



WINCHESTER  
CATHEDRAL

# **ANNUAL REPORT**

STATUTORY SUPPLEMENT AND  
AUDITED ACCOUNTS

FOR THE YEAR ENDED  
31 MARCH 2018

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 2017/18

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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.

## **Purposes**

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 an inclusive 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

The past year has begun to confirm the great achievement of the Appeal, as scaffolding and barriers came down and the glories of the conserved Cathedral building are revealed. It has been a great joy to see the presbytery high vault and bosses revealed, for the first time in four years, and with over a hundred years of dust removed, the Great Screen has been restored to its luminous beauty.

This is a significant and encouraging time to be Dean of Winchester. As we come to the fulfilment of major building conservation projects, we anticipate and plan for growing visitor numbers and our ambition for the rich Cathedral ministry to engage with ever-widening audiences.

During the past year the Chapter has further developed the Cathedral mission statement, with the intention of bringing all the many aspects of Cathedral life into greater clarity, and to share this more effectively with partners. Consultation with the Cathedral communities, volunteers, Honorary Canons, staff and the wider diocese has supported the renewing of the statement of mission and purposes.

Prayer is central to this development, taken from the heart of the Eucharist: 'renew us by your Spirit; inspire us with your love and unite us in the body of your Son...' Three great Cathedral images illustrate the prayer: the Anthony Gormley sculpture in the crypt, an illumination from the Winchester Bible and the great West Window. This work will continue to build on all that has gone before and develop the plan for Cathedral mission and ministry in its next phase.

The Cathedrals Working Group was set up in response to the questioning of the adequacy of the Cathedrals measure, following difficulties in two cathedrals. The draft report proposed significant changes to Cathedral governance and management. Winchester's Chapter and Council contributed to the consultation, seeking to discern how to embrace positive change while retaining the best wisdom of what is tried and tested. The final report will go to General Synod and then to legislation.

Having said Chapter's farewell to Canon Debbie Thrower, it was good to welcome Mark Byford as a new Chapter member and Canon George Medd for a second term. Dame Mary Fagan (Chairman of the Appeal) was welcomed to the Order of St Swithun in recognition of her outstanding service to the Cathedral.

In addition to the daily worship of the Cathedral, its energy and heart-beat, we shared the inspirational rhythm of the seasons of Advent, Christmas, Lent and Easter with the beauty of choral music to the highest standard thanks to our gifted and dedicated musicians. The Southern Cathedral Festival held here in Winchester in 2017 was a great success and gave audiences and musicians new and unique opportunities.

The 200<sup>th</sup> anniversary of the death of Jane Austen was marked with a special Evensong attended by 700 people and, a first in the life of any Cathedral, the launch by the Bank of England of the new £10 note featuring not only the author, but also our own Cathedral. A new initiative on Ash Wednesday saw the Cathedral buzzing with engaged visitors as the whole ministry team offered *Ashes to Go* to passers-by in the Close and observed a 'monastic ministry day' of prayer, engagement and service.

The Cathedral was active in ecumenical life locally, with local churches hosting a Pentecost festival in the Outer Close and supporting outreach during the Christmas Market. We are also establishing deeper and wider relations with members of other faith communities in the county.

Preaching and teaching ministries are central to the Cathedral and we were honoured to hear many fine theologians, including Professor David Ford and Professor Frances Young.

The wider life of the Diocese is supported in many ways hosting Services, including Services for all the children leaving church junior schools, and the Dean serving on the Bishops senior staff team, Diocesan Synod and Bishops Council. Cathedral clergy regularly preach in parish churches of the diocese.

We are committed to the priorities of Safeguarding and Safer Recruitment. Chapter members have updated training this year and a new part-time Safeguarding Co-ordinator has been appointed. A new Cathedral Chaplain has joined us, Canon Nick Fennemore, following the retirement of Canon Gregory Clifton-Smith.

My grateful thanks go to all those who contribute to Cathedral life as congregations, volunteers, staff and clergy. Cathedrals are exciting places of spiritual depth attracting increasing numbers of visitors and seekers. I look forward to the year ahead.

**The Very Rev'd Catherine Ogle, Dean of Winchester**

## 2.2 The Receiver General

It has been another challenging year in the life of our Cathedral, culminating in some truly remarkable results. For me the pinnacle of our achievements this year was the gradual revealing of the East window and the spectacular Presbytery high vaults. It is astonishing that the paint work now resembles more closely the original colour scheme from the early sixteenth century. I thank everyone for their patience and forbearance with the constant disruption but I am sure you will concur it has been worth it.

We commenced the year with a deficit budget but I am pleased to report that we concluded the financial year with a £60k surplus. This was a great achievement by everyone as we tackled numerous difficulties and challenges throughout the year, with the biggest by far being the Deanery complex. Expenditure for the Deanery project reconfiguration and refurbishment nudged £1.9 million. However, this was a significant capital project which has addressed several issues within the last Quinquennial. In particular the Long Gallery roof has been repaired, the beautiful medieval glass has been restored to its former glory and we broke through the roof void to create a new access to the second floor bedrooms. New wiring, plumbing and heating have been installed and the Deanery flat was completely refurbished. A purpose built Deanery bookshop has been created with heating, new loos and facilities and which will enable trading for longer periods in the year. The Deanery bookstall excelled itself financially last year in its temporary position on Mirabel, in spite of many difficulties with the weather and mud. Outstanding work on Prior's Hall, the Deanery Cottage and adjoining buildings remains to be addressed and will form part of another major project.

The lease on Cloisters has been renewed for the next five years, so we carried out some much needed repairs on the electrics in preparation for the new shop refit during the next financial year. Both the Deanery bookshop and Cloisters continue to be an asset to our local community and outreach of our cathedral mission and ministry, and contribute to our income streams.

The Kings and Scribes capital projects have soared to new highs and most are nearing completion. Work continues on the Exhibition packages and understanding environmental conditions within the Calefactory. Preparations were also made for the installation of an upgraded sound system and the benefits of this will be apparent next year.

We also received a grant of £500k from the First World War Centenary Cathedral Repairs Fund. This has been put towards repair and conservation of eight stained glass windows in the north transept and north presbytery aisle. The works are nearly complete and have enabled us to protect this heritage at risk.

Our trading Company Winchester Cathedral Enterprises Ltd (WCEL) also faced several challenges this year. We decided to go out to tender for our Catering Contract resulting in us saying good bye to Kudos and welcome to BaxterStorey, who are working hard at improving our overall catering offer and service. The Christmas Ice Rink was also a challenge with two new rinks opening in Portsmouth and Southampton a week ahead of our ice rink. Our Christmas Charity Chalet hosted 33 charities this year which raised funds and increased awareness for their causes. I am pleased to report that overall WCEL contributed £451k net profit to Chapter. Congratulations to the team that made this happen.

Renew, Inspire, Unite have been at the heart of our mission and ministry this year, strengthened by prayer, our people and their never ending passion for Winchester Cathedral. My grateful thanks to you all.

**Canon Annabelle Boyes, Receiver General and Canon Treasurer**

## 2.3 Worship

This year was a significant year in the life of the Cathedral as we marked the very special anniversary of the bicentenary of Jane Austen's death. The highlight of this anniversary was the commemorative Evensong when we welcomed guests from all over the world, some of whom were dressed in wonderful Regency costumes. I wrote a special hymn text for the occasion based on a prayer of Jane Austen and we sang canticles which would have been familiar to Jane's ears. Music familiar to Jane Austen also featured in the Winchester Southern Cathedrals Festival, when the BBC Evensong featured a new anthem, *Majora Canamus*, by Oliver Tarney based on the echoes of a Regency performance of *Messiah*.

Sometimes the sheer variety and artistic excellence of the worship events at the Cathedral amazes and thrills me. This year we have had many daily evensongs accompanied by the sublime music of the Cathedral Choir, but we have also had eclectic moments of music and dance, ceremony and silence, which have brought new people into the cathedral. Archbishop Justin Welby preached on Pentecost at a *Thy Kingdom Come* service of prayer which featured the rock music of Matt Redman. There were nighttime vigils of overnight worship and prayer which featured rock, gospel and jazz music but also a group of our young people singing plainchant compline for the first time.

Another service which occurs in the spring is the *Saying Goodbye* service, held for anyone who has suffered the loss of a baby at any stage of pregnancy, at birth or in infancy, and we are grateful as a Cathedral to be able to help offer hope and comfort to grieving parents. On Ash Wednesday the Cathedral hosted a day of prayer. *Ashes to Go* were available outside the West door and many chaplains were on duty to help facilitate this. Inside the building the prayer was accompanied by soaring oboe music and meditative harp pieces.

The music at Christmas is always an important part of our Cathedral life and many people gather in awe and wonder to hear our choirs sing. It is very hard to judge sometimes how popular any service is going to be, and we were thrilled this year that the Blessing of the Crib service had 2000 people in attendance as virgers, clergy and choristers processed the different figures to the manger which we situated in the nave sanctuary for Christmas week.

This year we welcomed Claudia Grinnell as our new Assistant Organist and said a tearful goodbye to Sue Armstrong, who has been a rock of support to us for many years. In January Rhian Bufton joined us as our new Choirs Administrator. She is a familiar face in the Cathedral as a choir parent. However, none of this amazing worship could be possible without our staff and volunteers, especially those who work quietly behind the scenes. Therefore special thanks is due to those who wash linen, iron cassocks, serve, clean, virge, donate, pray, conduct and sing in our voluntary choirs.

**Canon Sue Wallace, Precentor and Sacrist**

## 2.4 Education and Spirituality

I would like to emphasise three different sorts of caring this year: caring for people, caring about our faith and caring for our historic treasures.

It was a sad duty in last year's report to say goodbye to our Close Pastor. This post, renamed 'Cathedral Chaplain', has been occupied by Canon Nick Fennemore. We are fortunate that Nick has made time to take on this role while continuing to work at reduced hours as head of chaplaincy, spiritual and pastoral care at Southern Health NHS Foundation Trust. Nick has picked up the role with remarkable speed and flair and we look forward to him building up the pastoral team of volunteers and its outreach.

The *Tea at Three* event for older people continues to draw a faithful crowd. It's been especially pleasing to see how the recently bereaved have been brought into the group through friends and others have found a home with us at worship. The blend of chatting over scones with a talk afterwards is a pleasant combination and we have been delighted recently to follow our curate Katie's preparation for her African placement and then to hear back afterwards about Rwanda and Tanzania, brought to life by the wonders of PowerPoint!

Caring about our faith is also important. Over the year we have engaged in a great range of adult learning, from the informal breakfast discussion to quite erudite theological presentations. The 500<sup>th</sup> anniversary of the Reformation in 2017 provided a good excuse to look at how the Reformed tradition was still contributing to the way in which we think not only within the Church but also about ethical concerns in medicine. Jane Austen's bicentenary also generated a series of lectures, as well as the exhibition *Inspired by the Word*, which attracted fans from well beyond our shores. The Guides did a splendid job leading tours about Jane and her Winchester associations to add to those they have been leading to commemorate the First World War.

We have especial care for the faith of children and young people. Aisha al-Sadie joined us as our new Learning Officer following Emma Hart's marriage and departure in February 2018 to join her new husband in Manchester. Aisha, who previously was a Learning and Community Engagement Officer at Wesley's Chapel in London, brings a gentle but engaging manner and a talent for art to our ministry.

Caring for our treasures continues, usually in hidden ways. Many artefacts destined for exhibiting in the south transept next year are being readied by our Curator Jo Bartholomew and her team of volunteers. The conservation of the Winchester Bible is nearly complete. Ironically, having spent 2014/15 trying to go faster to prepare for the Bible's trip to the Metropolitan Museum, New York, we have now had to apply the brakes, so that the volumes would not be languishing too long in storage before being exhibited in 2019. The binding of the last two volumes uses trenails rather than even the smallest quantity of glue.

### **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. As the first Canon Principal appointed at the Cathedral, I lead the Winchester Diocese School of Mission, based in Wolvesey, which trains and equips laity and clergy.

The fruit of this training is celebrated in the Cathedral at two key points in the year. In July 2017 the Bishop ordained eleven Deacons and sixteen Priests to serve in parishes across the Diocese. In October the Bishop licensed seven new Licensed Lay Ministers who had completed their training in the School of Mission, and welcomed a further seven from other dioceses.

In the same service, the impact of the new Bishop's Commission for Mission was noticeable. Forty-three people were commissioned as lay pastors, worship leaders and evangelists demonstrating the demand

for more people to be serving in ministry. Cathedral members are also welcome to follow these programmes that help us all to fulfil our calling as Disciples of Christ.

As always, the School Leavers' services help introduce children from primary schools across the county to Winchester as their Cathedral. In June 2017 the service was taken over by life-size models of sheep that had been decorated by school children, and a sign that we all look to Jesus as our shepherd.

The second year of Thy Kingdom Come on Pentecost weekend brought together over five hundred prayer meetings from across the diocese in a weekend of witness, festival and celebration, culminating in a service led by Bishop David and the Archbishop of Canterbury. This call to pray the Lord's Prayer is resulting in a new enthusiasm for speaking to people who have no connection with church. The Ash Wednesday focus on Valentine's Day with *Love is All You Need* and the ecumenical engagement of the mission chalet during the Christmas Market provides opportunities when we take the prayers of the Cathedral outside the walls of the building.

**Canon Mark Collinson, Canon Principal**

## 2.6 Lay Canons

During the past year, we said farewell to Debbie Thrower after three years of distinguished service and welcomed Mark Byford as a new Lay Canon and member of Chapter. George Medd was licensed for a further three years from May 2017.

In November 2017, Debbie Thrower stood down due to the pressure of her expanding professional commitments in developing the Anna Chaplain network across the country as part of the Gift of Years initiative, supporting the spiritual journey of older people. Debbie made a strong and valued contribution to Chapter affairs and was much respected by all connected to the Cathedral.

Earlier, in July 2017, Mark Byford was installed as a Lay Canon and new member of Chapter. Mark has lived in Winchester for more than 30 years. He is a former BBC Deputy Director General and Head of Journalism, and brings to Chapter extensive experience in leadership, management and communications. He is an author of non-fiction books including his most recent publication *The Annunciation: A Pilgrim's Quest*.

George continues to bring to Chapter significant managerial experience from his career in IT as well as practical knowledge, built over many years, of many aspects of Church life. George is a Chapter appointment to the governing body of Pilgrims' School, a member of the Outreach Action and Advisory Group and the Cathedral link with the Trinity Centre in Winchester.

We contribute to the corporate life of the Cathedral and help to promote its mission and service in the Diocese. This past year, we have been part of the key Chapter discussions on developing the Cathedral's long-term strategy with its focus on Renew, Inspire and Unite as part of the Mission and Vision of the Cathedral.

Monitoring the Cathedral's progress in its major capital programmes and reviewing and strengthening its Safeguarding policies is all part of the vital work of Chapter. Engaging regularly with the wide range of volunteers supporting the Cathedral and its mission helps to ensure appropriate feedback to the decision-making process.

We have also taken an active role in Cathedral services and events throughout the year. These have included the major services of worship at Advent, Christmas and Easter; regular Evensong and Sunday services; and new initiatives including Ash Wednesday's *All You Need is Love*.

**Canon George Medd  
Canon Mark Byford  
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 2018 were as follows:

The Dean	The Very Revd Catherine Ogle
Vice-Dean & Canon Chancellor	The Revd Canon Dr Roland Riem
Receiver General & Canon Treasurer	Mrs Annabelle Boyes MBE
Canon Principal	The Revd Canon Mark Collinson
Canon Precentor & Sacrist	The Revd Canon Sue Wallace
Lay Canon	Mr Mark Byford (from July 2017)
Lay Canon	Mr George Medd
Lay Canon	Ms Debbie Thrower (until October 2017)

#### 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 2018 were as follows:

Miss Jean Ritchie QC (Chair) (Bishop's appointment)  
The Very Revd Catherine Ogle (ex officio)  
Mrs Annabelle Boyes MBE (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)  
Surgeon Vice Admiral Anthony Revell CB (elected by Cathedral community) (until October 2017)  
The Revd Canon Dr Roland Riem (Chapter appointment)  
Mr Martin Rudd (Bishop's appointment)  
The Revd Canon Peter Seal (appointed by College of Canons)  
Ms Natalie Shaw (elected by Cathedral community) (from October 2017)  
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  
Receiver General & Canon Treasurer, Mrs Annabelle Boyes MBE  
Canon Precentor, The Revd Canon Sue Wallace  
Canon Principal, The Revd Canon Mark Collinson  
Canon Mark Byford (from July 2017)  
Canon George Medd  
Canon Debbie Thrower (until October 2017)

#### Bishop's Staff

The Bishop of Basingstoke, The Rt Revd David Williams  
The Bishop of Southampton, The Rt Revd Jonathan Frost  
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  
Archdeacon for Mission, The Revd Canon Dr Paul Moore  
Lay Canon Andrew Robinson

#### Canon Theologian

The Revd Canon Dr Judith Maltby (2011)

#### 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 Steve Pittis (2013)  
The Revd Canon Peter Seal (2013)  
The Revd Canon Karen Mackinnon (2014)  
The Rt Revd Canon Abbot Giles Hill OSB, Abbot of Alton (2015)  
The Revd Canon Howard Wright (2016)  
The Revd Canon Andy McPherson (2016)  
The Revd Canon Peter Gilks (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 Greg Bakker (2017)  
The Revd Canon Fiona Gibbs (2017)

### **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 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 - Receiver General & Canon Treasurer (Chapter)  
Mr Stephen Frost (from July 2017)  
The Lord Poole  
Mr John Pringle  
Mr Martin Reid (until January 2018)  
Mr Christiaan Beech - Head of Finance (in attendance)

### **3.9 Fabric Advisory Committee**

Professor Martin Biddle CBE (Chair)  
Ms Zuleika Dobson (until May 2017)  
Mr Antony Feltham-King  
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)  
Mr Nick Cox, Cathedral Architect (in attendance)  
Dr John Crook, Cathedral Archaeologist (in attendance)  
Mrs Annabelle Boyes MBE – Receiver General & Canon Treasurer (Secretary)

### **3.10 Winchester Cathedral Enterprises Ltd**

Mr Damien Carpanini (Director and Chair)  
Mrs Annabelle Boyes MBE (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  
5<sup>th</sup> 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

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

### Chapter Lead

The Dean  
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Canon Roland Riem  
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## 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 corporate body 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 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 corporate body 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 once a year for an open meeting. 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

Mark Byford joined Chapter during July 2017, and Debbie Thrower left Chapter in October 2017.

#### 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. An in-house Safeguarding Officer was appointed in 2017/18.
- 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 2018 to be at least £1.0m. 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 2018 is £1.0m, with an additional £0.1m 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 2014, with subsequent interim valuations, the last on 31 March 2018.

	£000
Rental income	577
Professional services	(4)
Utilities	(4)
Repairs	(19)
<b>Net income</b>	<b>550</b>

Yield on investment properties

Capital value investment property (£000s)	18,075
Net income yield	3.0%
<b>CBF Property Fund income yield</b>	<b>5.5%</b>

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 2017/18 reduced due to a property being temporarily unavailable for rent, and two properties which became vacant during the year, and remained empty until year end.

### Other investments

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

<b>Gross income from other investments</b>	Equity funds £000	Fixed interest £000	Other funds £000	Total £000
Cazenove funds	252	36	51	339
CCLA	14	-	35	49
	<b>266</b>	<b>36</b>	<b>86</b>	<b>388</b>
loss on revaluation/disposal				(35)
Management fees				(32)
<b>Total return on other investments</b>				<b>321</b>
<b>Return on other investments</b>				£000
Market value of other investments				7,341
Return				4.4%
<b>Composite index agreed with Cazenove</b>				<b>9.2%</b>

During the financial year the return from investments was +3.3% compared to the benchmark return of +1.8%. After some of the lowest drawdowns ever recorded in 2017, equity markets fell during February and March 2018. Though the threat of trade wars is one reason for the increased volatility, rising U.S.

and U.K. yields are also a factor as equity valuations appear less compelling relative to other assets. These falls subsequently reversed the majority of gains seen in the latter nine months of 2017, with the FTSE All Share Index generating a total return of +1.2% and Global Equities +1.3% (GBP terms), over the 12 months to 31<sup>st</sup> March 2018. In addition, returns from Gilts were also relatively muted, +0.5% as the 10 year Government Bond yield moved from 1.1% to 1.4%. The Bank of England raised rates for the first time in a decade in November 2017, however, this was ultimately a reversal of the emergency measures put in place following the Brexit vote.

At 31 March 2018 our total investments excluding direct property holdings totalled £7.34m, of which 67% were held in listed equity funds, 11% in fixed interest, and 21% 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 2012 the last quinquennial survey was completed, as well as a conservation management plan and archaeological report.

#### 5.5 Five-year trends

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

	2013/14	2014/15	2015/16	2016/17	2017/18
	£000	£000	£000	£000	£000
Total income	5,299	8,868*	7,025*	7,396*	8,863*
WCEL covenant to Chapter	403	374	433	501	451
Other visitor income	600	603	600	662	710
Rental income	635	607	651	639	577
Investment income	366	384	377	390	388
Cathedral repairs/upkeep	977	853	1,004	1,116	2,459
Other expenditure on mission	1,701	4,889**	4,315**	4,093**	5,749**
General Fund result (before capital gains)	12	13	24	71	60

\* Includes grants of £4,020k received relating to the Cathedral projects. (2016/17 included grants of £2,469k)

\*\* Includes expenditure of £4,020k relating to the Cathedral projects. (2016/17 included expenditure of 2,469k)

#### 5.6 Commentary on the 2017/18 results

The Dean and Chapter present the audited accounts for the year to 31 March 2018. The year finished with an unrestricted operating surplus for the year of £60k. This continues an extended line of financial surpluses achieved over a number of years. This is a great achievement in light of the sizeable pension deficit expensed (£106k) for the closed Defined Benefit Pension Scheme, reduced Rents from property due to the challenging Rental market, and the major refurbishment works on the Deanery, now concluding. We have had success to match these challenges in the form of additional visitor income and good cost control.

##### **WCEL Covenant to Chapter**

All net profits from the Cathedral's trading company, Winchester Cathedral Enterprises Ltd, which includes the activities of Retail, Catering, Box Office and Events operations, are covenanted to Dean and Chapter. The total net profit for the year was £451k, up on budget but down £50k from the £501k achieved in 2016/17.

Last year we introduced a covered rink and we have continued to benefit from a service that can operate and be expected to work in most weathers especially wind and rain. This encouraged early bookings, and repeat visits. This year though we experienced more competition from new rinks in

neighbouring cities, which drew some business away. However, with improvements to both the Ice Rink and Christmas Market, we expect to see our visitors coming back again to the Cathedral next year.

The Refectory and catering operation which has been outsourced for a number of years came to the end of its contract in August 2017, and following a market review we awarded a new contract to the catering company Baxter Storey. This arrangement continues to give the Cathedral benefits in income protection and maintains the high standards of quality and service.

### **Visitor numbers and Income**

The major works programme continues, and we have been successful in minimising disruption and inconvenience for our visitors.

Visitor numbers saw another year of increase of 13,500 (+4%) this year to 353,000, whilst paying visitor numbers encouragingly increased by 6% to 121,000.

The Entrance Desk income received was up (by £48k) to £710k in total. The Annual entrance fee to the Cathedral represents a charge of approximately 2p per day.

### **Voluntary Income, Grants receivable and Income from appeals and fundraising**

Income from congregational collections, giving and donations increased to £119k. Gift Aid makes a significant contribution to our income and this year has increased to £100k. The Deanery Bookstall contributed an outstanding £63k and the Cloisters shop £28k.

Grants receivable in 2017/18 were £4.224m (compared to £2.659m in 2016/17). 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 £4.020m (£2.469m in 2016/17)

During the year legacies were received or recognised from seven estates totalling £335k. At the year-end legacies receivable totalled £512k.

### **Property Income**

Property rental income received decreased to £577k, from £639k in the previous year, and was due to the temporary occupation of a rental property by the Dean whilst vital repairs to the Deanery took place. Two properties became vacant in the second half of the year, and were unoccupied at the year-end.

### **Investment Income**

Investment income received decreased slightly in the year to £388k from £390k in the previous year. This was due to disposal of investments to fund the Deanery refurbishment programme.

### **Unrestricted funds**

Total Unrestricted funds increased by £59k to £1.55m. The Unrestricted General Fund which excludes property revaluation reserves is £1.01m, which matches Chapter's reserves policy requirement of £1.0m.

### **Designated funds**

The value of designated funds decreased to £0.1m from £1.2m. The Deanery maintenance fund stood at year end at £nil, with the majority of Deanery refurbishment works completed.

## **Restricted funds**

During the year there were no significant movements on Restricted fund, excepting expenditure from the Day Fund on maintenance of the Cathedral Fabric for £28k.

## **Endowment funds**

The investment property portfolio increased in value by £0.2m. The property value represents £35.1m of the Endowment fund.

## **Volunteer time**

The Cathedral continues to benefit from the vast amount of time and effort from its volunteers. On an average day volunteers give 180 hours of their time, over a broad spectrum of different duties around the cathedral.

## **Expenditure**

Spend on the Cathedral projects continues with expenditure of £4.0m for 2017/18 (2016/17: £2.5m). The main areas of spend in the current year were on the presbytery windows, conservation of the mortuary chests, Winchester Bible conservation, Cathedral lighting, and major conservation and restoration works in the South Transept.

During the year and following the tri-annual Actuarial valuation of the pension scheme, we were advised of an additional pension deficit for legacy pension schemes. We have expensed £106k to the accounts, but we will be contributing towards the deficit over 5 years starting with the coming year.

Expenditure decreased this year on precincts, security, and gardens' upkeep to £266k, from £302k in the previous year. Last year we invested £80k on pathways outside the cathedral. On major repairs and restoration this year we spent £1.56m on the Deanery refurbishment (last year £253k).

## **Investing in our people**

The Cathedral continues its policy of moving all staff toward the Living Wage Foundation - Living Wage.

## **6 Plans for future periods**

During the next financial year we plan on:

- Opening our three major exhibitions – The Birth of a Nation, Decoding the stones & Kings and scribes with two supporting exhibitions.
- Complete the WWI project of the windows restoration in the North Transept.
- Continue with the Sound & lighting projects within the Cathedral to improve the visitor experience.
- Hold a flower festival illumination inspired by the 12<sup>th</sup> Century Winchester Bible
- Carry out the Quinquennial Report on the Cathedral and Estates.
- Develop a grounds and Estates Strategic plan for the next decade.
- Update Cloisters and complete the Deanery bookstall in its new location.
- Provide new access to the Priors Hall.
- Commence fundraising for the refurbishment of the Cathedral Organ.



WINCHESTER  
CATHEDRAL

# AUDITED ACCOUNTS

For the year ended 31 March 2018

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 Chapter of Winchester Cathedral

## *Opinion*

We have audited the financial statements of The Chapter of Winchester Cathedral for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Cathedral Balance Sheet, the Consolidated Cash Flow Statement and the related notes. 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".

In our opinion the financial statements:

- give a true and fair view of the state of the Cathedral's affairs as at 31 March 2018, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly 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.

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

## *Other information*

The Chapter members 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 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 misstatement in the Chapter's Report.

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 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, set out on page 23, 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 trustees are responsible for assessing the Chapter'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 trustees 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](http://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 144 of the Charities Act 2011 and report in accordance with the Act and 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 Chapter's members 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 Chapter members 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

# 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 February 2015 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 2018.

The principal accounting policies are set out below.

## Basis of consolidation

The consolidated financial statements comprise those of the Cathedral 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

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, the annual depreciation charge is £Nil.

## 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 Friends Provident 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 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:

- Chapter have provided for legacy income of £360k based on their estimate of expected income that will be received from the estate of Thomas Butt, together with £135k of legacy income expected from the estate of Dr Kiddle.
- In the years where no formal property valuation occurs, movements in the valuation are estimated based on available market information.

## Consolidated statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
Note	2018	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000	£000
<b>Incoming resources</b>	1					
Voluntary income	400	420	318	-	1,138	1,177
Grants receivable	-	-	4,224	-	4,224	2,659
Charges and fees arising in the course of charitable activities	109	-	-	-	109	108
Income from activities generating funds	2,427	-	-	-	2,427	2,423
Income from property and investments	965	-	-	-	965	1,029
<b>Total incoming resources</b>	3,901	420	4,542	-	8,863	7,396
Cost of generating funds	3,5 1,707	-	31	-	1,738	1,603
Net incoming resources available for charitable activities	2,194	420	4,511	-	7,125	5,793
<b>Resources expended on charitable activities</b>	4					
Ministry	1,004	-	317	-	1,321	1,210
Cathedral and precincts upkeep	758	1,357	113	-	2,228	1,116
Education and outreach	180	-	55	-	235	225
Other expenditure on charitable activities	192	-	4,020	-	4,212	2,658
	2,134	1,357	4,505	-	7,996	5,209
<b>Net incoming resources</b>	60	(937)	6	-	(871)	584
<b>Gross transfers between funds</b>	28 -	(205)	-	205	-	-
<b>Other recognised gains</b>						
Investment property	-	-	-	153	153	213
Investments	(1)	(3)	(5)	(26)	(35)	664
	(1)	(3)	(5)	127	118	877
<b>Net movement in funds</b>	59	(1,145)	1	332	(753)	1,461
Fund balances brought forward	26 1,487	1,245	1,222	40,887	44,841	43,380
<b>Fund balances carried forward</b>	1,546	100	1,223	41,219	44,088	44,841

## Consolidated balance sheet

		Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
Note	208	2018	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000	£000	£000
<b>Fixed assets</b>							
<b>Investment assets</b>							
Property	9	80	-	-	18,610	18,690	18,537
Investments	10	68	100	1,223	5,950	7,341	8,071
		<u>148</u>	<u>100</u>	<u>1,223</u>	<u>24,560</u>	<u>26,031</u>	<u>26,608</u>
<b>Non-investment assets</b>							
Property	11	770	-	-	16,659	17,429	17,224
Plant & equipment	12	92	-	-	-	92	128
		<u>862</u>	<u>-</u>	<u>-</u>	<u>16,659</u>	<u>17,521</u>	<u>17,352</u>
<b>Total fixed assets</b>		<u>1,010</u>	<u>100</u>	<u>1,223</u>	<u>41,219</u>	<u>43,552</u>	<u>43,960</u>
<b>Current assets</b>							
Stocks		127	-	-	-	127	126
Debtors	13	944	-	122	-	1,066	920
Cash at bank and in hand		764	-	1,569	-	2,333	3,232
		<u>1,835</u>	<u>-</u>	<u>1,691</u>	<u>-</u>	<u>3,526</u>	<u>4,278</u>
<b>Current liabilities</b>	14	<u>(1,299)</u>	<u>-</u>	<u>(1,691)</u>	<u>-</u>	<u>(2,990)</u>	<u>(3,397)</u>
<b>Net current assets</b>		<u>536</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>536</u>	<u>881</u>
<b>Total assets less total liabilities</b>		<u>1,546</u>	<u>100</u>	<u>1,223</u>	<u>41,219</u>	<u>44,088</u>	<u>44,841</u>
<b>Funds</b>							
General fund	18	927	-	-	-	927	868
Property revaluation reserve	15,18	619	-	-	33,274	33,893	33,740
Property projects reserve	15	-	-	-	1,361	1,361	1,361
Music fund	15	-	-	-	2,974	2,974	2,986
Other funds	15,16,17	-	100	1,223	3,610	4,933	5,886
		<u>1,546</u>	<u>100</u>	<u>1,223</u>	<u>41,219</u>	<u>44,088</u>	<u>44,841</u>

The financial statements were approved by the Chapter at their meeting on 30 August 2018 and are signed on their behalf by:

The Very Reverend Catherine Ogle - Dean

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

## Balance Sheet - Dean & Chapter only

		Unrestricted	Designated	Restricted	Endowment	Total	Total
	Note	funds	funds	funds	funds	funds	funds
		2018	2018	2018	2018	2018	2017
		£000	£000	£000	£000	£000	£000
<b>Fixed assets</b>							
<b>Investment assets</b>							
Property	9	80	-	-	17,995	18,075	17,922
Investments	10	78	100	1,223	5,950	7,351	8,081
		<u>158</u>	<u>100</u>	<u>1,223</u>	<u>23,945</u>	<u>25,426</u>	<u>26,003</u>
<b>Non-investment assets</b>							
Property	11	770	-	-	16,354	17,124	16,919
Plant & equipment	12	19	-	-	-	19	20
		<u>789</u>	<u>-</u>	<u>-</u>	<u>16,354</u>	<u>17,143</u>	<u>16,939</u>
<b>Total fixed assets</b>		<u>947</u>	<u>100</u>	<u>1,223</u>	<u>40,299</u>	<u>42,569</u>	<u>42,942</u>
<b>Current assets</b>							
Stocks		21	-	-	-	21	17
Debtors	13	1,193	-	122	-	1,315	1,144
Cash at bank and in hand		715	-	1,569	-	2,284	3,215
		<u>1,929</u>	<u>-</u>	<u>1,691</u>	<u>-</u>	<u>3,620</u>	<u>4,376</u>
<b>Current liabilities</b>	14	<u>(1,244)</u>	<u>-</u>	<u>(1,691)</u>	<u>-</u>	<u>(2,935)</u>	<u>(3,311)</u>
<b>Net current assets</b>		<u>685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>685</u>	<u>1,065</u>
<b>Total assets less current liabilities</b>		<u>1,632</u>	<u>100</u>	<u>1,223</u>	<u>40,299</u>	<u>43,254</u>	<u>44,007</u>
<b>Funds</b>							
General fund	18	1,013	-	-	-	1,013	954
Property revaluation reserve	15,18	619	-	-	32,354	32,973	32,820
Property projects reserve	15	-	-	-	1,361	1,361	1,361
Music fund	15	-	-	-	2,974	2,974	2,986
Other funds	15,16,17	-	100	1,223	3,610	4,933	5,886
		<u>1,632</u>	<u>100</u>	<u>1,223</u>	<u>40,299</u>	<u>43,254</u>	<u>44,007</u>

The financial statements were approved by the Chapter at their meeting on 30 August 2018 and are signed on their behalf by:

The Very Reverend Catherine Ogle - Dean

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



## Consolidated cash flow statement

	<b>Note</b>	2018 £000	2018 £000	2017 £000	2017 £000
Net incoming resources before revaluations and disposal of investments		(871)		584	
Less income from property and investments		(965)		(1,029)	
Add property management costs and investment manager costs.		65		45	
Depreciation charges		58		71	
(Increase) / Decrease in stocks		(1)		7	
(Increase) in debtors		(146)		(157)	
(Decrease) / increase in creditors		(406)		(343)	
<b>Net cash (outflow) / inflow from operating activities</b>			(2,266)		(822)
<b>Returns on investments</b>					
Rents received net of costs		549		627	
Interest and dividends received		350		356	
			899		983
<b>Capital expenditure and financial investment</b>					
Sale proceeds of investments less amounts reinvested		689		(44)	
Purchases of furniture and equipment, and property improvements		(227)		(28)	
			462		(72)
<b>Cash inflow before management of liquid resources and financing</b>			(905)		89
<b>Management of liquid resources</b>					
Net decrease in liquid resources	19		6		-
<b>(Decrease) / Increase in cash</b>	19		(899)		89

## Notes to the financial statements

### 1 Consolidated incoming resources

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
	2018	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000	£000
<b>Voluntary income</b>						
Congregational collections and giving	64	-	55	-	119	112
Donations	213	18	63	-	294	289
Income from appeals and fundraising	22	-	98	-	120	92
Tax recoverable under Gift Aid	100	-	-	-	100	84
Income from Friends and local trusts	-	84	85	-	169	47
Legacies	1	318	17	-	336	553
	<u>400</u>	<u>420</u>	<u>318</u>	<u>-</u>	<u>1,138</u>	<u>1,177</u>
<b>Grants receivable</b>						
Church Commissioners	-	-	154	-	154	135
Heritage Lottery Fund	-	-	4,020	-	4,020	2,469
Other revenue and capital grants	-	-	50	-	50	55
	<u>-</u>	<u>-</u>	<u>4,224</u>	<u>-</u>	<u>4,224</u>	<u>2,659</u>
<b>Charges and fees arising in the course of charitable activities</b>						
Facility and other fees	109	-	-	-	109	108
	<u>109</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109</u>	<u>108</u>
<b>Income from activities generating funds</b>						
Charges to visitors	710	-	-	-	710	662
Gross income of shop, refectory and other trading activities	1,717	-	-	-	1,717	1,761
	<u>2,427</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,427</u>	<u>2,423</u>
<b>Income from property and investments</b>						
Income from investment property	577	-	-	-	577	639
Income from other investments	388	-	-	-	388	390
	<u>965</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>965</u>	<u>1,029</u>
<b>Total incoming resources</b>	<u>3,901</u>	<u>420</u>	<u>4,542</u>	<u>-</u>	<u>8,863</u>	<u>7,396</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.

	2018 £000	2017 £000
Turnover	1,717	1,761
Cost of sales	(872)	(829)
Gross profit	<u>845</u>	<u>932</u>
Other operating charges	(394)	(431)
Other operating income	-	-
<b>Operating profit</b>	<u>451</u>	<u>501</u>
Interest receivable	-	-
<b>Profit for the financial year</b>	<u>451</u>	<u>501</u>
The Net Assets of Winchester Cathedral Enterprises Limited at 31 March 2018	<u>840</u>	<u>840</u>

The profits from WCEL were donated to Chapter for £451k (2017: £501k)

### 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 2018 it had net assets of £1 (2016 : £1).

## 3 Cost of generating funds

	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Endowment funds</b>	<b>Total funds</b>	Total funds
	2018	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000	£000
Costs of facilities for visitors	127	-	-	-	127	91
Costs of services directly recoverable	5	-	31	-	36	27
Gross costs of shop, refectory and other trading activities	1,266	-	-	-	1,266	1,260
General marketing costs	130	-	-	-	130	106
Costs of appeals and fund raising	114	-	-	-	114	76
Investment property costs	28	-	-	-	28	11
Investment managers fees	37	-	-	-	37	32
	<u>1,707</u>	<u>-</u>	<u>31</u>	<u>-</u>	<u>1,738</u>	<u>1,603</u>

#### 4 Resources expended on charitable activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
	2018	2018	2018	2018	2018	2017
	£000	£000	£000	£000	£000	£000
<b>Ministry</b>						
Clergy stipends and working expenses	46	-	133	-	179	157
Clergy housing costs	33	-	-	-	33	43
Clergy support costs	88	-	-	-	88	77
Services and music	837	-	184	-	1,021	933
	<u>1,004</u>	<u>-</u>	<u>317</u>	<u>-</u>	<u>1,321</u>	<u>1,210</u>
<b>Cathedral and precincts upkeep</b>						
Major repairs and restoration	94	1,357	34	-	1,485	401
Maintenance and interior upkeep	289	-	66	-	355	301
Cathedral insurance	119	-	-	-	119	108
Precincts, security and gardens upkeep	256	-	13	-	269	302
Support costs	-	-	-	-	-	4
	<u>758</u>	<u>1,357</u>	<u>113</u>	<u>-</u>	<u>2,228</u>	<u>1,116</u>
<b>Education and outreach</b>						
Educational activities	76	-	-	-	76	89
Archives and library	93	-	-	-	93	86
Charitable and other giving	11	-	55	-	66	50
	<u>180</u>	<u>-</u>	<u>55</u>	<u>-</u>	<u>235</u>	<u>225</u>
<b>Other expenditure on charitable activities</b>						
Heritage Lottery Fund Project	-	-	4,020	-	4,020	2,469
Irrecoverable VAT	24	-	-	-	24	22
Governance costs	168	-	-	-	168	167
	<u>192</u>	<u>-</u>	<u>4,020</u>	<u>-</u>	<u>4,212</u>	<u>2,658</u>
<b>Total resources expended on charitable activities</b>	<u>2,134</u>	<u>1,357</u>	<u>4,505</u>	<u>-</u>	<u>7,996</u>	<u>5,209</u>

#### 5 Support costs

	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	2018	2018	2018	2017	2017	2017
	£000	£000	£000	£000	£000	£000
Costs of generating funds	1,614	123	1,738	1,530	73	1,603
Ministry	1,001	320	1,321	962	248	1,210
Cathedral and precincts upkeep	2,006	222	2,228	896	220	1,116
Education and outreach	204	31	235	180	45	225
Other expenditure on mission	4,212	-	4,212	2,658	-	2,658
	<u>9,038</u>	<u>696</u>	<u>9,734</u>	<u>6,226</u>	<u>586</u>	<u>6,812</u>

#### 6 Governance costs

	2018	2017
	£000	£000
Auditors' remuneration:		
Audit services	19	19
Accountancy and other services	-	-
Taxation advice	1	1
Governance and strategic planning	148	153
	<u>168</u>	<u>173</u>

## 7 Employees

Staff costs during the year were as follows:

	2018	2017
	£000	£000
<b>Cathedral and WCEL staff costs</b>		
Salaries and stipends	1,631	1,564
Social security costs	125	121
Other pension costs	113	105
	<u>1,869</u>	<u>1,790</u>
<b>Reimbursed staff costs</b>		
Salaries and stipends	309	294
Social security costs	29	28
Other pension costs	23	21
	<u>361</u>	<u>343</u>
<b>Total staff costs</b>	<u>2,230</u>	<u>2,133</u>

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

	2018 total Average No's	2018 total FTE	2017 total Average No's	2017 total FTE
Cathedral staff	42	17	40	15
Administration	13	10	13	13
Education	2	2	2	3
Maintenance	11	11	12	12
Shop, Refectory & Events	24	11	23	6
Visitor services	15	5	13	5
Employees whose costs are reimbursed	11	9	11	8
	<u>118</u>	<u>65</u>	<u>114</u>	<u>62</u>

One member of the Chapter, the Receiver General, received remuneration during the year of £97,500 (2017: £95,000). 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 £2,329 (2017: £2,614) was reimbursed to three 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:

	2018	2017
	£000	£000
Audit services	19	19
Accountancy and other services	-	-
Taxation advice	1	1
	<u>20</u>	<u>20</u>

## 9 Investment property

<b>Consolidated</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
	£000	£000	£000	£000	£000
Valuation					
At 1 April 2017	80	-	-	18,457	18,537
Change in use	-	-	-	-	-
Additions	-	-	-	-	-
Change in market value	-	-	-	153	153
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	80	-	-	18,610	18,690
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
 <b>Chapter</b>	 <b>Unrestricted</b>	 <b>Designated</b>	 <b>Restricted</b>	 <b>Endowment</b>	 <b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>funds</b>
	£000	£000	£000	£000	£000
Valuation					
At 1 April 2017	80	-	-	17,842	17,922
Change in use	-	-	-	-	-
Additions	-	-	-	-	-
Change in market value	-	-	-	153	153
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2018	80	-	-	17,995	18,075
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The properties were revalued as at 31 March 2014 by Messrs Carter Jonas LLP, a firm regulated by the Royal Institute of Chartered Surveyors, on the basis of market value. On 31 March 2018 Chapter carried out an interim valuation of the properties.

## 10 Investments

	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Endowment funds £000	Total funds £000
Investments at market value 1 April 2017	128	745	1,222	5,976	8,071
Additions	1	5	8	41	55
Proceeds from disposals	(12)	(69)	(112)	(551)	(744)
Transfers	(49)	(577)	112	514	-
Net decrease on revaluations	(1)	(8)	(13)	(61)	(83)
	<u>67</u>	<u>96</u>	<u>1,217</u>	<u>5,919</u>	<u>7,299</u>
Investments at market value 31 March 2018	67	96	1,217	5,919	7,299
Uninvested Cash	1	4	6	31	42
	<u>68</u>	<u>100</u>	<u>1,223</u>	<u>5,950</u>	<u>7,341</u>
Market Value Carried Forward (Consolidated)	68	100	1,223	5,950	7,341
Investments in Group Undertaking at Net Asset Value	10	-	-	-	10
	<u>78</u>	<u>100</u>	<u>1,223</u>	<u>5,950</u>	<u>7,351</u>
				2018 £000	2017 £000
Equity funds				4,925	5,018
Fixed interest funds				841	853
Portfolio funds				427	440
Property funds				777	737
Other managed funds				329	975
				<u>7,299</u>	<u>8,023</u>
Other liquid resources				-	-
Cash fund				42	48
Shares in subsidiary companies				10	10
				<u>7,351</u>	<u>8,081</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.

## II Non-investment property

<b>Consolidated</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Endowment Assets in</b>	<b>Endowment funds</b>	<b>Total funds</b>
				<b>construction</b>		
<b>Valuation</b>	£000	£000	£000	£000	£000	£000
At 1 April 2017	770	-	-	1,361	15,093	17,224
Additions	-	-	-	-	205	205
Depreciation	-	-	-	-	-	-
Change in market value	-	-	-	-	-	-
At 31 March 2018	<u>770</u>	<u>-</u>	<u>-</u>	<u>1,361</u>	<u>15,298</u>	<u>17,429</u>

<b>Chapter</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Restricted funds</b>	<b>Endowment Assets in</b>	<b>Endowment funds</b>	<b>Total funds</b>
				<b>course of construction</b>		
<b>Valuation</b>	£000	£000	£000	£000	£000	£000
At 1 April 2017	770	-	-	1,361	14,788	16,919
Additions	-	-	-	-	205	205
Depreciation	-	-	-	-	-	-
Change in market value	-	-	-	-	-	-
At 31 March 2018	<u>770</u>	<u>-</u>	<u>-</u>	<u>1,361</u>	<u>14,993</u>	<u>17,124</u>

Non-investment properties are held and used as follows:

	<b>Freehold</b>
<b>At 1 April 2017</b>	£000
For Cathedral administration and workshops	1,338
For Cathedral clergy and staff housing	9,910
For the Deanery	3,500
For Assets in course of construction	1,361
For the education centre	500
Leased to Winchester Cathedral Enterprises Limited	310
<b>Chapter total</b>	<u>16,919</u>
Eliminated on consolidation	(310)
For Cathedral trading activities	615
<b>Consolidated total</b>	<u><u>17,224</u></u>
<b>At 31 March 2018</b>	£000
For Cathedral administration and workshops	1,338
For Cathedral clergy and staff housing	9,910
For the Deanery	3,705
For Assets in course of construction	1,361
For the education centre	500
Leased to Winchester Cathedral Enterprises Limited	310
<b>Chapter total</b>	<u>17,124</u>
Eliminated on consolidation	(310)
For Cathedral trading activities	615
<b>Consolidated total</b>	<u><u>17,429</u></u>

The properties were revalued as at 31 March 2014 by Messrs Carter Jonas LLP, a firm regulated by the Royal Institute of Chartered Surveyors, on the basis of existing use. During the year ended 31 March 2018 the New Learning Centre was under construction, and is shown above as Assets in course of construction.

During the year £1,562k has been incurred on a project to repair, refurbish and improve the Deanery. With the project now concluded a professional valuation has been obtained from Messrs Carter Jonas LLP that shows a £205k increase in the value of the Deanery to £3,705k. Accordingly £205k of the costs have been capitalised and the remaining expensed through the SOFA as repairs and maintenance costs.



## 12 Cathedral plant and equipment

	<b>Consolidated</b>	<b>Chapter</b>
	£000	£000
<b>Cost</b>		
At 1 April 2017	667	134
Additions	22	7
Disposals	(262)	-
At 31 March 2018	<u>427</u>	<u>141</u>
<b>Depreciation</b>		
At 1 April 2017	539	114
Charge for the year	58	8
Disposals	(262)	-
At 31 March 2018	<u>335</u>	<u>122</u>
<b>Net book value</b>		
At 31 March 2018	<u>92</u>	<u>19</u>
At 31 March 2017	<u>128</u>	<u>20</u>

## 13 Debtors

	<b>Consolidated</b>		<b>Chapter</b>	
	2018	2017	2018	2017
	£000	£000	£000	£000
Winchester Cathedral Enterprises Limited	-	-	293	259
Social security and other taxes	156	66	156	66
Other debtors	880	820	853	800
Prepayments	30	34	13	19
	<u>1,066</u>	<u>920</u>	<u>1,315</u>	<u>1,144</u>

## 14 Current liabilities

	<b>Consolidated</b>		<b>Chapter</b>	
	2018	2017	2018	2017
	£000	£000	£000	£000
Trade creditors	596	334	581	322
Social security and other taxes	42	41	39	38
Other creditors	175	77	175	77
Accruals	2,177	2,945	2,140	2,874
	<u>2,990</u>	<u>3,397</u>	<u>2,935</u>	<u>3,311</u>

## 15 Endowment funds

<b>Consolidated</b>	<b>At 1 April 2017</b>	<b>Net Incoming/ (outgoing) resources</b>	<b>Investment gains/ (losses) in the year</b>	<b>At 31 March 2018</b>
	£000	£000	£000	£000
Appeal fund:				
Fabric	2,263	-	(10)	2,253
Music	71	-	-	71
Staff	25	-	-	25
	<hr/>	<hr/>	<hr/>	<hr/>
	2,359	-	(10)	2,349
Music	2,986	-	(12)	2,974
Properties revaluation	33,121	-	153	33,274
Property projects	1,361	-	-	1,361
Permanent endowment	941	205	(4)	1,142
John and Kathleen Kyle Memorial Fund for Lay Clerks	80	-	-	80
Roger Bruce Ellery	39	-	-	39
	<hr/>	<hr/>	<hr/>	<hr/>
	40,887	205	127	41,219
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Chapter</b>				
	£000	£000	£000	£000
Appeal fund:				
Fabric	2,263	-	(10)	2,253
Music	71	-	-	71
Staff	25	-	-	25
	<hr/>	<hr/>	<hr/>	<hr/>
	2,359	-	(10)	2,349
Music	2,986	-	(12)	2,974
Properties revaluation	32,201	-	153	32,354
Property projects	1,361	-	-	1,361
Permanent endowment	941	205	(4)	1,142
John and Kathleen Kyle Memorial Fund for Lay Clerks	80	-	-	80
Roger Bruce Ellery	39	-	-	39
	<hr/>	<hr/>	<hr/>	<hr/>
	39,967	205	127	40,299
	<hr/>	<hr/>	<hr/>	<hr/>

## 16 Restricted funds

Consolidated and Chapter	At 1 April 2017	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2018
	£000	£000	£000	£000
AEV Day deceased	808	(28)	(5)	775
Fabric	133	17	-	150
Organ	116	-	-	116
Fabric and worship	45	-	-	45
Cathedral charitable	41	(3)	-	38
Library	28	2	-	30
Tower Repairs	-	12	-	12
Thomas-Davies	11	-	-	11
Girls' choir	9	1	-	10
Deanery Garden	7	-	-	7
Epiphany Chapel	-	6	-	6
Venerable Altar/ Swags	5	-	-	5
Woodhouse Trust	5	-	-	5
Others under £5,000	14	(1)	-	13
	<u>1,222</u>	<u>6</u>	<u>(5)</u>	<u>1,223</u>

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

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

**Organ** - Funds to repair and maintain the Organ

**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.

**Tower repairs** - Funds to repair and maintain the tower

**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

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

**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 2017	Net Incoming/ (outgoing)	Investment gains/ (losses) in	At 31 March 2018
	£000	£000	£000	£000
Kings & Scribes Project Fund	43	(43)	-	-
Deanery Maintenance Fund	1,048	(1,027)	(3)	18
Sound & Light Fund	72	(72)	-	-
Organ Fund	47	-	-	47
Music library	30	-	-	30
Stonemason Festival	5	-	-	5
	<u>1,245</u>	<u>(1,142)</u>	<u>(3)</u>	<u>100</u>

**Deanery Maintenance Fund** - Funds to repair and maintain the Deanery

**Organ** - Funds to repair and maintain the Organ

**Music library** - Funds for the music library

**Stonemasons Festival** - Funds to support the stonemasons festival

## 18 Unrestricted funds

### Consolidated

	At 1 April 2017 (restated)	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2018
	£000	£000	£000	£000
General fund	868	60	(1)	927
Property revaluation reserve	619	-	-	619
	<u>1,487</u>	<u>60</u>	<u>(1)</u>	<u>1,546</u>

### Chapter

	At 1 April 2017	Net Incoming/ (outgoing) resources	Investment gains/ (losses) in the year	At 31 March 2018
	£000	£000	£000	£000
General fund	954	60	(1)	1,013
Property revaluation reserve	619	-	-	619
	<u>1,573</u>	<u>60</u>	<u>(1)</u>	<u>1,632</u>

## 19 Reconciliation of net cash flow to movement in net funds

	2018 £000	2017 £000
(Decrease) / Increase in cash	(899)	89
(Decrease) in liquid resources	(6)	-
Increase in net funds	(905)	89
Net funds at 1 April 2017	3,280	3,191
Net funds at 31 March 2018	<u>2,375</u>	<u>3,280</u>

## 20 Analysis of changes in net funds

	At 1 April 2017	Cash flow	At 31 March 2018
	£000	£000	£000
Cash at bank and in hand	3,232	(899)	2,333
Cash balances included in investments	48	(6)	42
	<u>3,280</u>	<u>(905)</u>	<u>2,375</u>

## 21 Capital commitments

There were no capital commitments on 31 March 2018.

## 22 Contingent assets/liabilities

The Chapter is aware of its obligations in relation to Chancel liabilities.  
There were no contingent assets or liabilities at 31 March 2018 or 31 March 2017.

## 23 Pension schemes

Winchester Cathedral participates in the Pension Builder Scheme and the Defined Benefits 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 (2018: £104K, 2017: £97k).

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 PB Classic 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, the 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.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such 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 (2018:£5k, 2017:£5K), plus any impact of deficit contributions (see below), giving a total charge of £111k for 2018 (2017:£63k)

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 has 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 Friends Life. This scheme is closed to new members. The pension costs charged to the SOFA in the year are contributions payable (2018:£24k, 2017:£26k).

## 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:

	2018	2017
	£000	£000
Balance Sheet liability at 1 April	-	61
Additional recognised Pension Deficit	106	
Deficit contribution paid	-	(63)
Interest cost (recognised in SoFA)	-	1
Remaining charge to the balance sheet liability*(recognised in SoFA)	-	1
Balance Sheet liability at 31 March	<u>106</u>	<u>-</u>

\* 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-17	Dec-16	Dec-15
Discount rate	0.00%	0.00%	1.30%

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 will be 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 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:-

	<b>The Friends of Winchester Cathedral</b>	<b>The Winchester Cathedral Trust</b>	<b>The Carl Klein Trust</b>
	31-Mar-18 £000	31-Mar-18 £000	31-Mar-18 £000
Gross Income	267	273	-
Net incoming/(outgoing) resources for the year	25	(780)	-
Net Movement in Funds	22	(780)	-
Amounts paid or payable to the Cathedral	155	1,005	-
Gross Assets	708	2,042	585
Net Assets	541	2,039	585

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 £1,005k (2017: £505k) from The Winchester Cathedral Trust.

During the year the Chapter received £144k (2017: £162k) from The Friends of Winchester Cathedral in grants.

During the year the Chapter received £134k (2017: £134k) from The Pilgrims' School (Limited by Guarantee) in respect of rent.

During the year the Chapter paid £234k (2017: £230k) in respect of Choristers' school fees to The Pilgrims' School (Limited by Guarantee).

During the year the Chapter paid £4k (2017: £3k) to Sophie Hacker, the wife of a Chapter member Canon Roland Riem, in respect of expenditure on arts and exhibitions

## 26 Analysis of prior year total funds

### Consolidated statement of financial activities

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2017	2017	2017	2017	2017
	£000	£000	£000	£000	£000
<b>Incoming resources</b>					
Voluntary income	438	569	170	-	1,177
Grants receivable	5	-	2,654	-	2,659
Charges and fees arising in the course of charitable activities	108	-	-	-	108
Income from activities generating funds	2,423	-	-	-	2,423
Income from property and investments	1,029	-	-	-	1,029
	<u>4,003</u>	<u>569</u>	<u>2,824</u>	<u>-</u>	<u>7,396</u>
<b>Total incoming resources</b>					
Cost of generating funds	1,595	-	8	-	1,603
	<u>2,408</u>	<u>569</u>	<u>2,816</u>	<u>-</u>	<u>5,793</u>
Net incoming resources available for charitable activities					
	<u>2,408</u>	<u>569</u>	<u>2,816</u>	<u>-</u>	<u>5,793</u>
<b>Resources expended on charitable activities</b>					
Ministry	962	-	248	-	1,210
Cathedral and precincts upkeep	1,001	9	106	-	1,116
Education and outreach	185	-	40	-	225
Other expenditure on charitable activities	189	-	2,469	-	2,658
	<u>2,337</u>	<u>9</u>	<u>2,863</u>	<u>-</u>	<u>5,209</u>
<b>Net incoming resources</b>	71	560	(47)	-	584
<b>Gross transfers between funds</b>	-	427	(427)	-	-
<b>Other recognised gains</b>					
Investment property	-	-	-	213	213
Investments	12	21	101	530	664
	<u>12</u>	<u>21</u>	<u>101</u>	<u>743</u>	<u>877</u>
<b>Net movement in funds</b>	83	1,008	(373)	743	1,461
Fund balances brought forward	1,404	237	1,595	40,144	43,380
<b>Fund balances carried forward</b>	<u>1,487</u>	<u>1,245</u>	<u>1,222</u>	<u>40,887</u>	<u>44,841</u>



## 27 Analysis of prior year total funds (continued)

## Consolidated balance sheet

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2017	2017	2017	2017	2017
	£000	£000	£000	£000	£000
<b>Fixed assets</b>					
<b>Investment assets</b>					
Property	80	-	-	18,457	18,537
Investments	128	745	1,222	5,976	8,071
	<u>208</u>	<u>745</u>	<u>1,222</u>	<u>24,433</u>	<u>26,608</u>
<b>Non-investment assets</b>					
Property	770	-	-	16,454	17,224
Plant & equipment	128	-	-	-	128
	<u>898</u>	<u>-</u>	<u>-</u>	<u>16,454</u>	<u>17,352</u>
<b>Total fixed assets</b>	<u>1,106</u>	<u>745</u>	<u>1,222</u>	<u>40,887</u>	<u>43,960</u>
<b>Current assets</b>					
Stocks	126	-	-	-	126
Debtors	224	500	196	-	920
Cash at bank and in hand	836	-	2,396	-	3,232
	<u>1,186</u>	<u>500</u>	<u>2,592</u>	<u>-</u>	<u>4,278</u>
<b>Current liabilities</b>	<u>(805)</u>	<u>-</u>	<u>(2,592)</u>	<u>-</u>	<u>(3,397)</u>
<b>Net current assets / (liabilities)</b>	<u>381</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>881</u>
<b>Total assets less total liabilities</b>	<u>1,487</u>	<u>1,245</u>	<u>1,222</u>	<u>40,887</u>	<u>44,841</u>
<b>Funds</b>					
General fund	868	-	-	-	868
Property revaluation reserve	619	-	-	33,121	33,740
Property projects reserve	-	-	-	1,361	1,361
Music fund	-	-	-	2,986	2,986
Other funds	-	1,245	1,222	3,419	5,886
	<u>1,487</u>	<u>1,245</u>	<u>1,222</u>	<u>40,887</u>	<u>44,841</u>

## 27 Analysis of prior year total funds (continued)

## Balance Sheet - Dean &amp; Chapter only

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds
	2017	2017	2017	2017	2017
	£000	£000	£000	£000	£000
<b>Fixed assets</b>					
<b>Investment assets</b>					
Property	80	-	-	17,842	17,922
Investments	138	745	1,222	5,976	8,081
	<u>218</u>	<u>745</u>	<u>1,222</u>	<u>23,818</u>	<u>26,003</u>
<b>Non-investment assets</b>					
Property	770	-	-	16,149	16,919
Plant & equipment	20	-	-	-	20
	<u>790</u>	<u>-</u>	<u>-</u>	<u>16,149</u>	<u>16,939</u>
<b>Total fixed assets</b>	<u>1,008</u>	<u>745</u>	<u>1,222</u>	<u>39,967</u>	<u>42,942</u>
<b>Current assets</b>					
Stocks	17	-	-	-	17
Debtors	448	500	196	-	1,144
Cash at bank and in hand	819	-	2,396	-	3,215
	<u>1,284</u>	<u>500</u>	<u>2,592</u>	<u>-</u>	<u>4,376</u>
<b>Current liabilities</b>	<u>(719)</u>	<u>-</u>	<u>(2,592)</u>	<u>-</u>	<u>(3,311)</u>
<b>Net current assets</b>	<u>565</u>	<u>500</u>	<u>-</u>	<u>-</u>	<u>1,065</u>
<b>Total assets less total liabilities</b>	<u>1,573</u>	<u>1,245</u>	<u>1,222</u>	<u>39,967</u>	<u>44,007</u>
<b>Funds</b>					
General fund	954	-	-	-	954
Property revaluation reserve	619	-	-	32,201	32,820
Property projects reserve	-	-	-	1,361	1,361
Music fund	-	-	-	2,986	2,986
Other funds	-	1,245	1,222	3,419	5,886
	<u>1,573</u>	<u>1,245</u>	<u>1,222</u>	<u>39,967</u>	<u>44,007</u>