.

The Cathedral Community

Membership of the Cathedral Community is open to all those who apply for membership and are aged sixteen years or more, who worship at the Cathedral, or who work for or hold office linked to the

Cathedral. The Community meets regularly for an open meeting, and we have introduced a forum called Open Chapter, which meets quarterly. It has no statutory powers but allows for open discussion of any issue of interest within the life of the Cathedral. From this body, two members are elected to the Cathedral Council.

4.5 Other organisations associated with the work of the Cathedral

The Friends of Winchester Cathedral

The Friends of Winchester Cathedral is an independent network of supporters of the Cathedral. They continue to provide very substantial and welcome support both to the fabric of the Cathedral and to its environment, and in their generous support of the boys and girls who sing in the cathedral choirs.

Winchester Cathedral Trust

Established in 1983, Winchester Cathedral Trust is an independent charity set up to receive money raised from major appeals made on the Cathedral's behalf and to make grants in accordance with the terms of the Trust Deed to support the development of the Cathedral. The Trustees are drawn from across the region.

Winchester Cathedral Enterprises Limited

This limited company is a wholly-owned subsidiary of Chapter. It undertakes a range of commercial activities within and around the Cathedral and in the Visitors Centre. All taxable profits are covenanted to Chapter and details of its trading activities are summarised within the statement of consolidated financial activities and the notes to the accounts. The Directors (of whom two are Chapter members) are appointed by the Chapter.

The Friends of the Dean Garnier Garden

The Friends of Dean Garnier Garden was established in 1994 to maintain the Garden, the fabric of which remains in the ownership of the Cathedral. The Dean Garnier Garden, formerly the Deanery Rose Garden, is available for the use of the community of Winchester and for all visitors to The Close.

Carl Klein Trust

An independent charity, the Carl Klein Trust supports two dwellings dedicated for lay clerks and gives grants for the welfare of lay clerks.

4.6 Chapter appointments and training

The Dean is appointed by the Crown. The two Residentiary Canons (Canon Precentor and Canon Chancellor, called Commissioners' Canons), and the Canon Principle are appointed by the Bishop with the agreement of the Dean in consultation with the Chapter. The non-residentiary members of Chapter are appointed by the Bishop with the agreement of the Dean after consultation with the Chapter.

New members of Chapter are provided with key documents such as the Constitution & Statutes and links to the Cathedrals Measure 1999, and Care of the Cathedrals Measure 2011. Informal discussions are used to brief them on their role and to help them understand the different aspects of the Cathedral's work. Where possible external training courses provided by the Association of English Cathedrals are used. Regard is given to Charities Commission guidance on the Role of a Trustee.

4.7 Chapter's financial responsibilities

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 Accounting and Reporting Regulations for English Anglican Cathedrals prepared by the Cathedral Administrators and Finance Association (CAFA) specified by the Church Commissioners or describing which recommendations have not been complied with and giving reasons for the 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.

4.8 Clergy and senior staff changes

Canon Precentor & Sacrist, The Revd Andy Trenier joined in September 2019.

4.9 Investment powers

Under the Cathedrals Measure 1999 the Chapter may invest the Cathedral's funds in any of the following: land; funds administered for the Central Board of Finance of the Church of England by CCLA Investment Management Ltd; 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 or develop the Cathedral itself and its ancillary buildings.

4.10 Public Benefit

Chapter confirm that they comply with the guidance of the Church Commissioners in regard to public benefit guidance published by the Charity Commission under the Charities Act 2011 in determining the activities of the Cathedral. The Cathedral not only serves the community daily in its religious and charitable work, but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

4.11 Risk

The Cathedral has in place internal control measures intended to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve its strategic objectives. The System of internal control is one where risks are identified, prioritised, managed and monitored.

The Cathedral maintains a Corporate Risk Register which is continually updated and formally reviewed by Chapter on an annual basis. Each risk has a lead member of Chapter allocated and a lead member of staff. In addition to the Corporate Risk Register each department maintains its own risk register and the Capital Project Risk Register is reviewed fortnightly at Project Board Meetings. Each risk is assessed against its likelihood and potential impact to arrive at an overall Low, Medium or High risk rating.

The principle risks are as follows:

- Corporate Governance (including non-compliance with legal requirements)
- Mission & Ministry
- Financial (including cash flow, capital fundraising, loss of visitor related income and loss of income from specific sources)
- People (including staffing, volunteers and safeguarding)
- Physical Impacts (including enforced closure due to external factors and significant physical damage to the Cathedral or environs)
- Reputation (including failure to maintain the Cathedral's reputation and standing and adverse media coverage)
- Other Risks (including permissions & licences and failure of IT)

With regards to the items with a High risk rating:

- The Safeguarding and protection of children and vulnerable adults is of primary concern for the Cathedral. There is a clear policy backed up by appropriate training and priority is given to safeguarding in operational planning.
- Chapter set the Policy for Health & Safety issues (including fire safety) and delegate day to day operational control to a Health & Safety Management Group (H&SMG) while encouraging all staff and volunteers to play an active part in delivering a safe environment for all. The H&SMG meets monthly

and is chaired by the head of operations, and formally reports to Chapter on a six-monthly basis with reports on specific items as required. Health & Safety throughout the organisation is supported by Mentor and other professional bodies.

- The potential impact of a significant reduction in income (either by external factors such as terrorism or by loss of, or damage to, the Cathedral) is mitigated by seeking to increase the diversity of income streams and having solid Business Continuity Planning in place.

5 Financial Review

5.1 Reserves Policy

Reserves are needed both to maintain the level of the Cathedral's current activities and to enable the completion of long-term projects.

Maintaining unrestricted reserves protects the Cathedral against a sudden deterioration in its financial results (e.g. a significant drop in visitor income). It also provides a buffer in the event of long-term planning or restructuring.

Chapter's aim is to build up reserves to at least 6 months of ordinary activity to afford increased protection to the Cathedral's operations and increased flexibility in their availability and use.

Where specific future funding needs are identified, Chapter has the discretion to set aside free funds for designated purposes, those funds being declared as Designated Funds.

Chapter have considered an appropriate level of unrestricted general reserves required in the short term as at the 31 March 2020 to be at least £1.5m. This is based on an estimate of on-going unrestricted expenditure for a minimum six month period. The current value of the unrestricted general funds as at 31 March 2020 is £2.2m, with an additional £1.3m in designated funds.

5.2 Investment Policy

The Dean & Chapter aim to keep a balanced portfolio of investments that is risk averse and appropriate to the purposes of the funds that are represented by them.

The investment objectives given to our principal fund managers, Cazenove Capital Management, are to protect the capital value of the funds, to provide an increasing income and to maximise the overall growth of the funds. This should be achieved by investing in a portfolio of Investment Funds. The selection of the Funds will be made to reflect the benchmarks established for asset classes.

A medium to low risk profile is taken on equities and performance is measured against a composite benchmark index constructed by Cazenove Capital Management based on the agreed proportion of the component elements of the portfolio.

Investments in property are to be either capable of efficient local management or in the form of managed property funds. Performance is measured against income yield on the CBF Property Fund, the property fund managed by CCLA Investment Management Ltd on behalf of the Central Board of Finance of the Church of England.

Chapter, in its stewardship of charitable funds, aims to achieve appropriate levels of investment return within an ethical framework. Its investments are chosen according to a policy of Socially Responsible Investment (SRI). The Chapter's SRI policy is based in turn on the social, environmental and ethical policies that are adopted by the Cathedral's principal Investment Managers, Cazenove Capital Management, and for the smaller proportion of its portfolio, the policies operated by CCLA. Responsibility for the management of this policy rests with the Chapter, and instructions are given to the Cathedral's investment managers to carry out stock transactions on a day to day basis.

5.3 Investment performance

Property Investments

The Dean and Chapter own property to house clergy and staff and to use for offices. Other property is held for investment purposes and is rented out on a commercial basis where possible to generate funds for the day-to-day operation of the ministry of the Cathedral. Properties were revalued at market value on 31 March 2019, with subsequent interim valuations, the last on 31 March 2020. As explained on page 31, the outbreak of the Novel Coronavirus pandemic shortly before the valuation date has introduced a material valuation uncertainty over the carrying value of the properties.

	£000
Rental income	641
Professional services	(3)
Utilities	-
Repairs	(18)
Net income	620
<hr/>	
Yield on investment properties	
Capital value investment property (£000s)	16,940
Net income yield	3.7%
CBF Property Fund income yield	5.5%

The annual net income yield will vary year by year depending on the amount of capital works done in the year. Our relatively low yield reflects the fact that capital values in the Close are particularly high and also that for historical reasons, some properties do not generate market rents. It is Chapter policy through the Close Plan to address some of these issues. Rental income in 2019/20 increased back to more normal levels, following previous years with reduced rent due to properties being unavailable and properties unoccupied. We did have three properties that became vacant in this year, but they were quickly reoccupied, and lost income during the vacancy was limited. All properties were occupied at the year end.

Other investments

The performance of the Cathedral's other investments is shown below:

Gross income from other investments	Equity funds £000	Fixed interest £000	Other funds £000	Total £000
Cazenove funds	218	32	44	294
CCLA	60	-	19	79
	<hr/>	<hr/>	<hr/>	<hr/>
	278	32	63	373
loss on revaluation/disposal				(954)
Management fees				(58)
Total return on other investments				(639)
<hr/>				
Return on other investments				£000
Market value of other investments				6,351
Return				(10.1%)
Composite index agreed with Cazenove				(9.2%)

During the financial year the return from Cazenove investments was -13.2% compared with UK equities -18.5% and the average UK income manager (IA UK Equity Income) -20.8%. It has been a challenging past twelve months for markets and particularly income as a style. Equity markets reached record highs in late February before recording one of the most pronounced market drawdowns in history with the S&P 500 falling -33.8% from peak to trough in less than a month, bringing to an end the longest bull market since records began (132 months). Having been driven higher by a phase-one trade deal between the US and China and a Conservative majority in the UK at the end of 2019 markets reacted dramatically to the near-global lockdown and the negative implications for economic growth due to the Covid-19 crisis.

Schroders' economists expect global growth to sharply contract in 2020 and rebound thereafter. UK equities have underperformed other regions, predominantly due to the greater energy and mining sectors, which have suffered from the recent oil price war between Russia and Saudi Arabia, combined with the potential repercussions of a lower growth environment.

At 31 March 2020 our total investments excluding direct property holdings totalled £6.35m, of which 45% were held in listed equity funds, 9% in fixed interest, and 46% in other funds.

5.4 Cathedral maintenance plan

Financial plans now look ahead in detail for the next 3 years and are updated annually. The plans create a structure for development of all aspects of the Cathedral and provide the basis for ongoing, long-term stability and growth. In 2019/20 the last quinquennial survey (QQ) was completed, as well as a conservation management plan and archaeological report. It should be noted that the QQ does not sit on the balance sheet and the QS and Cathedral Architect have a costed 10-year programme of £9.3m.

5.5 Five-year trends

Set out below are key financial indicators over the last five years:

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Total income	7,025*	7,396*	9,863*	8,566*	6,354*
WCEL covenant to Chapter	433	501	451	603	427
Other visitor income	600	662	710	776	853
Rental income	651	639	577	537	641
Investment income	377	390	388	348	379
Cathedral repairs/upkeep	1,004	1,116	2,228	956	1,121
Other expenditure on mission	4,315**	4,093**	7,409**	4,742**	2,853**
General Fund result (before capital gains)	24	71	60	85	108

* Includes grants of £1,121k received relating to the Cathedral projects. (2018/19 included grants of £3,315k)

** Includes expenditure of £1,031k relating to the Cathedral projects. (2018/19 included expenditure of 2,944k)

5.6 Commentary on the 2019/20 results

The Dean and Chapter present the audited accounts for the year to 31 March 2020. The year finished with an unrestricted operating surplus for the year of £108k, and continues the long line of financial surpluses achieved. This is a great result for the year, and will add to the unrestricted funds we have built up as a contingency to counter financial disruption. Towards the end of the year we began to see the extreme restriction to our Cathedral operations, and the effect of these will be seen in the following financial year.

WCEL Covenant to Chapter

The taxable profits of £427k from the Cathedral's trading company Winchester Cathedral Enterprises Ltd, including the activities of Retail, Catering, Box Office and Events operations, are covenanted to Dean and Chapter. The total net profit for the year was £472k, an increase on our budget expectations. Whilst not a record year, in the absence of a summer event, this was a welcome contribution to the overall Cathedral finances.

WCEL income is derived from four main areas of business, being Events, Retail, Refectory and Box Office, all supporting the Cathedral financially and its mission and purpose.

The Winchester Cathedral Christmas market and the Ice Rink continue to improve in their offering to the community and the Cathedral. Further improvements to the essential health & safety, and security offer were noted, together with enhancements to the lighting and general feel of the Christmas Market and Ice Rink. These events are an essential portion of the overall profitability of WCEL.

The Refectory and catering operation which have been outsourced for a number of years continues to give the Cathedral benefit in income protection and still maintains high standards of quality and service.

The shop whilst being in a challenged environment continues to succeed, and contribute to the overall results. It was only in the last few weeks of the financial year that the effects of the Covid-19 restrictions stopped business and placed a mark on what would otherwise been a satisfactory year of trading.

Visitor numbers and Income

The major works programme completed and the new exhibitions opened introducing new visitors to the Cathedral, attracting much welcomed visitor income, and additionally contributing to the general economy of Winchester itself.

Overall Cumulative Visitor numbers to the end of January 2020 were similar in numbers to the previous year, with increasing numbers each month up to that point. In February / March with the Covid-19 pandemic concerns and then closure we ended up with overall numbers decreasing by 21,000.

Paid visitor numbers ended the year 5,000 up on the previous year even with the effects of Covid-19, and without this we might have been 10% or more on prior year, even though the exhibition had only been open for 10 months.

Entrance Desk income received was up (by £77k) to £853k in total. The Annual entrance fee to the Cathedral represents a charge of approximately 3p per day, as a ticket buys unlimited personal returns in a year.

Voluntary Income, Grants receivable and Income from appeals and fundraising

Income from congregational collections, giving and donations increased to £105k, from £103k. Gift Aid makes a significant contribution to our income and this year has increased to £110k from £107k.

The Deanery Bookstall raised £54k which is designated towards the education of choristers and is included within income from appeals and fundraising. The Cloisters shop raised £26k during the year which was shown in donations.

Grants receivable in 2019/20 were £1.366m (compared to £3.544m in 2018/19). The majority of the income received was for the Cathedral projects, with income from the Heritage Lottery Fund, Winchester Cathedral Trust, and the Friends of Winchester Cathedral totalling £1.163m (£3.315m in 2018/19)

During the year legacies were received or recognised from a number of estates totalling £116k. This is an important additional source of income for the Cathedral, and our gratitude and thanks for those who consider the Cathedral in their wishes.

Property Income

Property rental income received increased to £641k, from £537k in the previous year. Whilst we had some properties that became vacant during the year, these properties were soon re-occupied. In the previous year we had a number of properties vacant or unavailable for rental, towards the beginning of that year. This year-end all available properties were occupied.

Investment Income

Investment income received increased in the year to £379k from £348k in the previous year.

Unrestricted funds

Total Unrestricted funds increased by £108k to £2.89m. The Unrestricted General Fund which excludes property revaluation reserves is £2.16m, which exceeds Chapter's reserves policy requirement of £1.50m.

Designated funds

The value of designated funds increased to £1.3m from £1.2m, due to Cathedral Projects funds increasing by £86k, and the Old Mason's yard by £44k. The Deanery and Prior's house Fund stood at year end at £250k, and the Old Mason's Yard at £94k, both of which are for future necessary works. (detail per note 17 to the accounts)

Restricted funds

During the year there were no overall significant changes in the value of Restricted funds following the restatement of the prior year numbers as outline in Note 26. However due to Investment revaluations at year end the Day Fund for maintenance of the Cathedral Fabric changed downwards by £172k, and we received grants primarily from the Friends of Winchester Cathedral towards the Organ project increasing the Restricted fund by £255k to leave a balance of £371k. (detail per Note 16 to the accounts)

6 Plans for future periods

Cathedral priorities for the next four years

Renew

Welcoming and working with more children, families and young people. Building a sustainable future

Inspire

Deepening worship and refreshing learning. Exceeding expectations

Unite

Becoming more diverse through wider social engagement. Serving the common good.

Plans for the next year include

Careful monitoring of costs and savings and focussed efforts to grow income following the closure of the cathedral and the economic impact of the Coronavirus pandemic

- Growing worship opportunities for families and children
- Building on the success of Kings and Scribes increasing visitor numbers and exceeding expectation supported by continuing research
- Development of the grounds and estates plan informed by our Vision and Calling and the Quinquennial Report
- Improving physical access within the cathedral
- Supporting charities and working in effective partnership with a chosen charity
- Launching a renewed cathedral web-site
- Integrating and developing e-commerce and developing new income streams
- Preparation and planning for the new Cathedrals Measure and change of status to an independent charitable trust
- Continuing to embed best safeguarding practice and policies throughout the cathedral life
- Develop the cathedral environment and ecology strategy and, within this, developing the cathedral strategy for reducing carbon emissions in line with the General Synod intention to be net zero carbon by 2030

7 Going Concern

Chapter consider there is a reasonable expectation that the Cathedral has, and will continue to have, adequate resources to operate for the foreseeable future.

The coronavirus pandemic in the first months of 2020 caused the Cathedral to shut its doors to congregation and visitor from the 23rd March 2020 onwards. The Cathedral Reopened for prayer on the 16th June 2020 along with the shop, and we welcomed visitors from the 4 July 2020.

The pandemic has affected the Cathedral in a number of ways, both in our ability to continue our mission and calling remotely, and financially. The closure significantly affected our voluntary and visitor income, investment income, and income from our trading subsidiary.

Our response to the crisis was to immediately instigate spending control, to take advantage of government CJRS grants available for furloughed staff, along with seeking new funding opportunities as they arose. There has been a freeze on employment of new staff, and staffing needs have been kept under review. Our policy of maintaining and building unrestricted reserves over a number of years to satisfy our reserves policy has been a relief, and given the Cathedral breathing space, and because of this we had a good starting position.

The Cathedral has since the start of the lockdown prepared forecasts of income and expenditure for the remainder of the financial year together with cash-flow estimates. We have continued this review into the following financial year to consider the ongoing impacts.

Chapter considered these forecasts, reviewed Designated and Restricted Funds, and considered whether a sale of unrestricted assets might be appropriate. This review has determined that we have adequate resources to operate into the foreseeable future. We have at this time determined that there is no need to seek credit facilities.

Chapter further considers that the views set out in the previous paragraph would not materially alter if there was a second lockdown or a change in reasonable levels of Cathedral Income.

Accordingly, the accounts have been prepared on a going concern basis.



AUDITED ACCOUNTS

For the year ended 31 March 2020

The Cathedral Church of the Holy Trinity,
St Peter and St Paul,
and of St Swithun in Winchester

Statement of the Chapter's financial responsibilities

The Chapter is responsible under requirements laid down by the Church Commissioners under the powers given 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 on the subject prepared by the CAFA or describing which recommendations have not been complied with and giving reasons for the 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.

In so far as the Chapter is aware:

- there is no relevant audit information of which the Cathedral's auditors are unaware; and
- the Chapter has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Chapter is responsible for the maintenance and integrity of the Cathedral and financial information included on the Cathedral's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the Members of the Chapter of Winchester Cathedral

Opinion

We have audited the financial statements of The Chapter of Winchester Cathedral (the 'parent Cathedral') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Cathedral Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the Cathedral's affairs as at 31 March 2020, and of the group's income and expenditure for the year just ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the regulations made under 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 financial statements section of our report. We are independent of the Chapter in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter in relation to the carrying value of property assets

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures on page 31 of the financial statements concerning the material valuation uncertainty in relation to the valuation of investment and non-investment property.

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report this fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Chapter and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report Statutory Supplement.

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

- the information given in the Annual Report Statutory Supplement is inconsistent in any material respect with the financial statements; or
- sufficient account records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for audit.

Responsibilities of the Chapter

As explained more fully in the Statement of the Chapter's Responsibilities statement set out on page 25, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of the audit report

We have been appointed as auditor under section 27 of the Cathedrals Measure 1999 and report in accordance with the regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. Our audit work has been undertaken so that we might state to the Members of 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 the Chapter and the Members of the Chapter as a body for our audit work, for this report, or for the opinions we have formed.

Mazars LLP, Chartered Accountants and Statutory Auditor
5th Floor, Merck House, Seldown Lane, Poole, Dorset. BH15 1TW
Mazars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Principal accounting policies

Basis of preparation

The accounts have been prepared in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals issued in December 2018 by the Cathedrals Administration and Finance Association, updated for Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014. They have been prepared under the historical cost convention except that property and investments are included at a valuation dated 31 March 2020.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements comprise those of the Chapter and of its wholly-owned subsidiary company Winchester Cathedral Enterprises Limited. The consolidated financial statements also comprise the results of Winchester Cathedral Box Office Limited, a wholly owned subsidiary of Winchester Cathedral Enterprises Limited. Winchester Cathedral Box Office Limited was dormant throughout the period.

Funds

The Cathedral's permanent endowment funds are set out in note 15 to the financial statements. They include the Fabric, Music and Staff Pension Fund investments of the previous Winchester Cathedral Appeal, and properties held within the Cathedral Close of which the reserve arising on the revaluations of property is deemed to be an endowment fund. Income from the permanent endowment funds is unrestricted.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor and are set out in note 16 to the financial statements.

Unrestricted funds are funds where no restrictions are placed on the use by the Cathedral as regards either the capital or the income, and include the reserve arising on the revaluation of properties other than those in the Cathedral Close.

Income

Dividend income and bank interest are included at the time of receipt at amounts which include recoverable income tax where appropriate. Voluntary income is received by way of general donations, special donations, church collections and Gift Aid donations. Such income is included at the time of receipt at amounts which include recoverable income tax on Gift Aid donations. Other income is included at the time of receipt or, in the case of grants, when the necessary conditions have been met. Legacy income is recognised when it is probable that it will be received and when the income can be estimated with measureable certainty.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Chapter to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

"Costs of generating funds" comprises costs of attracting voluntary income, costs of trading for fund raising purposes, and costs of managing the investment properties.

"Resources expended on Charitable activities" comprises costs of the Cathedral's ministry, upkeep of the Cathedral fabric and precincts, education and outreach, and other expenditure which includes the costs of meeting the constitutional and statutory requirements of the Cathedral and its subsidiary companies.

"Governance" comprises costs of meeting the constitutional and statutory requirements of the Cathedral and its subsidiary companies.

Repairs, maintenance and restoration costs are valued on the basis of work done during the financial year.

Support costs, comprising salaries and office costs, have been allocated to the activity cost categories based on an estimate of the time spent.

Fixed assets

Property valuations have been included in the balance sheet on the following basis:

- investment properties – market value
- non-investment properties – existing use value, with the exception of the Wessex Centre, an education centre that is considered to be a specialised property due to the restrictions on its use. The Wessex Centre is valued at its depreciated replacement cost.

In line with FRS 102, properties are revalued on the basis of a full valuation at least every five years. In years with no full valuation, the Cathedral bases any valuation on the previous year's valuation adjusted for the average property price movement during the period.

In accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals, no value is attributed in the balance sheet to the Cathedral as it is an inalienable and historic building for which no reliable cost information or conventional valuation basis is available.

Depreciation

Depreciation is calculated to write off the cost or valuation less estimated residual value of all tangible fixed assets (other than buildings) by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Capital equipment	25%
Fixtures and fittings	20-33%
Equipment	20%
Office refurbishment	10%

As all of the properties are maintained in a state of repair such that their estimated residual value is not less than their improvement cost or carrying amount, and given the historic cost of the properties, the Members of the Chapter consider that any depreciation charge would be immaterial. No charge has therefore been made in respect of depreciation.

Investments

Investments are included in the balance sheet at their market values, except for shares in wholly-owned companies which are included at cost. The capital value of the investments funds represents both unrestricted, restricted and endowment funds. The realised and unrealised gains and losses on the investment fund is allocated to the funds in the ratio of their market value at the beginning of the financial year.

Stocks

Retail stocks are stated at the lower of cost and net realisable value.

In accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals, no value is attributed in the balance sheet to the Cathedral inventory which comprises items of architectural, archaeological, artistic or historic interest.

Debtors

Short term debtors are measured at transaction price less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Pension schemes

Chapter participates in the Church of England Defined Contributions Scheme, part of the Church Workers' Pension Scheme. New employees may enrol in this scheme. In addition, Chapter operates a Stakeholder Pension scheme with Aviva and also participates in the Church of England Defined Benefits Scheme (DBS), also part of the Church Workers' Pension Scheme, both of which schemes are now closed to new members.

The pension costs represent the amount of the contributions payable to pension schemes in respect of the accounting period.

Pension deficit recovery methods are recognised as a liability on the balance sheet.

Remuneration

There are many factors in determining and setting the policy with regard to the remuneration of all lay members of Winchester Cathedral staff.

There is an established remuneration panel which convenes annually and the membership includes; The Receiver General, Head of Finance and Head of Personnel. Chapter sets the overall pay budget ensuring affordability is addressed.

The remuneration panel takes into account statutory obligations, legislation, inflation, and market location trends. We also source bench marking information from various bodies to ensure we receive insight and an independent perspective. Affordability is a key feature and both retention of staff, and business operational needs are factors that are also considered. We aim to maintain a mid-quartile market position.

During the pay year, both line management and individuals can make direct representations that can be considered by the remuneration committee.

The primary objective of setting pay is to ensure that Winchester Cathedral provides a level that will attract, retain and motivate staff.

All staff receive a personal letter annually from the Receiver General on behalf of Chapter setting out their new pay terms.

Heritage Assets

The Cathedral holds a number of heritage assets with historic and artistic value. The nature and scale of the collection belonging to the Chapter of Winchester include:

- Medieval manuscripts, including the Winchester Bible the largest and finest of all surviving 12th-century English bibles
- The Morley Library a beautiful 17th-century collection of rare books bequeathed by Winchester's Bishop Morley
- Winchester Cathedral Archives
- Winchester Cathedral wall monuments
- Winchester Cathedral ledger stones and floor monuments
- Winchester Cathedral medieval wall paintings
- An Antony Gormley sculpture, Sound II
- Other artefacts, including the Shaftesbury Bowl, the only surviving example of late Saxon glass in England

The Cathedral's policy for the acquisition, preservation, management and disposal of heritage assets is described in the Care of Cathedrals Measure 2011.

Valuation of the artefacts is not deemed necessary for the day to day operation of the Cathedral. In addition the quantity of items and the diverse nature of the collection would make valuation prohibitively expensive compared with the additional benefits derived by the Cathedral and users of the accounts. As a result, no value is reported for these assets in the Balance Sheet.

Expenditure which is required to preserve or prevent further deterioration of individual items is recognised in the Income and Expenditure Account when it is incurred.

Contingent liabilities

A contingent liability is identified and disclosed resulting from a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Chapters control, a present obligation where settlement is either not considered probable, or the amount has not been communicated and that amount cannot be estimated reliably.

Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of these accounts requires management to note judgements and estimates that effect the reported amount of assets and liabilities at the balance sheet date and the reported results during the financial year.

The following judgements and estimates have been made in these accounts:

- In the years where no formal property valuation occurs, movements in the valuation are estimated based on available market information.
- Property valuations are included on the balance sheet in accordance with the Fixed Asset accounting policy detailed on page 29. In the years where no formal property valuation occurs, movements in the valuation are estimated based on available market information after consultation with the valuers. The outbreak of the Novel Coronavirus (COVID-19) was declared by the World Health Organisation as a "Global Pandemic" on 11 March 2020, shortly before the end of the financial year. At the year-end date Members of Chapter consider that less weight can be attached to previous market evidence for comparison purposes to inform opinions of value and these are an unprecedented set of circumstances on which to base a judgement. They therefore consider that there is a material valuation uncertainty in relation to the carrying value of the investment and non-investment property.

Consolidated statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
Note	2020 £000	2020 £000	2020 £000	2020 £000	2020 £000	2019 £000
Incoming resources	1					
Voluntary income	422	41	593	20	1,076	1,149
Grants receivable	-	1,121	245	-	1,366	3,544
Charges and fees arising in the course of charitable activities	261	11	-	-	272	178
Income from activities generating funds	2,620	-	-	-	2,620	2,810
Income from property and investments	1,020	-	-	-	1,020	885
Total incoming resources	4,323	1,173	838	20	6,354	8,566
Cost of generating funds	3,5	1,835	1	-	1,836	2,009
Net incoming resources available for charitable activities	2,488	1,172	838	20	4,518	6,557
Resources expended on charitable activities						
Ministry	974	-	379	-	1,353	1,340
Cathedral and precincts upkeep	973	16	132	-	1,121	956
Education and outreach	231	-	36	-	267	266
Other expenditure on charitable activities	202	1,031	-	-	1,233	3,136
	4,5	2,380	1,047	547	3,974	5,698
Net incoming resources	108	125	291	20	544	859
Other recognised gains						
Non-investment property	-	-	-	58	58	1,597
Investment property	4	-	-	419	423	(935)
Investments	(3)	(5)	(172)	(774)	(954)	(30)
	1	(5)	(172)	(297)	(473)	632
Net movement in funds	109	120	119	(277)	71	1,491
Fund balances brought forward	2,780	1,205	1,516	40,544	46,045	44,554
Fund balances carried forward	2,889	1,325	1,635	40,267	46,116	46,045

Consolidated balance sheet

		Unrestricted	Designated	Restricted	Endowment	Total	Total
	Note	funds	funds	funds	funds	funds	funds
		2020	2020	2020	2020	2020	2019
		£000	£000	£000	£000	£000	£000
Fixed assets							
Investment assets							
Property	9	84	-	-	18,094	18,178	17,755
Investments	10	19	34	1,125	5,173	6,351	7,307
		<u>103</u>	<u>34</u>	<u>1,125</u>	<u>23,267</u>	<u>24,529</u>	<u>25,062</u>
Non-investment assets							
Property	11	875	-	1,240	17,000	19,115	19,057
Plant & equipment	12	161	-	-	-	161	93
		<u>1,036</u>	<u>-</u>	<u>1,240</u>	<u>17,000</u>	<u>19,276</u>	<u>19,150</u>
Total fixed assets		<u>1,139</u>	<u>34</u>	<u>2,365</u>	<u>40,267</u>	<u>43,805</u>	<u>44,212</u>
Current assets							
Stocks		131	-	-	-	131	117
Debtors	13	482	-	-	-	482	424
Cash at bank and in hand		2,071	1,291	272	-	3,634	3,199
		<u>2,684</u>	<u>1,291</u>	<u>272</u>	<u>-</u>	<u>4,247</u>	<u>3,740</u>
Current liabilities	14a	(934)	-	(42)	-	(976)	(906)
Net current assets		<u>1,750</u>	<u>1,291</u>	<u>230</u>	<u>-</u>	<u>3,271</u>	<u>2,834</u>
Unamortised grants	14b	-	-	(960)	-	(960)	(1,001)
Total assets less total liabilities		<u>2,889</u>	<u>1,325</u>	<u>1,635</u>	<u>40,267</u>	<u>46,116</u>	<u>46,045</u>
Funds							
General fund	18	2,161	-	-	-	2,161	2,056
Property revaluation reserve	15,18	728	-	-	34,460	35,188	34,707
Property projects reserve	15	-	-	238	-	238	196
Music fund	15	-	-	-	2,629	2,629	2,965
Other funds	15,16,17	-	1,325	1,397	3,178	5,900	6,121
		<u>2,889</u>	<u>1,325</u>	<u>1,635</u>	<u>40,267</u>	<u>46,116</u>	<u>46,045</u>

Restated (see Note 26)

The financial statements were approved by the Chapter at their meeting on 10 September 2020 and are signed on their behalf by:

The Very Reverend Catherine Ogle - Dean

Canon Annabelle Boyes MBE DL, CDir, FIOD - Receiver General & Canon Treasurer

Balance Sheet - Dean & Chapter only

		Unrestricted	Designated	Restricted	Endowment	Total	Total
		funds	funds	funds	funds	funds	funds
Note	2020	2020	2020	2020	2020	2020	2019
	£000	£000	£000	£000	£000	£000	£000
							Restated (see Note 26)
Fixed assets							
Investment assets							
Property	9	84	-	-	17,359	17,443	17,020
Investments	10	29	34	1,125	5,173	6,361	7,317
		<u>113</u>	<u>34</u>	<u>1,125</u>	<u>22,532</u>	<u>23,804</u>	<u>24,337</u>
Non-investment assets							
Property	11	875	-	1,240	16,635	18,750	18,692
Plant & equipment	12	59	-	-	-	59	26
		<u>934</u>	<u>-</u>	<u>1,240</u>	<u>16,635</u>	<u>18,809</u>	<u>18,718</u>
Total fixed assets		<u>1,047</u>	<u>34</u>	<u>2,365</u>	<u>39,167</u>	<u>42,613</u>	<u>43,055</u>
Current assets							
Stocks		20	-	-	-	20	17
Debtors	13	793	-	-	-	793	650
Cash at bank and in hand		2,016	1,291	272	-	3,579	3,166
		<u>2,829</u>	<u>1,291</u>	<u>272</u>	<u>-</u>	<u>4,392</u>	<u>3,833</u>
Current liabilities	14	(901)	-	(42)	-	(943)	(856)
Net current assets		<u>1,928</u>	<u>1,291</u>	<u>230</u>	<u>-</u>	<u>3,449</u>	<u>2,977</u>
Unamortised grants		-	-	(960)	-	(960)	(1,001)
Total assets less current liabilities		<u>2,975</u>	<u>1,325</u>	<u>1,635</u>	<u>39,167</u>	<u>45,102</u>	<u>45,031</u>
Funds							
General fund	18	2,247	-	-	-	2,247	2,142
Property revaluation reserve	15,18	728	-	-	33,360	34,088	33,607
Property projects reserve	15	-	-	238	-	238	196
Music fund	15	-	-	-	2,629	2,629	2,965
Other funds	15,16,17	-	1,325	1,397	3,178	5,900	6,121
		<u>2,975</u>	<u>1,325</u>	<u>1,635</u>	<u>39,167</u>	<u>45,102</u>	<u>45,031</u>

The financial statements were approved by the Chapter at their meeting on 10 September 2020 and are signed on their behalf by:

The Very Reverend Catherine Ogle - Dean

Canon Annabelle Boyes MBE DL, CDir, FIOD - Receiver General & Canon Treasurer

Consolidated cash flow statement

	Note	2020 £000	2020 £000	2019 £000	2019 £000
Net incoming resources before revaluations and disposal of investments		544		859	
Less income from property and investments		(1,020)		(885)	
Add property management costs and investment manager costs.		83		99	
Depreciation charges		50		48	
(Increase) / Decrease in stocks		(14)		10	
(Increase) / Decrease in debtors		(58)		642	
Increase / (Decrease) in creditors		29		(617)	
Net cash inflow / (outflow) from operating activities			(386)		156
Returns on investments					
Rents received net of costs		616		493	
Interest and dividends received		321		293	
			937		786
Capital expenditure and financial investment					
Sale proceeds of investments less amounts reinvested		57		(25)	
Purchases of furniture and equipment, and property improvements		(118)		(80)	
			(61)		(105)
Cash inflow before management of liquid resources and financing			490		837
Management of liquid resources					
Net (decrease) / increase in liquid resources	19		(55)		29
Increase / (Decrease) / in cash	19		435		866

Notes to the financial statements

1 Consolidated incoming resources

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
	2020	2020	2020	2020	2020	2019
	£000	£000	£000	£000	£000	£000
Voluntary income						
Congregational collections and giving	80	-	25	-	105	103
Donations	225	6	25	-	256	565
Income from appeals and fundraising	-	1	94	-	95	138
Tax recoverable under Gift Aid	110	-	-	-	110	107
Income from Friends and local trusts	-	-	394	-	394	112
Legacies	7	34	55	20	116	124
	<u>422</u>	<u>41</u>	<u>593</u>	<u>20</u>	<u>1,076</u>	<u>1,149</u>
Grants receivable						
Church Commissioners	-	-	150	-	150	160
Cathedral Projects	-	1,121	42	-	1,163	3,315
Other revenue and capital grants	-	-	53	-	53	69
	<u>-</u>	<u>1,121</u>	<u>245</u>	<u>-</u>	<u>1,366</u>	<u>3,544</u>
Charges and fees arising in the course of charitable activities						
Facility and other fees	261	11	-	-	272	178
	<u>261</u>	<u>11</u>	<u>-</u>	<u>-</u>	<u>272</u>	<u>178</u>
Income from activities generating funds						
Charges to visitors	853	-	-	-	853	776
Gross income of shop, refectory and other trading activities	1,767	-	-	-	1,767	2,034
	<u>2,620</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,620</u>	<u>2,810</u>
Income from property and investments						
Income from investment property	641	-	-	-	641	537
Income from other investments	379	-	-	-	379	348
	<u>1,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,020</u>	<u>885</u>
	<u>4,323</u>	<u>1,173</u>	<u>838</u>	<u>20</u>	<u>6,354</u>	<u>8,566</u>
Total incoming resources	<u>4,323</u>	<u>1,173</u>	<u>838</u>	<u>20</u>	<u>6,354</u>	<u>8,566</u>

2 Income and expenditure from trading subsidiaries

a) Winchester Cathedral Enterprises Limited

Winchester Cathedral Enterprises Limited is a wholly owned subsidiary which is incorporated in the UK, Registered Company No. 2100067. The company operates a retail shop; a refectory; the Cathedral box office; the organisation of functions and events including the Christmas market. A summary of the trading results for the year, which have been consolidated into Chapter accounts, are shown below. Audited accounts have been prepared and filed with the Registrar of Companies.

	2020	2019
	£000	£000
Turnover	1,768	2,033
Cost of sales	(877)	(1,073)
Gross profit	<u>891</u>	<u>960</u>
Other operating charges	(419)	(357)
Other operating income	-	-
Operating profit	<u>472</u>	<u>603</u>
Interest receivable	-	-
Profit for the financial year	<u><u>472</u></u>	<u><u>603</u></u>
The Net Assets of Winchester Cathedral Enterprises Limited at 31 March 2020	<u>1,020</u>	<u>1,020</u>

The profits from WCEL were donated to Chapter for £427k (2019: £603k)

b) Winchester Cathedral Box Office Limited

Winchester Cathedral Box Office Limited is also a wholly owned subsidiary which is incorporated in the UK, Registered Company No. 5945638. Until the 31 March 2010 the company operated the Cathedral box office facility for both internal and external events. Since 1 April 2010 the box office function has traded through the legal entity of Winchester Cathedral Enterprises Limited. The company has therefore been dormant since that time. At 31 March 2020 it had net assets of £1 (2019 : £1).

3 Cost of generating funds

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
	2020	2020	2020	2020	2020	2019
	£000	£000	£000	£000	£000	£000
Costs of facilities for visitors	190	-	-	-	190	156
Costs of services directly recoverable	18	-	-	-	18	31
Gross costs of shop, refectory and other trading activities	1,277	-	-	-	1,277	1,431
General marketing costs	132	-	-	-	132	157
Costs of appeals and fund raising	135	1	-	-	136	135
Investment property costs	25	-	-	-	25	44
Investment managers fees	58	-	-	-	58	55
	<u>1,835</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1,836</u>	<u>2,009</u>

4 Resources expended on charitable activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
	2020	2020	2020	2020	2020	2019
	£000	£000	£000	£000	£000	£000
Ministry						
Clergy stipends and working expenses	58	-	114	-	172	190
Clergy housing costs	27	-	-	-	27	22
Clergy support costs	102	-	-	-	102	100
Services and music	787	-	265	-	1,052	1,028
	<u>974</u>	<u>-</u>	<u>379</u>	<u>-</u>	<u>1,353</u>	<u>1,340</u>
Cathedral and precincts upkeep						
Major repairs and restoration	241	16	70	-	327	243
Maintenance and interior upkeep	372	-	47	-	419	346
Cathedral insurance	126	-	-	-	126	129
Precincts, security and gardens upkeep	234	-	15	-	249	238
Support costs	-	-	-	-	-	-
	<u>973</u>	<u>16</u>	<u>132</u>	<u>-</u>	<u>1,121</u>	<u>956</u>
Education and outreach						
Educational activities	125	-	-	-	125	127
Archives and library	106	-	-	-	106	91
Charitable and other giving	-	-	36	-	36	48
	<u>231</u>	<u>-</u>	<u>36</u>	<u>-</u>	<u>267</u>	<u>266</u>
Other expenditure on charitable activities						
Cathedral Projects	-	1,031	-	-	1,031	2,944
Irrecoverable VAT	24	-	-	-	24	22
Governance costs	178	-	-	-	178	170
	<u>202</u>	<u>1,031</u>	<u>-</u>	<u>-</u>	<u>1,233</u>	<u>3,136</u>
Total resources expended on charitable activities	<u>2,380</u>	<u>1,047</u>	<u>547</u>	<u>-</u>	<u>3,974</u>	<u>5,698</u>

5 Support costs

	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	2020	2020	2020	2019	2019	2019
	£000	£000	£000	£000	£000	£000
Costs of generating funds	1,683	153	1,836	1,875	134	2,009
Ministry	1,077	276	1,353	1,058	282	1,340
Cathedral and precincts upkeep	917	204	1,121	759	197	956
Education and outreach	223	44	267	239	27	266
Other expenditure on mission	1,233	-	1,233	3,136	-	3,136
	<u>5,133</u>	<u>677</u>	<u>5,810</u>	<u>7,067</u>	<u>640</u>	<u>7,707</u>

6 Governance costs

	2020	2019
	£000	£000
Auditors' remuneration:		
Audit services	20	20
Accountancy and other services	-	-
Taxation advice	1	1
Governance and strategic planning	157	149
	<u>178</u>	<u>170</u>

7 Employees

Staff costs during the year were as follows:

	2020	2019
	£000	£000
Cathedral and WCEL staff costs		
Salaries and stipends	1,894	1,795
Social security costs	146	139
Other pension costs	135	126
	<u>2,175</u>	<u>2,060</u>
Reimbursed staff costs		
Salaries and stipends	107	180
Social security costs	12	18
Other pension costs	9	14
	<u>128</u>	<u>212</u>
Total staff costs	<u>2,303</u>	<u>2,272</u>

The average number of employees of paid staff during the year was as follows:

	2020 total Average No's	2020 total FTE	2019 total Average No's	2019 total FTE
Cathedral staff	41	18	44	18
Administration	13	11	14	11
Education	3	3	3	2
Maintenance	13	12	12	12
Shop, Refectory & Events	28	11	24	11
Visitor services	15	8	16	6
Employees whose costs are reimbursed	2	2	6	5
	<u>115</u>	<u>65</u>	<u>119</u>	<u>65</u>

One member of the Chapter, the Receiver General, received remuneration during the year of £100,000 (2019: £99,875). The Dean, the Canon Chancellor and Precentor Stipends are paid by the Church Commissioners.

Included in the employee costs and numbers are employees who are paid by Chapter, but their costs are reimbursed by either of Cathedral projects, Diocese or Winchester Cathedral Trust.

The remuneration and pension provision of the clerical members of the Chapter are covered in full by a grant from the Church Commissioners in accordance with the scales laid down by the Archbishops' Council, the Church of England pensions Board and the Church Commissioners.

A total of £3,577 (2019: £2,706) was reimbursed to six members of the Chapter during the year in respect of travelling and other out of pocket expenses.

8 Auditors' remuneration

The total remuneration receivable by the auditors from the Chapter, Winchester Cathedral Enterprises Limited and Winchester Cathedral Box Office Limited was as follows:

	2020	2019
	£000	£000
Audit services	20	20
Accountancy and other services	-	-
Taxation advice	1	1
	<u>21</u>	<u>21</u>

9 Investment property

Consolidated	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowment funds £000	Total funds £000
Valuation					
At 1 April 2019	80	-	-	17,675	17,755
Change in use	-	-	-	-	-
Additions	-	-	-	-	-
Change in market value	4	-	-	419	423
At 31 March 2020	<u>84</u>	<u>-</u>	<u>-</u>	<u>18,094</u>	<u>18,178</u>
Chapter	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowment funds £000	Total funds £000
Valuation					
At 1 April 2019	80	-	-	16,940	17,020
Change in use	-	-	-	-	-
Additions	-	-	-	-	-
Change in market value	4	-	-	419	423
At 31 March 2020	<u>84</u>	<u>-</u>	<u>-</u>	<u>17,359</u>	<u>17,443</u>

The properties were revalued as at 31 March 2019 by Messrs Carter Jonas LLP, a firm regulated by the Royal Institute of Chartered Surveyors, on the basis of market value. On 31 March 2020 Chapter carried out an interim valuation of the properties.

10 Investments

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	£000	£000	£000	£000	£000
Investments at market value 1 April 2019	22	39	1,316	5,917	7,294
Additions	-	-	6	28	34
Proceeds from disposals	-	-	(17)	(74)	(91)
Transfers	-	-	(21)	21	-
Net decrease on revaluations	(3)	(5)	(172)	(774)	(954)
	<u>19</u>	<u>34</u>	<u>1,112</u>	<u>5,118</u>	<u>6,283</u>
Investments at market value 31 March 2020					
Uninvested Cash	-	-	13	55	68
	<u>19</u>	<u>34</u>	<u>1,125</u>	<u>5,173</u>	<u>6,351</u>
Market Value Carried Forward (Consolidated)					
Investments in Group Undertaking at Net Asset Value	10	-	-	-	10
	<u>29</u>	<u>34</u>	<u>1,125</u>	<u>5,173</u>	<u>6,361</u>
Investments (Chapter)					
				2020	2019
				£000	£000
Equity funds				2,882	3,754
Fixed interest funds				576	647
Portfolio funds				313	346
Property funds				606	623
Other managed funds				1,906	1,924
				<u>6,283</u>	<u>7,294</u>
Other liquid resources				-	-
Cash fund				68	13
Shares in subsidiary companies				10	10
				<u>6,361</u>	<u>7,317</u>

The Chapter owns the whole of the issued share capital of Winchester Cathedral Enterprises Limited, and it directly holds 100% of the issued share capital of Winchester Cathedral Box Office Limited.

11 Non-investment property

Consolidated	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
Valuation	£000	£000	£000	£000	£000
At 1 April 2019 Restated (see Note 26)	875	-	1,240	16,942	19,057
Additions	-	-	-	-	-
Depreciation	-	-	-	-	-
Change in market value	-	-	-	58	58
	<u>875</u>	<u>-</u>	<u>1,240</u>	<u>17,000</u>	<u>19,115</u>
At 31 March 2020	875	-	1,240	17,000	19,115

Chapter	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
Valuation	£000	£000	£000	£000	£000
At 1 April 2019 Restated (see Note 26)	875	-	1,240	16,577	18,692
Additions	-	-	-	-	-
Depreciation	-	-	-	-	-
Change in market value	-	-	-	58	58
	<u>875</u>	<u>-</u>	<u>1,240</u>	<u>16,635</u>	<u>18,750</u>
At 31 March 2020	875	-	1,240	16,635	18,750

Non-investment properties are held and used as follows:

At 1 April 2019	Freehold	£000
For Cathedral administration and workshops		1,650
For Cathedral clergy and staff housing		11,865
For the Deanery		2,700
For the education centre		2,142
Leased to Winchester Cathedral Enterprises Limited		335
Chapter total		<u>18,692</u>
Eliminated on consolidation		(335)
For Cathedral trading activities		700
Consolidated total		<u><u>19,057</u></u>
At 31 March 2020	Freehold	£000
For Cathedral administration and workshops		1,650
For Cathedral clergy and staff housing		11,865
For the Deanery		2,700
For the education centre		2,200
Leased to Winchester Cathedral Enterprises Limited		335
Chapter total		<u>18,750</u>
Eliminated on consolidation		(335)
For Cathedral trading activities		700
Consolidated total		<u><u>19,115</u></u>

The properties were revalued as at 31 March 2019 by Messrs Carter Jonas LLP, a firm regulated by the Royal Institute of Chartered Surveyors, on the basis of market value. On 31 March 2020 Chapter carried out an interim valuation of the properties.

12 Cathedral plant and equipment

	Consolidated	Chapter
	£000	£000
Cost		
At 1 April 2019	476	157
Additions	118	48
Disposals	(45)	-
At 31 March 2020	<u>549</u>	<u>205</u>
Depreciation		
At 1 April 2019	383	131
Charge for the year	50	15
Disposals	(45)	-
At 31 March 2020	<u>388</u>	<u>146</u>
Net book value		
At 31 March 2020	<u>161</u>	<u>59</u>
At 31 March 2019	<u>93</u>	<u>26</u>

13 Debtors

	Consolidated		Chapter	
	2020	2019	2020	2019
	£000	£000	£000	£000
Winchester Cathedral Enterprises Limited	-	-	361	290
Social security and other taxes	20	102	20	102
Other debtors	423	298	375	244
Prepayments	39	24	37	14
	<u>482</u>	<u>424</u>	<u>793</u>	<u>650</u>

14a Current liabilities

	Consolidated		Chapter	
	2020	2019	2020	2019
	£000	£000	£000	£000
Trade creditors	600	263	587	243
Social security and other taxes	42	44	37	41
Other creditors	97	137	97	138
Accruals	195	420	180	392
Unamortised Grants	42	42	42	42
	<u>976</u>	<u>906</u>	<u>943</u>	<u>856</u>

14b Unamortised Grants

	Consolidated		Chapter	
	2020	2019	2020	2019
	£000	£000	£000	£000
Unamortised Grants	960	1,001	960	1,001
	<u>960</u>	<u>1,001</u>	<u>960</u>	<u>1,001</u>

The grant received from the Heritage Lottery Fund toward the construction of The Wessex Centre is being amortised over 25 years, which is the period for which the use of the centre is restricted under the terms of the grant.

15 Endowment funds

Consolidated	At 1 April 2019 Restated	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2020
	£000	£000	£000	£000
Appeal fund:				
Fabric	2,243	-	(281)	1,962
Music	71	-	-	71
Staff	25	-	-	25
	<u>2,339</u>	<u>-</u>	<u>(281)</u>	<u>2,058</u>
Music	2,965	20	(356)	2,629
Properties revaluation	33,983	-	477	34,460
Permanent endowment	1,138	-	(137)	1,001
John and Kathleen Kyle Ford Memorial Fund for Lay Clerks	80	-	-	80
Roger Bruce Ellery	39	-	-	39
	<u>40,544</u>	<u>20</u>	<u>(297)</u>	<u>40,267</u>
Chapter				
	At 1 April 2019 Restated	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2020
	£000	£000	£000	£000
Appeal fund:				
Fabric	2,243	-	(281)	1,962
Music	71	-	-	71
Staff	25	-	-	25
	<u>2,339</u>	<u>-</u>	<u>(281)</u>	<u>2,058</u>
Music	2,965	20	(356)	2,629
Properties revaluation	32,883	-	477	33,360
Permanent endowment	1,138	-	(137)	1,001
John and Kathleen Kyle Ford Memorial Fund for Lay Clerks	80	-	-	80
Roger Bruce Ellery	39	-	-	39
	<u>39,444</u>	<u>20</u>	<u>(297)</u>	<u>39,167</u>

16 Restricted funds

Consolidated and Chapter	At 1 April 2019 Restated	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2020
	£000	£000	£000	£000
AEV Day deceased	753	(48)	(172)	533
Property Projects Reserve	196	42		238
Fabric	154	37	-	191
Organ	116	255	-	371
General Fabric	90	20		110
Fabric and worship	45	-	-	45
Cathedral charitable	35	(4)	-	31
Library	31	-	-	31
Globe	27	(7)		20
Thomas-Davies	11	-	-	11
Girls' choir	9	(5)	-	4
Tower Repairs	8	-	-	8
Deanery River Garden	7	-	-	7
Epiphany Chapel	5	-	-	5
Venerable Altar/ Swags	5	-	-	5
Woodhouse Trust	5	-	-	5
Others under £5,000	19	1	-	20
	<u>1,516</u>	<u>291</u>	<u>(172)</u>	<u>1,635</u>

AEV Day Deceased - Established by legacy. This fund is restricted to Fabric. The income used to offset costs of Cathedral maintenance and conservation.

Property Projects Reserve - Fund resulting from the building of the Wessex Centre as part of the Cathedral Projects.

Fabric - Funds restricted to the working repair and conservation of the Fabric of the Cathedral

Organ - Funds to repair and maintain the Organ

General Fabric - Funds restricted to the working repair and conservation of the Cathedral estate

Fabric and worship - Funds restricted to the internal fabric relating worship and liturgy in the Cathedral

Cathedral charitable - Income provided by donation to the Cathedral to support other charitable causes

Library - Funds for expenditure on the Library. Income augmented from time to time by restricted donations.

Globe - Funds for renovation of the Globes in the Morley library

Thomas-Davies - A Fund whose income is to be used at the discretion of the Dean and the Receiver General to meet the special needs and welfare of the Virgers and Lay Clerks

Girls' Choir - Funds to support the Girls' choir

Tower repairs - Funds to repair and maintain the tower

Deanery River garden - Funds restricted to the repair and maintenance of the Deanery River garden

Epiphany Chapel - Funds restricted to the repair and maintenance of the Epiphany chapel

Venerable Altar / Swags - Income received from donations restricted to the repair and maintenance of the Venerable Altar, Icons and Swags

Woodhouse Trust - Funds restricted to sound and light in the Cathedral

Others under £5,000 - Monies given for specific activities or projects that are not substantial in balance, income or expenditure

17 Designated funds

Consolidated and Chapter

	At 1 April 2019	Net Incoming/ (outgoing)	Investment gains/ (losses) in	At 31 March 2020
	£000	£000	£000	£000
Chamber choir	2	-	-	2
Deanery / Prior's house Fund	259	(8)	(1)	250
Music library	30	-	-	30
Organ Fund	47	(1)	-	46
Old Mason's yard	50	44	-	94
Stonemason Festival	11	-	-	11
Cathedral Projects	806	90	(4)	892
	<u>1,205</u>	<u>125</u>	<u>(5)</u>	<u>1,325</u>

Chamber Choir - Funds for the Chamber Choir

Deanery / Prior's house Fund - Funds to repair and maintain the Deanery and Prior's house

Music library - Funds for the music library

Organ - Funds to repair and maintain the Organ

Old Mason's yard - Funds to repair and maintain the Old Mason's yard buildings

Stonemasons Festival - Funds to support the stonemasons festival

18 Unrestricted funds

Consolidated

	At 1 April 2019 Restated	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2020
	£000	£000	£000	£000
General fund	2,056	108	(3)	2,161
Property revaluation reserve	724	-	4	728
	<u>2,780</u>	<u>108</u>	<u>1</u>	<u>2,889</u>

Chapter

	At 1 April 2019 Restated	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2020
	£000	£000	£000	£000
General fund	2,142	108	(3)	2,247
Property revaluation reserve	724	-	4	728
	<u>2,866</u>	<u>108</u>	<u>1</u>	<u>2,975</u>

19 Reconciliation of net cash flow to movement in net funds

	2020	2019
	£000	£000
Increase in cash	435	866
Increase / (Decrease) in liquid resources	55	(29)
Increase in net funds	490	837
Net funds at 1 April 2019	3,212	2,375
Net funds at 31 March 2020	<u>3,702</u>	<u>3,212</u>

20 Analysis of changes in net funds

	At 1 April 2019	Cash flow	At 31 March 2020
	£000	£000	£000
Cash at bank and in hand	3,199	435	3,634
Cash balances included in investments	13	55	68
	<u>3,212</u>	<u>490</u>	<u>3,702</u>

21 Capital commitments

There were no capital commitments on 31 March 2020.

22 Contingent assets/liabilities

The Chapter is aware of its obligations in relation to Chancel liabilities. Since January 2019, the Church Commissioners agreed to increase their grant to 100% of any liability, and have taken on the management and administration of this work.

Chapter is also aware of its obligations, to maintain some of the medieval walls surrounding the Cathedral.

There were no contingent assets or liabilities at 31 March 2020 or 31 March 2019.

23 Pension schemes

Winchester Cathedral participates in the Pension Builder Scheme and the Defined Benefits Scheme (DBS) section of the Church Workers' Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Section of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members payable from retirement, accumulated from contributions paid and converted into a pension benefit during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020: £99K, 2019: £109k).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation of the PB Classic scheme was carried out as at 31 December 2016. This revealed, on the ongoing assumptions used, a deficit of £14.2m. There is no requirement for deficit payments at the current time.

The last Pension Builder 2014 scheme valuation was carried out as at 31 December 2016. This revealed, on the ongoing assumptions used, a surplus of £1.8m.

Defined Benefits Scheme

The Defined Benefits Scheme (DBS), also part of the Church Workers' Pension Fund provides benefits for lay staff based on final pensionable salaries. This scheme is now closed to new members.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer as described in Section 28 of FRS102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if the scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2020 : £6k, 2019 : £6K), plus any impact of deficit contributions (see below), giving a total charge of £nil for 2020 (2019 : £nil)

If following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the most recent having been carried out as at 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £26.2m.

Following the valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay a contribution rate of 34.7% of pensionable salary, and expenses of £3,700 per year. In addition deficit payments of £23,145 per year have been agreed for 5 years from 1 April 2018 in respect of the shortfall in the Employers sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Other Pension Schemes

In addition Chapter operates a stakeholder Pension Scheme with Aviva, administered by Lucas Fettes. This scheme is closed to new members. The pension costs charged to the SOFA in the year are contributions payable (2020 : £22k, 2019 : £24k).

23 Pension schemes (cont'd)

Section 28.11A of FRS102 requires agreed recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2020	2019
	£000	£000
Balance Sheet liability at 1 April	84	106
Additional recognised Pension Deficit	-	-
Deficit contribution paid	(23)	(22)
Interest cost (recognised in SoFA)	-	-
Remaining charge to the balance sheet liability*(recognised in SoFA)	-	-
Balance Sheet liability at 31 March	61	84

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	Dec-19	Dec-18	Dec-17
Discount rate	1.20%	1.90%	0.00%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

The next valuation of the scheme is currently be carried out as at December 2019.

24 Connected entities

Individual members of the Chapter are involved with, and serve on all or some of the boards of The Winchester Cathedral Trust, The Carl Klein Trust, and the Friends of Winchester Cathedral. However, the Chapter does not have day to day control over any of these charities.

The Friends of Winchester Cathedral

This association exists to assist the Chapter in maintaining, the fabric and monuments and the fittings and furnishings of the Cathedral and its associated ground-works within the precincts, excluding property used for residential or administrative purposes.

The Winchester Cathedral Trust

The Charity's objects are to raise funds and receive donations to apply to any charitable purpose connected with Winchester Cathedral. This includes the general upkeep of the Cathedral and the improvement and repair of all other buildings in the Cathedral Close, and the receipt and distribution of funds raised to meet the costs of choristers.

The Carl Klein Trust

The Charity's objects are to provide financial assistance to lay clerks and prospective lay clerks of Winchester Cathedral who are in need or are suffering hardship

24 Connected entities (cont'd)

The most recently published summarised results of these entities are as follows:-

	The Friends of Winchester Cathedral	The Winchester Cathedral Trust	The Carl Klein Trust
	31-Mar-20	31-Mar-20	31-Mar-20
	£000	£000	£000
Gross Income	537	28	-
Net incoming/(outgoing) resources for the year	(98)	(511)	-
Net Movement in Funds	(139)	(511)	-
Amounts paid or payable to the Cathedral	565	521	-
Gross Assets	694	714	591
Net Assets	501	710	591

The above accounts of The Winchester Cathedral Trust, The Carl Klein Trust and the Friends of Winchester Cathedral have been subject to an audit or independent examination under the Charities Act 2011. Only income receivable from the above connected entities has been included in the financial statements of the Chapter.

The Pilgrims' School (Limited by guarantee)

In addition to the above connected entities, the Chapter has the right to appoint Governors of The Pilgrims' School (Limited by Guarantee). However, the School's results have not been consolidated and no financial results for the year have been reproduced as the Chapter does not regard running the School as part of the ministry of the Cathedral and any financial surplus is not passed on to the Cathedral.

25 Related party transactions

During the year the Chapter received £521k (2019: £1,004k) from The Winchester Cathedral Trust.

During the year the Chapter received £565k (2019: £94k) from The Friends of Winchester Cathedral in grants.

During the year the Chapter received £155k (2019: £126k) from The Pilgrims' School (Limited by Guarantee) in respect of rent.

During the year the Chapter paid £248k (2019: £245k) in respect of Choristers' school fees to The Pilgrims' School (Limited by Guarantee).

During the year the Chapter paid £nil (2019: £4k) to Sophie Hacker, the wife of a Chapter member Canon Roland Riem, in respect of expenditure on arts and exhibitions

26 Prior Year Adjustment

In the 2017 Accounts and on the advice of the Church Commissioners property assets previously held as Restricted Assets were restated to be classified as Endowment Assets. During the current year the Church Commissioners have clarified that one property asset, the Wessex Centre constructed using Restricted Grant money should not be part of the endowment, and falls to be accounted as a Restricted Asset. Therefore the comparatives have been restated. There is no impact on the overall Net Asset position of Winchester Cathedral.

27 Analysis of prior year total funds

Consolidated statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2019	2019	2019	2019	2019
	£000	£000	£000	£000	£000
	restated		restated	restated	
Incoming resources					
Voluntary income	472	314	361	2	1,149
Grants receivable	-	1,000	2,513	31	3,544
Charges and fees arising in the course of charitable activities	176	2	-	-	178
Income from activities generating funds	2,810	-	-	-	2,810
Income from property and investments	885	-	-	-	885
Total incoming resources	<u>4,343</u>	<u>1,316</u>	<u>2,874</u>	<u>33</u>	<u>8,566</u>
Cost of generating funds	1,998	1	10	-	2,009
Net incoming resources available for charitable activities	<u>2,345</u>	<u>1,315</u>	<u>2,864</u>	<u>33</u>	<u>6,557</u>
Resources expended on charitable activities					
Ministry	1,030	-	310	-	1,340
Cathedral and precincts upkeep	809	16	131	-	956
Education and outreach	229	-	37	-	266
Other expenditure on charitable activities	192	660	2,284	-	3,136
	<u>2,260</u>	<u>676</u>	<u>2,762</u>	<u>-</u>	<u>5,698</u>
Net incoming resources	85	639	102	33	859
Gross transfers between funds	-	-	-	-	-
Other recognised gains					
Non-investment property	105	-	-	1,492	1,597
Investment property	-	-	-	(935)	(935)
Investments	-	-	(5)	(25)	(30)
	<u>105</u>	<u>-</u>	<u>(5)</u>	<u>532</u>	<u>632</u>
Net movement in funds	190	639	97	565	1,491
Fund balances brought forward	2,590	566	1,419	39,979	44,554
Fund balances carried forward	<u>2,780</u>	<u>1,205</u>	<u>1,516</u>	<u>40,544</u>	<u>46,045</u>

27 Analysis of prior year total funds (continued)

Consolidated balance sheet

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2019	2019	2019	2019	2019
	£000	£000	£000	£000	£000
	restated	restated	restated	restated	restated
Fixed assets					
Investment assets					
Property	80	-	-	17,675	17,755
Investments	23	39	1,318	5,927	7,307
	<u>103</u>	<u>39</u>	<u>1,318</u>	<u>23,602</u>	<u>25,062</u>
Non-investment assets					
Property	875	-	1,240	16,942	19,057
Plant & equipment	93	-	-	-	93
	<u>968</u>	<u>-</u>	<u>1,240</u>	<u>16,942</u>	<u>19,150</u>
Total fixed assets	<u>1,071</u>	<u>39</u>	<u>2,558</u>	<u>40,544</u>	<u>44,212</u>
Current assets					
Stocks	117	-	-	-	117
Debtors	424	-	-	-	424
Cash at bank and in hand	1,404	1,166	629	-	3,199
	<u>1,945</u>	<u>1,166</u>	<u>629</u>	<u>-</u>	<u>3,740</u>
Current liabilities	<u>(236)</u>	<u>-</u>	<u>(670)</u>	<u>-</u>	<u>(906)</u>
Net current assets / (liabilities)	<u>1,709</u>	<u>1,166</u>	<u>(41)</u>	<u>-</u>	<u>2,834</u>
Unamortised grants	<u>-</u>	<u>-</u>	<u>(1,001)</u>	<u>-</u>	<u>(1,001)</u>
Total assets less total liabilities	<u>2,780</u>	<u>1,205</u>	<u>1,516</u>	<u>40,544</u>	<u>46,045</u>
Funds					
General fund	2,056	-	-	-	2,056
Property revaluation reserve	724	-	-	33,983	34,707
Property projects reserve	-	-	196	-	196
Music fund	-	-	-	2,965	2,965
Other funds	-	1,205	1,320	3,596	6,121
	<u>2,780</u>	<u>1,205</u>	<u>1,516</u>	<u>40,544</u>	<u>46,045</u>

27 Analysis of prior year total funds (continued)

Balance Sheet - Dean & Chapter only

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2019	2019	2019	2019	2019
	£000	£000	£000	£000	£000
	restated	restated	restated	restated	restated
Fixed assets					
Investment assets					
Property	80	-	-	16,940	17,020
Investments	33	39	1,318	5,927	7,317
	<u>113</u>	<u>39</u>	<u>1,318</u>	<u>22,867</u>	<u>24,337</u>
Non-investment assets					
Property	875	-	1,240	16,577	18,692
Plant & equipment	26	-	-	-	26
	<u>901</u>	<u>-</u>	<u>1,240</u>	<u>16,577</u>	<u>18,718</u>
Total fixed assets	<u>1,014</u>	<u>39</u>	<u>2,558</u>	<u>39,444</u>	<u>43,055</u>
Current assets					
Stocks	17	-	-	-	17
Debtors	650	-	-	-	650
Cash at bank and in hand	1,371	1,166	629	-	3,166
	<u>2,038</u>	<u>1,166</u>	<u>629</u>	<u>-</u>	<u>3,833</u>
Current liabilities	<u>(186)</u>	<u>-</u>	<u>(670)</u>	<u>-</u>	<u>(856)</u>
Net current assets	<u>1,852</u>	<u>1,166</u>	<u>(41)</u>	<u>-</u>	<u>2,977</u>
Unamortised grants	<u>-</u>	<u>-</u>	<u>(1,001)</u>	<u>-</u>	<u>(1,001)</u>
Total assets less total liabilities	<u>2,866</u>	<u>1,205</u>	<u>1,516</u>	<u>39,444</u>	<u>45,031</u>
Funds					
General fund	2,142	-	-	-	2,142
Property revaluation reserve	724	-	-	32,883	33,607
Property projects reserve	-	-	196	-	196
Music fund	-	-	-	2,965	2,965
Other funds	-	1,205	1,320	3,596	6,121
	<u>2,866</u>	<u>1,205</u>	<u>1,516</u>	<u>39,444</u>	<u>45,031</u>