

CHICHESTER CATHEDRAL

Chichester Cathedral Summary
Report & Financial Information for
the Year Ended 31 March 2014

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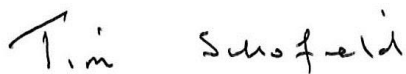
Acting Dean's Foreword to the Accounts

Last year we made a radical change to the way we presented the Annual Report and Accounts. In addition to the full version we produced a new style of simplified accounts to make the task of interpretation easier for the non-specialist. This included an abbreviated Annual Report, one page of figures, and coloured pie-charts to illustrate how money had been received and spent during the year. This new format was widely welcomed by the Cathedral community and so we have followed the same pattern this year.

The summary report and financial information have been compiled from the audited accounts of the Dean and Chapter of Chichester Cathedral. These accounts received an unqualified audit opinion from our auditors.

You may recall that the year ending March 2013 was a challenging year financially for the Cathedral resulting in a deficit of some £80,000. Thanks to some very careful financial management Chapter is pleased to report a surplus of nearly £53,000 this year. The full accounts also show that there has been a complete revaluation of the Cathedral's property portfolio and, for the first time, the accounts contain a cash flow statement.

However, whilst it is entirely right to be pleased with the financial management of the past year Chapter is very aware that there is no room for complacency. We still face significant challenges in the years to come and so we are always looking for ways of increasing our revenue stream for both the day to day running of the Cathedral and for specific development projects. In particular Chapter has begun working with the Trust to research how we might put together a Heritage Lottery Fund bid to cover major restoration and development work on the Cathedral over the coming years and we will keep the Cathedral community informed of how this progresses alongside the overall financial picture presented in the annual accounts.



Tim Schofield - Acting Dean

Chichester Cathedral Summary Report & Financial Information for the Year Ended 31 March 2014

The Mission of the Cathedral

The Cathedral Church of the Holy Trinity in Chichester exists to provide a seat for the Bishop of Chichester in order to be a centre of worship and mission.

Aims of the Cathedral Community

- To assist the Bishop in proclaiming God's love towards the world by his sacramental, pastoral and teaching ministry.
- To celebrate the sacraments and the daily prayer of the Church, to care for one another and to witness to God's love towards the world.
- To allow the building to speak of God's love towards the world both in the past and in the present.

Chapter's seven strategic priorities

- Continue to establish a centre of excellence in order to provide an inspiring place of worship and proclamation.
- Continue to provide capability to teach the Christian gospel in order to spread the word of Christ.
- Continue to provide pastoral care and welcome for all involved in the life of the Cathedral
- Continue to encourage visitors and worshippers to the Cathedral to share the gospel message.
- Continue to be an instrument and focus of unity amongst all traditions and denominations.
- As a body corporate be an example of godly living to everyone.
- Husband resources effectively to sustain and renew the life of the earth and for the benefit of the community.

Chapter acknowledges and is grateful for the support of the following charities in helping to fulfil its mission and aims:

- Chichester Cathedral Restoration & Development Trust (charity no. 1156729)
- Chichester Cathedral Millennium Endowment Trust (charity no. 1062176)
- Friends of Chichester Cathedral (now Chichester Cathedral Friends charity no. 1158498)

Chapter continues to be enormously grateful for the help and support of a large number of volunteers.

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THE WORK OF THE CATHEDRAL

Liturgy & Music Department

The year was dominated by preparations for two major events. In June the Cathedral Choir made a highly successful tour to Bayreuth and Bamberg, strengthening the existing ecumenical relationships between Chichester and these two cities.

In July, Chichester hosted the Southern Cathedrals' Festival, welcoming large audiences to three days of services and concerts. The Festival included the premiere of a new motet, *The Offered Christ*, commissioned from the composer James MacMillan who attended the Festival.

Other notable events included a Service for Her Majesty's Judges, and a Eucharist celebrating the 50th anniversary of Bishop Luffa CE School. Thanksgiving Services were held for Dr John Birch (formerly Organist and Master of the Choristers), Patrick Garland (a previous Director of Chichester Festival Theatre) and Admiral Sir Sandy Woodward (Commander of the Falklands Task Force in 1982)

Concert bookings have remained at a healthy level, with the Tuesday Lunchtime Concert Series continuing to attract a large audience each week.

The year also saw the launch of the Chichester Cathedral Choral Foundation Fund, whose aim is to strengthen the long-term funding of choristers and to enable the Organist and Master of the Choristers to recruit the most musically able choristers from any background.

Education and Visitors Department

Our core programme of workshops and tours continues to be complimented by numerous other educational activities including specialist events and study days for adults, GCSE and A level students.

Our School Friends scheme continues to flourish with an increase in numbers during the year, vibrant and well attended School Friends services and other tailored events for schools.

Numbers attending our Education programme still exceed 8,000 with Family activities having grown in popularity showing a significant increase between autumn 2013 and early Spring 2014.

Our wonderful team of over 50 dedicated Education volunteers continues to thrive and is a key contributor to the development and delivery of the Education programme to schools. A significant change in the department this year has been the retirement of Marilyn McInnes as Education Officer after 14 years, and the arrival in February of Cynara Davies to take up the post.

It can be estimated that the total number of people entering the Cathedral over the period of this report was approximately 370,000 including "tourists" who accounted for approximately 241,000 of the total. In addition the number of booked groups was 7,100. These visitor numbers are considered to be very healthy.

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Library

The interest in the Library and its holdings continues to grow and is reflected in the number of visitors to the Library both on a weekly basis and not least in connection with the 'Behind the Scenes' events which take place in July and September. The Library also receives a wide range of enquiries and offers of bequests.

The Library maintains a very good working relationship with the Cathedral's Education Department and the latter benefits from taking visiting school children to see the Library and its corbels and also makes use of the Library holdings for its 'Gifted & Talented' days. The Library Display Case in the south choir aisle is also put to good use in connection with specialised tours organised by the Education Department.

This year the first ever Collection Policy for the Cathedral Library and Archives was finalised and approved by Chapter.

Treasury

The Treasury continues to attract a flow of individual visitors (about 3,200 this year, up about 10% on 2012-3) and in addition groups from parishes and elsewhere. Welcome additions to the collection this year were pieces from Up Marden, with links to Uppark and the Tankerville family. Parishes withdrawing their loaned pieces temporarily for use or display on special occasions continue to be welcomed.

Parish Links

We continue to keep the vital link between the Cathedral and parishes through Parish Links. Every day the Cathedral prays for a parish as part of the Diocesan cycle of prayer and on their day each parish is invited to visit the Cathedral. Many parishes make special pilgrimages to Mother Church and we can give them a special tailor made day. Every Autumn we have a Links Evensong which has become a very special celebration.

George Bell House

This year has seen a good use of George Bell House both for its primary and commercial uses. The House now serves retreat groups and meetings for three dioceses and it has also provided a valuable venue for the Diocese of Europe.

Various courses and conferences take place in the House and it is used by both outside groups and those associated with the Cathedral.

Income from George Bell provides important support to the overall work of the Cathedral.

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THE DEAN AND CHAPTER OF CHICHESTER

Summary Financial Information

For the year ended 31st March 2014

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31-Mar-14	Total Funds 31-Mar-13
	£	£	£	£	£
Income					
Voluntary income	499,317	136,554	5,625	641,496	515,964
Grants receivable	56,994	137,321	-	194,315	168,884
Charges and fees arising in the course of mission	63,314	8,451	-	71,765	50,539
Income from activities generating funds	1,232,453	-	-	1,232,453	1,195,341
Income from property and investments	770,816	85,351	58,529	914,696	905,247
Other income	348	1,100	-	1,448	1,616
Total income	2,623,242	368,777	64,154	3,056,173	2,837,591
Expenditure					
Ministry	500,334	190,611	2,671	693,616	614,980
Cathedral and precincts upkeep	372,503	64,650	-	437,153	436,029
Cathedral restoration	-	21,289	-	21,289	4,715
Hussey Commission	569	-	-	569	1,138
Costs of generating funds	1,283,537	32,096	2,234	1,317,867	1,295,314
Education and outreach	93,303	50	-	93,353	102,763
Administrative Services	384,017	14,201	25	398,243	419,828
Community parish and congregation	680	-	-	680	1,007
Other services	40,530	-	-	40,530	41,782
Total expenditure	2,675,473	322,897	4,930	3,003,300	2,917,556
Net incoming / (outgoing) resources	(52,231)	45,880	59,224	52,873	(79,965)
Other gains on Revaluation					
Investments Property	1,542,000	1,832,152	5,103,000	8,477,152	-
Investments	2,628	134,045	90,167	226,840	307,997
Non investment property	909,000	-	9,742,000	10,651,000	-
Total other gains on Revaluation	2,453,628	1,966,197	14,935,167	19,354,992	307,997
Gross transfers between funds	16,724	42,500	(59,224)	-	-
Net movement in funds	2,418,121	2,054,577	14,935,167	19,407,865	228,032
Funds brought forward	7,831,242	2,850,271	3,662,782	14,344,295	14,116,263
Funds carried forward	10,249,363	4,904,848	18,597,949	33,752,160	14,344,295
Balance Sheet					
Fixed Assets					
Property	10,676,000	2,600,000	17,345,000	30,621,000	11,492,848
Investment	36,251	1,875,367	1,233,668	3,145,286	2,862,822
Equipment and plant	33,082	-	-	33,082	24,198
Current Assets	639,647	535,163	20,946	1,195,756	1,285,277
Liabilities	(1,135,617)	(105,682)	(1,665)	(1,242,964)	(1,320,850)
Net Assets	10,249,363	4,904,848	18,597,949	33,752,160	14,344,295

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THE DEAN AND CHAPTER OF CHICHESTER

Summary Financial Information

For the year ended 31st March 2014

Cash Flow

	31-Mar-14	31-Mar-13
	£	£
Net cash outflow from operating activities	(892,794)	(986,945)
Returns on investments and servicing of finance	916,144	906,863
Taxation	685	(2,591)
Capital expenditure and financial investment	(73,169)	(20,000)
Decrease in cash in the period	(49,134)	(102,673)
Reconciliation of net cash flow to movement in net funds		
Decrease in cash in the period	(49,134)	(102,673)
Change in net cash resulting from cash flows	(49,134)	(102,673)
Movement in net cash in the period		
Net cash at 1st April 2013	694,470	797,143
Net cash at 31st March 2014	645,336	694,470

Chichester Cathedral Summary Report & Financial Information for the Year Ended 31 March 2014

Financial Review

The Cathedral financial statements are consolidated and incorporate the results of the Dean & Chapter together with its wholly owned subsidiary Chichester Cathedral Enterprises Limited. This company operates the commercial activities of the Cathedral including the Cloisters Café and Bookshop.

The financial operation of the Cathedral is overseen by an independent Finance Committee who meet on a regular basis to monitor the financial performance and other related matters.

Financial Summary

Total income received during the year ended 31 March 2014 amounted to £3,056,173 (2013 £2,837,591). Total expenditure was £3,003,300 (2013 £2,917,556). This gave rise to a surplus on the operation activities of the Cathedral of £52,873 (2013 deficit £79,965).

Overall funds increased to £33,752,160 as at 31 March 2014 from £14,344,295 as the value of the Cathedral total investments rose by £19,354,992 following the revaluation of property, £19,128,152, and strong stock market gains during the year of £226,840.

A summary of income and expenditure across the various activities of the Cathedral is included in this report together with a five year summary.

Income

Chichester Cathedral Restoration & Development Trust

The Trust raises funds for the restoration and maintenance of the Cathedral. Requests for funding are made by Chapter to the Trust and the level of funding required depends on the programmes of works being undertaken. As result the income varies from year to year. Income in 2014 amounted to £24,824 compared with £20,227 in 2013.

We are very grateful for the continuing support of the Trust and for all those involved in the fundraising.

Legacies

Legacy income amounted to £28,000 in 2014 compared with £26,205 in 2013. We continue to be enormously grateful to individuals who choose to remember the Cathedral in this way.

Investment Income

Income is received from rental on the Cathedral's residential and commercial properties and dividend and interest from its portfolio of investments.

Despite the prevailing economic conditions rental income increased slightly to £772,705 from £771,162. The yield from investments remained steady at 4.5% and amounted to £141,991 compared with £134,085 in 2013.

Chichester Cathedral Summary Report & Financial Information for the Year Ended 31 March 2014

Commercial Activities

Income from the commercial activities increased during the year (2014 £1,232,453 compared to £1,195,341 in 2013). The café and shop were particularly affected by the weather during the summer of 2013 and a general tightening of visitors spending though an upturn (surplus) was observed in the month of March 2014 which normally, due to weather, results in a deficit.

Expenditure for the commercial activities reduced due the release of the business rates provision which had not been utilised due to a favourable response from the council on charity rates.

As a result the net contribution to the Cathedral rose to £109,524 from £53,423 in 2013.

Friends of Chichester Cathedral

Chapter is indebted to the Friends for its support and funding. Income from Friends amounted to £61,519 including a major contribution to the refurbishment of the Cathedral toilets. In all 11 projects were funded by the Friends all of which made a significant contribution to the life of the Cathedral community.

Expenditure

Overall costs have been controlled during the year subject to normal inflationary increases. Points to note are:

Cathedral Upkeep

There is a continuous programme of maintenance required to the Cathedral and its precincts. The routine maintenance programmes costs were £437,153 compared with £436,029 in 2013.

There were no major capital projects during the year and as a result the expenditure funded by the Restoration and Development Trust was low at £21,289.

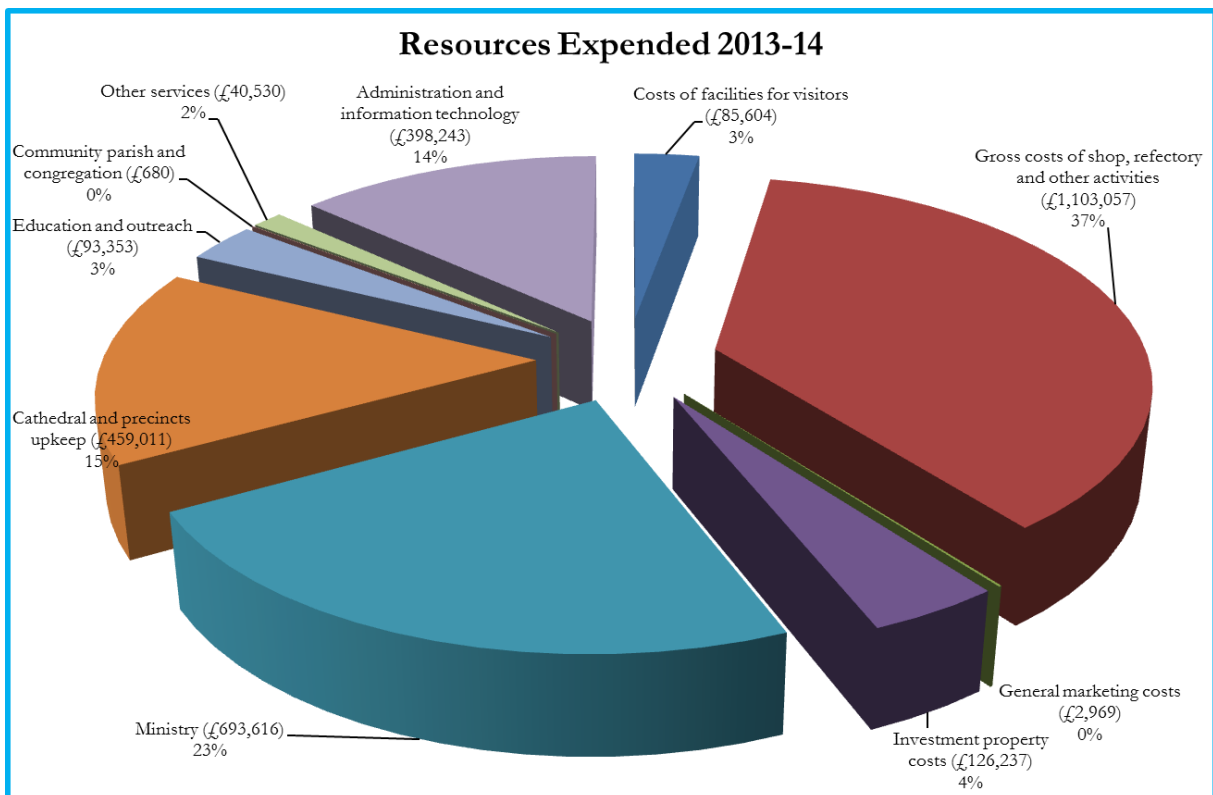
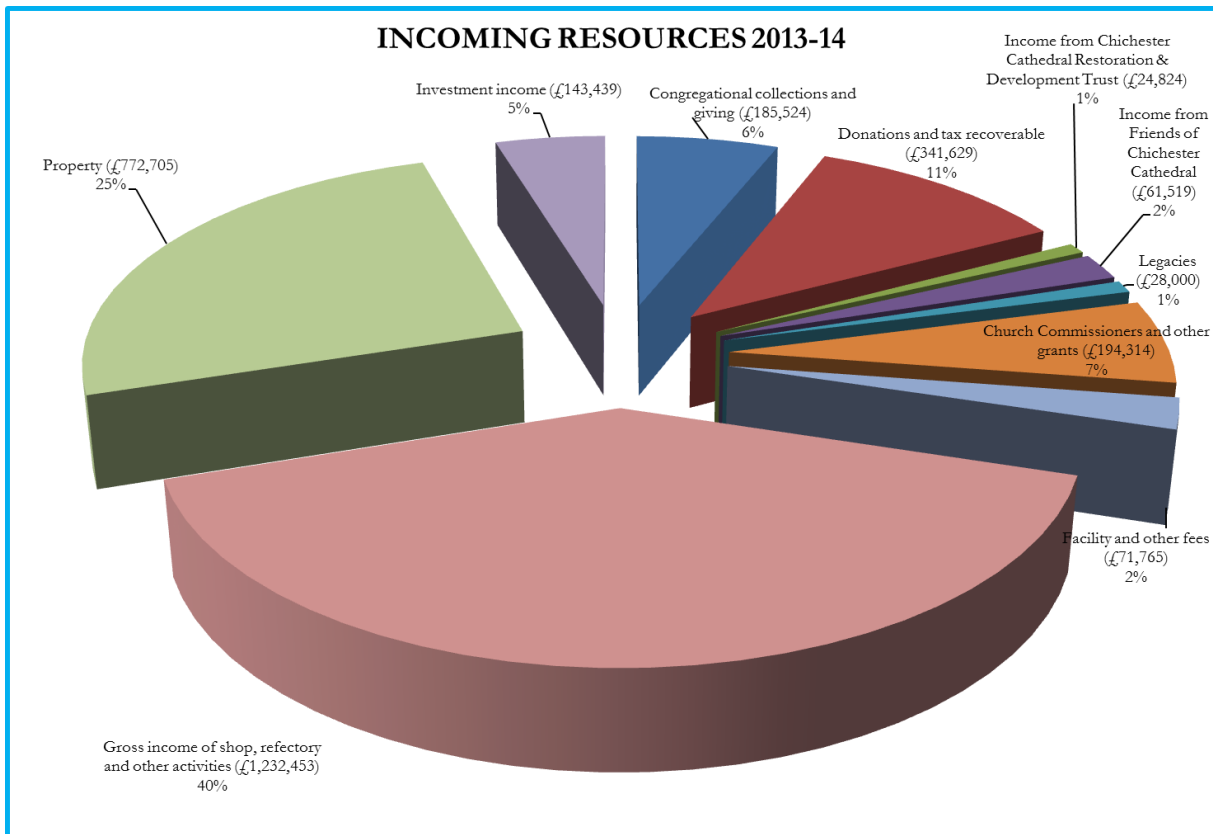
Administration and Finance

These costs have reduced by £21,585 to £398,243 due primarily to non-recurrent expenditure undertaken in IT in the previous year.

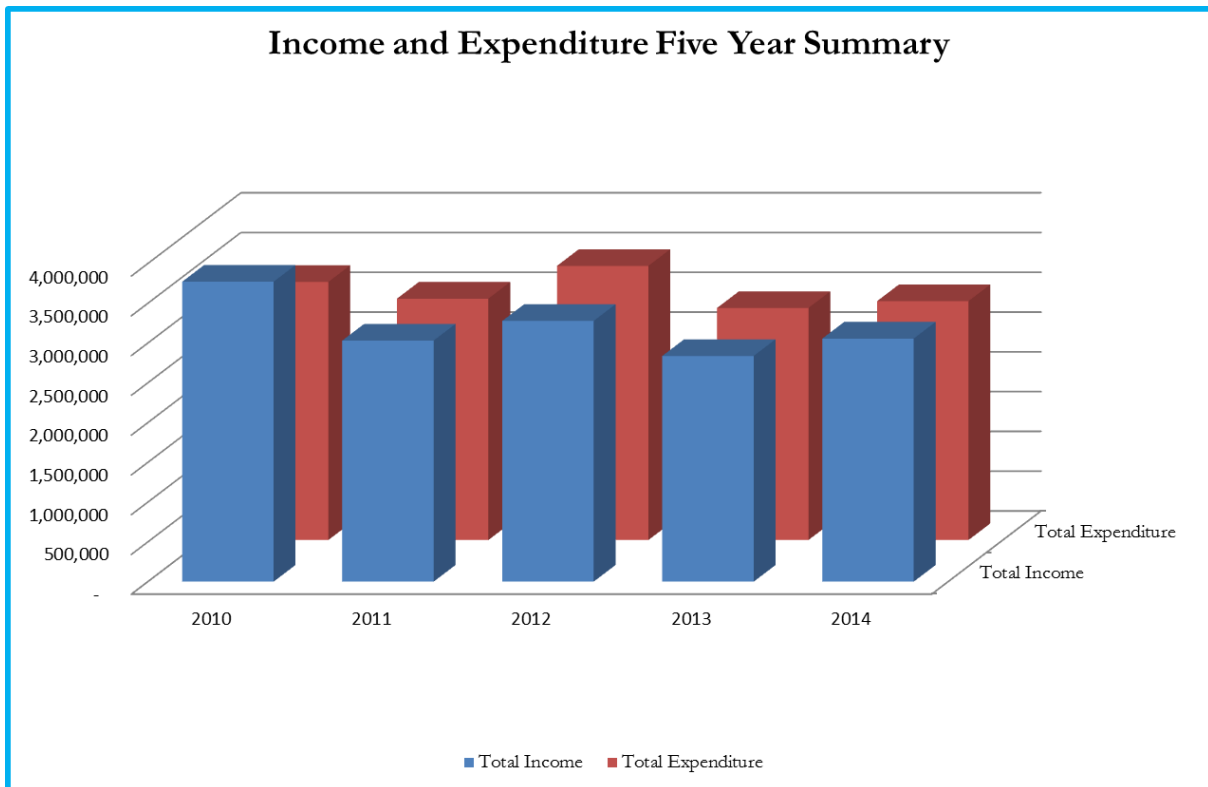
External Causes

Chapter continues to donate 15% of all collection monies to external causes and a list of beneficiaries is contained in the full annual report.

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The graphs show a fairly consistent relationship of income versus expenditure with 2010 income being unusually high due to high restoration work funded by the Trust and expenditure in 2012 being impacted by the defined benefit deficit of £515k which was written off.