

PORTSMOUTH  
CATHEDRAL

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**PORTSMOUTH CATHEDRAL**

**THE CATHEDRAL CHURCH OF  
ST THOMAS OF CANTERBURY  
PORTSMOUTH**

**ANNUAL REPORT AND AUDITED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2022**

**PORTSMOUTH CATHEDRAL**  
**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**PORTSMOUTH CATHEDRAL**  
**ANNUAL REPORT OF THE CHAPTER**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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## **Preface**

This year's Annual Report and Audited Accounts have been produced in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals, prepared for the Cathedrals Administration and Finance Association and specified by the Church Commissioners. A copy of the Regulations may be read in the reception area of the Cathedral Office.

A simplified version of the accounts is, as usual, being made available at the Annual Parochial Church Meeting this year, together with a full report of the activities of the Cathedral and its various groups.

To reduce printing costs, this formal version of the report will be made available on the Cathedral website: [www.portsmouthcathedral.org.uk](http://www.portsmouthcathedral.org.uk).

Paper and large print copies can be made available for those who wish to have them; please ask for a copy from the Cathedral Office, telephone: 023 9289 2963, email: [info@portsmouthcathedral.org.uk](mailto:info@portsmouthcathedral.org.uk)

**The Very Reverend Dr Anthony Cane**

**Dean of Portsmouth**

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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### Objectives and Aims

*Portsmouth Cathedral: a beacon and safe haven, anchored in Jesus Christ.*

For centuries Portsmouth Cathedral has been a beacon for people on land and at sea, helping them navigate the passage of time with faith and confidence in God. It is a building of greatness and simple enduring beauty, and a lively, inclusive, and compassionate community which has a positive impact on the lives of people in its own parish, as well as the City and Diocese of Portsmouth.

2022 represented a return to pre-Covid operations as Government regulations were reviewed, relaxed, and removed. It was a welcome return to fully gathering in-person as a worshipping community. As a community, the Cathedral celebrated the major church festivals fully in the Cathedral for the first time since 2019, participated in the civic life of our City and nation through the annual Civic Service, the Seafarers Service, the celebrations of her late Majesty's Platinum Jubilee followed in September by being a focal point locally for the national mourning following the late Queen's death in September to name, but a few. All these services and activities were made possible through the excellent music of our Cathedral choirs and specially designed services.

Our Fresh Expressions service, Pompey Sundays, continued to grow in numbers as did the weekly Wednesday gathering of pre-school children with their parents/guardians for Pompey Tots.

Live performances returned to the Cathedral, including: a performance of Handel's Messiah; a Jubilee-themed weekend of music for the Platinum Jubilee led by Cathedral musicians and the Solent Symphony Orchestra, light shows in the Cathedral for "Cathedrals at Night" and our summer activities accessible to all of Portsmouth and the wider Diocese.

The Cathedral remained focused on the conservation of the fabric for current and future generations. Chapter continued to work towards its goal of achieving carbon net zero by 2030 with further steps taken in 2022 to reduce our carbon footprint.

Underpinning all activities is our Vision and Strategy. Launched in 2020, with six separate, but interdependent strands, it remains central to the work of the Cathedral as we seek as a Cathedral community to live out our mission.

The following pages highlight our work relative to each objective and how progress has been made to help realise our vision to be 'a beacon and safe haven, anchored in Jesus Christ.'

A reminder of these six objectives with their associated progress measure:

- **Worship and Music**

We are committed to offering worship to God on behalf of the whole community, and serving the needs of many individuals, groups, and organisations. With excellence in music, imaginative use of space, nurturing the gifts of all and using the rich resources of liturgy – both traditional and contemporary – the worship at Portsmouth Cathedral will continue to draw people to God, reflect the beauty of Christ and invite all-comers to a deeper experience of the sublime.

- PM1: Attendance at services, both in the Cathedral and virtually
- PM2: Engagement with community organisations through worship
- PM3: Outreach events involving music.

- **Growing and Learning**

We are whole-hearted in seeking to grow in faith, learning, and participation, enabling encounter with the living God for all ages through education, nurture, and the arts. We seek to be bold and inclusive in nourishing the existing Cathedral community and drawing new people into it. We are working to inspire our visitors through creative engagement, and to embed learning and feedback in all that we do.

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- PM1: Engagement with schools
- PM2: Adults participating in introductory Christianity courses.
- PM3: Number of community art projects
  
- **Diocese and Community**

We will resource and build up the overlapping communities the Cathedral serves, from our own parish and worshipping community to the parishes of the Diocese, and to our visitors and pilgrims. We will work with our Bishop and Diocesan colleagues to be a Cathedral connected with and relevant to the whole Diocese. We will enable visitors and pilgrims to experience more than they expected, whether spiritually, emotionally, or intellectually.

  - PM1: Cathedral Ministry Team preaching, teaching, and officiating across the Diocese.
  - PM2: Parish visits to the Cathedral
  - PM3: Quality of visitor and pilgrim experience
  
- **Building and Heritage**

We will conserve and harness the potential of our buildings, treasures and environment entrusted to our care. We will ensure the conservation and development of the Cathedral itself as a place of worship and divine encounter, while maximising the use of all our buildings to improve income streams and engage wider audiences with the life and work of the Cathedral.

  - PM1: The Cathedral's Trip Advisor rating
  - PM2: Items identified from our Quinquennial Inspection
  - PM3: Donation box income
  
- **Partnership and Engagement**

We are committed to being an outward-looking community, working to identify and overcome barriers to participation. We are working to widen our engagement with the Cathedral and its significance, including its spiritual life, and to develop mutually beneficial partnerships. We will build a culture of social responsibility and contribute to the common good of the City of Portsmouth, the Isle of Wight, and South-East Hampshire.

  - PM1: New partnerships and shared projects
  - PM2: Support for local foodbanks and other charities
  - PM3: Extent of Fairtrade and locally sourced products for events
  
- **Finance and Sustainability**

We will build a financially sustainable Cathedral with the resources to offer inspiring worship, learning, community, external engagement, and social justice. We will carefully manage our finances, embed a culture of stewardship, transparency, and accountability in all our activities, while taking hold of opportunities to grow income innovatively and ethically.

  - PM1: Cathedral expenditure does not exceed income.
  - PM2: Congregational giving
  - PM3: Community confidence in the way finances are managed

More about the Vision and Strategy may be found on our website: [Cathedral Vision — Portsmouth Cathedral](#)

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## Achievement and Performance

### Worship and Music

The installation of the Right Revd Dr Jonathan Frost as the tenth bishop of Portsmouth in March 2022 was a highlight of the year. The Cathedral was packed with a congregation from across the diocese and wider community and included wonderful music and liturgy shaped by our new Bishop's focus on young people. 1,797 people viewed the service on-line via the Cathedral and Diocesan YouTube channels.

As well as our own Cathedral Choir, children from Cathedral Sing and Choir Church sang. Two Charter Academy students, Christina and Areen, led Bishop Jonathan in and out of the Cathedral. In his sermon, the Bishop encouraged us to 'offer what we can' in the face of the seemingly overwhelming needs of the world, and discover what God can do when we take the next step in faith and trust.

In addition to providing for six sung services a week during term time, Worship and Music continued to provide that beacon for our city, diocese and wider partners including:

- Civic Service and Commemoration following the death of Her Late Majesty Queen Elizabeth alongside the Cathedral being a focal point of mourning in the region.
- "Falklands 40" with 400 veterans in attendance
- Eucharist to commemorate the 40<sup>th</sup> anniversary of the raising of the Mary Rose
- Royal Naval Benevolent Trust Centenary Service
- Women's Royal Naval Service Association laying up Standard and Dedication of new Standard
- Annual Civic Service incorporating The Portsmouth Jazz Mass and the music from the film "Interstellar" with special reflection on the situation in Ukraine.
- Annual Service for Seafarers
- Annual HM Royal Marines Band Service Memorial Day Service
- Sunday Service on BBC Radio 4 to celebrate Sea Sunday
- BBC Choral Evensong on BBC Radio 3

*In Holy Week*, our preacher was the Reverend Canon Tim Schofield (retired Canon Precentor at Chichester Cathedral). His series of reflections were on "Signs of Glory."

On Good Friday, our children's service year involved the children in making the Cathedral's Easter Garden, as well as singing and hearing about the passion and crucifixion. ITV came and filmed the service, interviewing participants, and featured it in their news bulletins.

*For Advent and Christmas*, congregation numbers returned to near pre-pandemic levels. Congregational giving over this period was just under £6,000 as opposed to just over £8,200 in 2019, but well above what was received during the Covid years of 2020 and 2021.

*Pompey Sundays*, the Cathedral's Fresh Expression service, continued to grow and develop as a diverse, all-age, pastorally supportive community, celebrating its first birthday at Pentecost. A music group has grown from an initial impromptu outing at Epiphany, and now has its own rota and steering group. The planning and leadership team consists of a mixture of lay and ordained people who have received feedback that this service is experienced as a welcoming and inclusive space, with accessible worship, by those new to church as well as by experienced churchgoers. Between 30 and 50 people attend this service each Sunday.

*Baptism and Confirmation*. Over the course of the year there were 10 baptisms and 122 confirmations, some of which were members of the Cathedral congregation.

*Marriages*. There were 6 marriage services held in the Cathedral during 2022 and one renewal of vows a year on, for a couple who had been married the 'first time' with minimum numbers possible during lockdown.

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*Funerals.* Six funeral services and three memorial services were held in the Cathedral during 2022. May they rest in peace and rise in glory.

*Cathedral Choirs.* There are 24 boy choristers and 24 girl choristers plus new training choirs for our youngest singers in the choir. The back row of the Cathedral Choir is formed of five lay clerks and up to five Choral Scholars as part of our annual gap year scheme which also includes an Organ Scholar. The scheme enables up to six young people to spend a year developing their skills either before the start of university or at the end of their undergraduate degree.

*Cathedral Sing,* the Cathedral's outreach programme, brings the English Choral tradition out into the community working with over 400 children in 2022 including those from schools on the Isle of Wight and in November having a Cathedral Sing Evensong for St. Cecilia's Day here in the Cathedral.

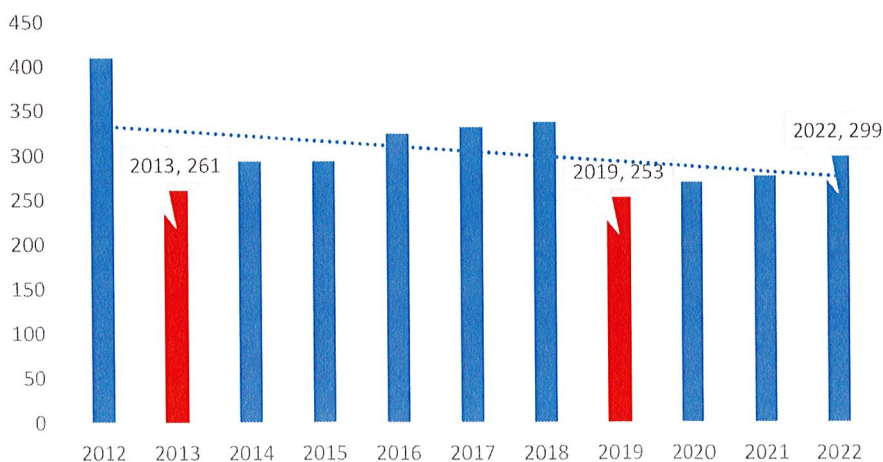
*Supporting choirs across the Diocese.* In September, an RSCM 'Singing Day' the Cathedral welcomed 103 singers from across the diocese to work with the composer and conductor Philip Stopford. And late in 2022, for Gabrieli Roar – we hosted The Gabrieli Consort and over 400 young singers from schools across the region for a concert of Praetorius and Schutz – enabling access to the highest standard of music-making for children of all backgrounds.

*Inviting parishes to their Cathedral.* Invitations sent to all parishes when prayed for in the Diocesan Prayer cycle: several parish representatives, ministers and churchwardens have come on these occasions for Evensong. Tour and tea were then provided for parishes coming to the service.

*The Electoral Roll.* The roll of parishioners stood at 299 at the APCM in May 2022, an increase of 22 since 2021 and total of 46 since the new roll in 2019 (growth of just over 18% since 2019).

Every six years a new Church Electoral Roll is prepared. This took place in 2019 and everyone on the 2018 roll had to re-apply. The next renewal of the Roll will be in 2025. Details of the numbers since 2012 are outlined below where red indicates the start of the new Roll:

Electoral Roll 2012-2022





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### Growing and Learning

*Portsmouth Cathedral Institute.* In 2022 the Institute ran four successful seminars, beginning with the revival of the annual Robert Dolling lecture, in which Professor Mark Chapman from the University of Oxford delivered an outstanding lecture on Fr Dolling's ministry in Victorian Portsmouth, along with reflections on the continuing relevance of that ministry today. The Institute also ran a well-attended workshop on the effective teaching of Christianity in our schools, and a seminar series entitled 'Six Texts that Changed the World' ran in June and July 2022. The seminar-based series attracts between 30-40 individuals each time.

*Exhibitions.* In May the Cathedral hosted The Big Draw which welcomed young artists-in-residence into the Nave, as City of Portsmouth College (formed from the merger of Highbury College and Portsmouth College) staff and students organised this community art project. The project had the joyful and topical focus of paper bunting, with a variety of themes covered: the Queen's Jubilee, the Queen's Green Canopy, sea pollution, and dots (a reference to International Dot Day, the aim of which is to boost creative courage through this simple and accessible medium). Integral to their enterprise was the need to work with others, so it was explicitly billed as a community project, with everyone welcome to join in. For some students, this was the first time they had set foot in a cathedral.

*Pompey Tots.* The Cathedral Toddler Group has been given a bright new look and rebranded as #PompeyTots, while continuing the popular format of a service in St. Thomas' Chapel, followed by playtime and refreshments in Becket Hall. Average weekly numbers for 2022 were nine plus parents and guardians but increasing as the year progressed.

*Schools.* As the Cathedral returned to pre-Covid operations we welcomed several individual school groups for visits and tours during the year. Members of the Ministry Team regularly visit local schools to take assemblies and services, as well as taking services for schools in the Cathedral. The Dean, Canon Kathryn and Canon Anthony sit on the governing bodies of Portsmouth Grammar School, Portsmouth High School, and Mayville High School, respectively. A Foundation Governor is provided for St Jude's CofE Primary School.

In June, annual Diocesan School Leavers' Services and Workshops took place in person for the first time since the pandemic. Over 1,000 Year 6 children attended in all; our team of education volunteers, working with the diocesan education team, organised workshops on prayer pyramids, labyrinths, a Lego challenge, and a re-enactment of the Queen's coronation, whilst our Cathedral Sing team ran singing workshops on the hymns to be sung in the afternoon services, which took place each day after a picnic lunch on the Cathedral Green.

These days marked the culmination of a year's work on the schools' annual theme, 10:10#Flourishing (after John 10:10) and pupils gave engaging PowerPoint presentations on their work on the environment, spirituality, and good mental health, all linked to life in all its fullness. Each school had also brought flowers, made of recycled materials, to banners which were later displayed during the Wild Cathedral installation.

*Children and young people's education and nurture.* Confirmation classes were held in person for young people being (baptised and) confirmed by Bishop Jonathan at Easter Eve. Regular nurture sessions were held for our choristers, with a variety of guest leaders, on theological and environmental themes.

*Adult education and nurture.* In January and February, the Cathedral ran the Church of England's Living in Love and Faith course. This was well attended by people from the Cathedral congregation, Portsmouth Deanery, and the wider diocese. Good and honest conversations took place around the issues of sexuality and gender in our theology, faith, and lives. (Portsmouth Cathedral is a member of Inclusive Church.)

For a second year running, our Lent course, Art Tuesdays, was held online, with lectures on the theme 'Signs of Glory' given by the Revd Canon Howard Barker, the Revd Harriet Neale-Stevens, Joanne Bushnell (from Aspek Gallery, Portsmouth), Dean Anthony, and Pete Codling, a former artist in residence at the Cathedral.



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Our Cathedral curates, the Revd Catherine Edenborough and the Revd Hannah Barraclough led a four-week Advent course on the theme of Waiting and Watching for Christ. Using guided meditations on scripture passages, the group looked at how God waits for us, waiting with anticipation, how we watch for God's prompting in our lives, and finally waiting for justice.

*Volunteers.* Volunteers are vital to our life and work at Portsmouth Cathedral, and our volunteers have worked with great heart and dedication throughout the year. Chapter is immensely grateful to each of them. Over the course of the year, the Volunteer Coordinator continued to streamline our recruitment and training processes, support our existing volunteers, as well as work with agencies and institutions across the City (including the Job Centre and The Hive) to recruit new volunteers.

In October the entire Cathedral Community was deeply saddened by the sudden death of Nadjia Carpenter, our Volunteer Co-Ordinator. In her short time with us, Nadjia transformed our volunteer on-boarding process. Please see the staffing section later in this report for how Chapter is remembering her life and her time with us.

### Diocese and Community

*Deanery and Diocesan Synods.* The Cathedral continues to play a full part in the life of the Portsmouth area Deanery, with Cathedral clergy and lay representatives attending meetings of the Deanery Synod. Canon Kathryn is a member of the Deanery Synod Standing and Pastoral Committee and represented the Cathedral at meetings of the incumbents of our Inner-City Cluster, at which partnership working was mapped out. Canon Kathryn is also a Diocesan Synod representative.

*Participation with local communities.* The Cathedral participated in the Christians at Pride stall, with welcome leaflets, at Portsmouth Pride on Southsea Common in June. Many good conversations were had with people of all ages. Canon Kathryn gave a talk on her work at a meeting of the Women's Institute in April.

*Deanery and City Appeals.* The Cathedral was pleased to contribute to our local community by collecting Easter eggs for distribution through the Roberts Centre (Deanery appeal), chocolate Advent calendars for the 'Chocolate Elf' project, food at Harvest and all year round for the Roberts Centre Food Bank, and vouchers for the Deanery Christmas voucher scheme, as well as a one-off collection of specific items at the outbreak of the Ukraine conflict.

*Outward giving.* Chapter continues to provide funds to support local, national, and international charities. Funds were granted to our partner Diocese of Sunyani, Ghana, Solent Mind, Stop Domestic Abuse, Toilet Twinning and the Roberts Centre.

*Media - Engaging with the wider community.* Canon Kathryn has written a faith column, highlighting Cathedral events, for our local newspaper, The News, at intervals through the year; and members of the clergy and Cathedral community have undertaken local radio and television interviews on various aspects of our life and work.

Our April Fools social media post on our "plans" to turn the Nave into a swimming pool garnered 394 likes, 115 comments and 98 shares.

*Inter-faith partnership.* Our annual Muslim Christian Evening with the Wessex Jamaat was again held online, this year with the theme, 'How is God calling us to respond to him now?' The event was well attended, and discussions were held in breakout rooms, about the impact of the pandemic on our faith, and what we might do differently now. There was music from our choir, and the traditional Annunciation readings from the Bible and the Qur'an.

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*Sharing our skills and expertise.* Portsmouth Cathedral's clergy and staff team have shared their time, skills and enthusiasm in governance and committee roles at a range of local and national causes and organisations including:

- Cathedral Administration and Finance Association
- Cathedral Organists Association
- Church of England Liturgical Commission
- Church of England Coronavirus Recovery Group
- Church of England's Living in Love and Faith process
- The D-Day Story
- National Network of Safeguarding Chapter Leads
- Ouseley Church Music Trust
- Portsmouth Cultural Education Partnership
- Portsmouth & District Business Strategy Group
- Portsmouth High School (GDST)
- Petersfield In between Club
- Praxis
- Royal School of Church Music, Portsmouth and Isle of Wight Area
- The Portsmouth Grammar School
- Mayville High School
- Cathedrals' Fabric Commission for England

### Building and Heritage

As the current custodians of this Grade I listed building and precincts, Chapter remains focused on both the conservation of the Cathedral for future generations and working to make the building ever increasingly functional to the needs of God's people today (e.g., live streaming capability) and managed in a manner that respects God's creation (e.g., Carbon Neutral 2030 targets).

*Cathedral fabric -* during 2021/2022 the Cathedral Architect undertook the Quinquennial Inspection. This inspection highlighted approximately £1.6 million in repair works needed for the Cathedral fabric over the period from 2022 to 2027.

Major works identified over this period include: a heating feasibility study; replacement of the heating system, major interior and exterior repairs to St Thomas's Chapel; external repairs to the south and north-east transept as well as internal decoration.

Of the £705,000 remaining to be completed from the 2016 Quinquennial Inspection, £223,550 of the most urgent works were completed during 2022, including repairs to the South Transept window, the South-West Nave porch, the Western towers including two new finials and the north Quire roof. Chapter is grateful to Covid-19 related major works and other government funding as well as private donations for making these works possible.

In late 2022, the Cathedral was grateful to receive confirmation that the Church Commissioners would fund 50% of the cost of the heating feasibility study. The Friends of Portsmouth Cathedral have also donated a substantial amount to enable this work to go ahead. This study, which is to be completed in the first half of 2023, will provide Chapter with options of how to best renew the Cathedral heating system, which is near the end of its useful and efficient life, in an environmentally and sustainable manner. The report is also an important document to support any bids Chapter may make for external funding of this project including the £190 million earmarked by the Church Commissioners for carbon neutral work on church buildings.

Funding was also approved in the 2023 budget for a revision of the Conservation Management Plan. The existing plan was produced in 2006 and is an important document in how to conserve the fabric of the building while ensuring it meets the needs of today. It is also important to support funding applications.

*Responsible Stewardship – Energy and the Environment.* Chapter is committed to reducing the Cathedral's environmental impact and embracing the Church of England's Carbon Net Zero 2030 ambition.

Working with Portsmouth City Council, the Cathedral planted four new wildflower areas on the Cathedral Green which are supported through altered mowing regimes. This has encouraged biodiversity and with other initiatives,

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including the appointment of a Climate Change Champion, is part of our continued work toward achieving a Rocha Eco Church Silver status. Chapter remains grateful to the “Adams”, our volunteer gardeners, for the care of the Memorial Garden and for tending the flowerpots and much more around Cathedral Green

During 2022 the Cathedral continued to 'recycle' energy bill savings and feed-in tariff income into energy efficiency projects. In Cathedral House, the roll-out of smart radiator valves was completed along with some extra pipework insulation. LED lighting was extended to the Cathedral House kitchen with funding received in late 2022 to complete the roll-out of LED lighting in the offices and public spaces of the building during the first quarter of 2023.

In the Cathedral a comfort questionnaire was undertaken in April, which helped inform a heating turn-down strategy for 2022/23. Allied to this, Chapter invested in some heat-cushions for volunteers (i.e., heat the person not the building strategy), undertook additional draught-proofing works and commenced a secondary glazing pilot. Temperature data continues to be collected to support heating-related initiatives.

Our 2022 energy carbon emissions experienced a significant reduction of 22% from 2021 driven by a combination of milder weather, further energy efficiency projects and a heating turn-down strategy in the Cathedral for the 2022/23 season – following on from the comfort survey conducted in April. Weather-adjusted emissions continued to fall reflecting our continued investment in energy efficiency and focus on good housekeeping.

<b>Energy carbon emissions and energy spend 2013-2022: Cathedral and Cathedral House</b>					
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2013</b>
Scope 1 – Gas consumption tCO <sub>2</sub> e	66.91	87.08	78.02	92.51	120.87
Scope 2+3 – Purchased grid electricity tCO <sub>2</sub> e	9.21	10.33	12.23	16.72	46.68
Total energy GHG emissions tCO <sub>2</sub> e (1)	76.11	97.41	90.26	109.23	167.55
Actual change v 2013 base year	<b>-55%</b>	<b>-42%</b>	<b>-46%</b>	<b>-35%</b>	
Carbon intensity tCO <sub>2</sub> /m <sup>2</sup> floorspace occupied	0.024	0.031	0.029	0.035	0.054
Total weather adjusted GHG emissions tCO <sub>2</sub> e (2)	92.98	99.03	105.51	119.46	151.30
Weather-adjusted change v 2013 base year	<b>-39%</b>	<b>-35%</b>	<b>-30%</b>	<b>-21%</b>	
Onsite low carbon electricity generation kWh	18,598	18,745	17,274	18,679	0
Purchased energy expenditure gross	£23,898	£22,820	£22,629	£30,761	£37,868
FIT income from onsite electricity generation (3)	£2,812	£2,576	£2,653	£2,668	£0
Energy expenditure net of FIT income	£21,086	£20,244	£19,976	£28,093	£37,868

- (1) Applying the relevant UK Government GHG reporting conversion factors to kWh of energy consumed <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>
- (2) Applying also the relevant annual weather adjustment using the Stark heating degree day dataset <https://www.stark.co.uk/degree-days-for-free/>
- (3) Feed-in tariff (FIT) income earned under the UK microgeneration framework

Highlights from 2022:

- Onsite electricity generation (solar panels and fuel cell mCHP) met in excess of 65% of electrical power demand in Cathedral House, another new record.
- Despite increased occupation and a doubling of electricity prices in Q4 we managed to limit the increase in gross energy spend across both buildings in 2022 to 4.7%.
- The Cathedral continued to recycle energy bill savings and FIT income (which is inflation linked) into energy efficiency projects to further reduce demand and carbon emissions.

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- In the Cathedral, trials of heating cushions and secondary glazing commenced in Q4 alongside further draught proofing to various windows
- In Cathedral House LED lighting was extended to the Becket Hall kitchen

Chapter continues to embrace the Church of England's 2030 net zero carbon programme and plan from 2025 to publish our carbon emissions in line with their scope. Chapter intends to continue publishing weather-adjusted emissions for year-on-year energy efficiency comparison.

More information can be found at [www.portsmouthcathedral.org.uk/carbon-footprint](http://www.portsmouthcathedral.org.uk/carbon-footprint).

### Partnership and Engagement

*Wild Cathedral.* Supported by Portsmouth City Council's Queen's Platinum Jubilee Neighbourhood Grant, we created a sensory garden experience inside the Cathedral. The Cathedral team worked with Hampshire & Isle of Wight Wildlife Trust to raise awareness of their Wilder Portsmouth campaign, and local yoga instructor Kat Waters to provide yoga sessions in the garden. The Urban Sketchers Portsmouth group were invited to capture the garden through their artwork. For the Late-Night experiences, we collaborated with the folk artist, Katie Spencer, to create a soundscape. All these groups are now in conversation about future collaboration for projects with the Cathedral and yoga sessions have become a regular hire of the Cathedral with a well-established new audience.

*Ports Fest.* The Cathedral created a free activity as part of Ports Fest 2023 which reimaged the houses which once stood on the High Street in front of the Cathedral. This invited the community to help us create an art installation on the south front as part of this city-wide festival.

*Jubilee – SSO Concert and Street Party.* The Cathedral team worked with the Solent Symphony Orchestra to host a Platinum Proms concert. This was our first joint partnership concert with the SSO to share the financial responsibilities and increase engagement for both organisations. This resulted in increased attendance at the concert, and a new way forward. Our congregation, choir, and community (including the 12<sup>th</sup> Portsmouth Brownies) helped us create bunting to be displayed around the outside the Cathedral. We hosted a Jubilee Big Lunch inviting all those in our community to join us. This resulted in one of the largest street parties in Portsmouth.

*Love Southsea Christmas Market.* This was our second year of collaborating with Love Southsea for a Christmas Gift Market. Around 1,800 people visited the gift market during the two days that it was open.

*The Cathedral Christmas Fair* raised over £5,300 with these funds supporting the ministry of the Cathedral (over £4,400) as well as the Flower Guild (almost £250) and the PCCA (over £500). In addition, some stalls supported the work of the Roberts Centre and our link Diocese in Ghana, Sunyani.

*Community Partnership.* The Cathedral is a member of Shaping Portsmouth, the umbrella group that brings together businesses, educational and non-profit organisations for the betterment of the City and its people.

*Bookings in Cathedral and Cathedral House.* Across all events run in the Cathedral and Cathedral House that were developed and run by the Cathedral's Events Manager, in their first full year in post, there was an attendance of just under 12,000. There were 27 such events in the Cathedral and 216 in Cathedral House.

Highlights of in-house produced events included the 2,271 people who took part in Wild Cathedral, the 200 who participated in the Jubilee Street Party, 100 for Ports Fest and 60 for 'Cathedrals at Night'.

Highlights of external bookings included the Bournemouth Symphony Orchestra, 'Yoga in the Cathedral,' the graduation ceremony for Portsmouth College and the use of the Nave by Cancer Research UK including music from the Cathedral choirs.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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*Warm Space.* In response to a request from the local Women's Institute, in late 2022 the Cathedral launched a weekly "Warm Space" in Becket Hall on Monday afternoons. This ran through to March 2023 and was part of a national initiative in response to rising energy costs.

*Lunch Club.* This Club continues to meet fortnightly on Mondays and to provide an affordable two-course hot meal. There are 60 members with between 30 and 40 attending each lunch. We are very grateful to the volunteers who run the club, headed up by Rachael Forder.

The Cathedral also became a member of the Hampshire Chamber of Commerce during 2022. As we are one of the larger local employers in Portsmouth joining the Chamber is an important statement of our wish to work closely with businesses and organisations across the Diocese.

A practical example of our efforts included the development of the "Old Portsmouth Historic Trail." This initiative led by the Cathedral was designed to help draw more residents and visitors alike into Old Portsmouth. This initiative helps to underline our desire to work with and support local businesses, not-for-profit organisations and museums.

*Charity hiring rate.* In the latter part of 2022, a new hiring rate for charities was created. This was in anticipation of the 2023 review of charges, which has a fairer structure of hiring costs depending on the type of organisation booking. This hiring rate resulted in a spike of November and December bookings with events over the Christmas period generating gross income of just under £13,900 when it was minimal during the same period in 2021.

*A space for the community.* During 2022, our two community event spaces, Becket Hall and the Bishop Kenneth Room, were used by a wide range of local groups and schools including:

- 1<sup>st</sup> Portsmouth Sea Scouts, Beavers, and Cubs
- 12<sup>th</sup> Portsmouth Cathedral Rainbows, Brownies, & Guides
- The Arts Society Portsea Island
- Dack Property Management AGM for local residents of Gunwharf Quays and Lombard House
- Diocese of Portsmouth
- Mothers' Union
- Portsmouth & District Business Strategy Group
- Portsmouth and Hampshire Art Society
- The Portsmouth Grammar School
- Portsmouth High School
- Portsmouth Sailing Club
- Readers' Board
- RSCM, Portsmouth & Isle of Wight Area
- Surgeries for local Councillors
- Veterans Outreach Support

## Finance and Sustainability

Please refer to the Financial Review section later in this report for a detailed outline of financial performance over 2022.

## Staff and Volunteers

An integral part of all six Strategic Objectives are our staff and volunteers – the beating heart of the Cathedral.

The Cathedral has once again been blessed by a dedicated staff group and a set of volunteers who would be the envy of any other Cathedral. Chapter again wishes to acknowledge that support here in this annual report because without their commitment the Cathedral would be a shadow of what it is.

The Cathedral remains indebted to its volunteers including Cheryl Sewell, our Head Server and the serving team; Rosemary Fairfax as organiser of the Flower Guild and all who work with her; Ronald Rabbetts and Chris Nicol our Churchwardens and their team of Deputy Wardens and Sidespeople; Margaret Wilson, our Head Guide and her team of expert Guides; Crystal Gale our Volunteer Shop Manager and her team; Jo Godfree our volunteer

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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Cathedral Archivist; the "Adams" who care for the Memorial Garden; the 'Holy Dusters' who dust and clean each week; Cathedral Consort who sing alongside our paid choirs; the bellringers who help celebrate festivals and national events alongside regular weekly ringing and all who help to make the Cathedral a welcoming and holy place for worshippers and visitors alike.

Staff changes. 2022 was a year of significant staff changes and loss.

*Farewells* were made to the Head of Fundraising, Sophie Henstridge-Brown, whose work was transformational in bringing in both funds during the pandemic as well as her introduction of professional policies and practices with respect to fundraising including the annual Season of Generosity. Also moving on to new challenges were Jeremy Fisher (Lay Clerk), Sara Clark (Administrative Assistant), William Forrest and Daisy Sissons (temporary Administrative Assistants) and the scholars from the academic year 2022/23. We thank them for all they have contributed to Portsmouth Cathedral's mission and work.

*Welcomes* to the Reverend Hannah Barraclough, who joined us from Holy Week as a Cathedral Curate. Ian Griffiths and Tom Marks started as Assistant Verger and Precinct Officers in June. Tom is on a temporary contract to enable our existing Assistant Verger and Precinct Officer, Maria Mann to provide cover during our Head Verger and Precinct Manager's maternity leave. Claire Martin joined in October as our temporary Finance Officer to enable Finance Officer Nicky Taylor Roberts to concentrate on special projects over the coming year.

In late autumn the Cathedral welcomed Pam Todd and Kelly Cooper as our permanent Administrative Assistants, Rayne Skora as the Visitor Experience Manager and Rachael Forder, who is already one of our choir matrons, in a part-time role as Volunteer Coordinator in November 2022. Welcome to them all.

*Away for a while but returning in 2023.* Head Verger and Precinct Manager, Malina Green, took maternity leave during 2022 with the arrival of Oscar. Many congratulations to her and her husband Adrian Green, a Cathedral Lay Clerk. Congratulations to Maria Mann who is acting up as Head Verger and Precinct Manager during Malina's maternity leave.

*In memoriam.* While each year brings the passing of people associated with the work and mission of the Cathedral, Chapter would like to publicly acknowledge the contributions made to the life of the Cathedral by two such individuals both of whom died suddenly and unexpectedly during 2022.

Our Volunteer Coordinator, Nadja Carpenter, died suddenly in October 2022. In her short time with us she led a renewal of the Cathedral's approach to volunteers and was a bright and engaged member of the team. She was 26 years old. Chapter will install a circular wooden bench in her memory on Cathedral Green during 2023.

In December 2022, Stephen Fisher, Senior Audit Manager at Haysmacintyre, the Cathedral's external auditors, died unexpectedly. Stephen had managed the Cathedral's audit for over 6 years. His quiet, yet persistent guidance and challenge helped the Cathedral to improve how it managed its finances and reported on financial performance. He was 52 years old. Chapter has made a donation in his memory to the Girl Guides, the charity selected by his family.

May they both rest in peace and rise in glory.

## PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2022

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## Financial Review

### Financial Performance

2022 remained a year of cautious optimism as Chapter continued to work to reduce operating deficits while ensuring the longer-term viability of our activities and continued care of the fabric.

In November 2021, Chapter set a management account budget with a projected deficit of £97,147 on income of £884,236 and expenditure of £981,383. In the outturn for 2022 revenues rose to £918,564 while expenditure was contained to £897,984 leaving a surplus in management accounts of £20,580. This surplus amount was from unplanned income from legacies.

These figures translated into the Financial Accounts as a financial loss of £117,047 after unrealised losses & depreciation charges as outlined below. This included an unrealised loss of £166,547 on CCLA investments, but an increase in the value of investment property by £75,000 over the course of the year.

Revenue and Expenditure						
	2017	2018	2019	2020	2021	2022
Income	£1,001,479	£ 963,511	£846,730	£1,059,020	£1,273,191	£1,055,621
Expenditure	£1,421,709	£1,365,584	£1,202,977	£1,064,596	£1,206,772	£1,081,121
Surplus/Loss	<b>-£ 420,230</b>	<b>-£ 402,073</b>	<b>-£356,247</b>	<b>-£5,576</b>	<b>£64,419</b>	<b>-£25,500</b>
Gain on investments	£181,887	£62,125	£190,004	£47,613	£210,286	-£91,546
Surplus/Loss	-£238,343	-£339,948	-£166,243	£42,037	£276,705	-£117,047

This is the third straight year where financial performance has ended the year near balance before unrealised gains/losses on investment. Chapter remains focused on containing expenditure and increasing revenue to support mission from a diverse number of sources including the congregation, events, visitors, and fundraising.

It is worth noting that even without a full-time fundraiser in place Chapter has continued to see grants received from the CSF, the City, trusts, and individuals.

Congregational giving is an important part of both providing income to support mission and is also an important part of Christian stewardship. Analysis for 2022 shows a decrease in planned giving. A reduction of £4,655 per annum in existing planned giving (plus any gift aid) was registered during the year. £2,000 of this decrease was due to the death of the person. Conversely, there was an increase in Direct Debit giving of £2,820 per annum in new planned giving (plus any gift aid).

After two years of substantial growth in congregational giving combined with cost-of-living crisis in 2021, a stable giving profile (excluding decreases due to the death of an individual) is welcome. However, an increase in congregational giving should remain a focus and Chapter will continue with its now annual Season of Generosity in June 2023.

It is also worth noting here that the small, but sustained investment Chapter has been making in energy conservation continues to pay dividends with the cost of energy falling from £37,868 in 2013 to £21,086 in 2022. Total energy emissions have reduced by 55% since 2013.



## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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Chapter remains incredibly grateful to our supporters including:

- Church Commissioners' Cathedral Sustainability Fund
- The Benefact Trust
- Cathedral Music Trust
- The Jerusalem Trust
- Portsmouth City Council
- Portsmouth Diocesan Board of Finance
- The Jeanette Dowle Legacy
- Limoges Trust for Education
- Friends of Portsmouth Cathedral
- Portsmouth Cathedral Development Trust
- Hampshire and Isle of Wight Community Foundation

And the many other trusts and foundations, individual supporters and those who wish to remain anonymous.

### Investment Policy

Chapter aims to keep a portfolio of investments that adopts a balanced approach to risk. The attainment of long-term objectives requires the acceptance of a level of investment risk, which manifests itself primarily in the fluctuation of the capital value.

Chapter holds its investments with CCLA. The Funds, required to be invested in accordance with the Statement of Ethical Investment Policy issued by the Church of England Advisory Group, had a challenging year in terms of performance given fluctuation in stock markets, with a net loss on investment for the year of £166,547 as at 31 December 2022. Income from these investments was £41,652 for 2022 (£42,723 in 2021, £44,335 in 2020 and £57,245 in 2019). Responsibility for the management of this policy rests with Chapter, but it is advised by its FIC to which Chapter has delegated decision-making on certain investment matters.

### 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 general and designated reserves protects the Cathedral against a sudden deterioration in its financial results caused by, for example, a significant drop in income or a major repair project. It also provides a resource in the event of long-term planning or restructuring. Chapter has designated those reserves represented by investments, identified in these accounts as 'Investment Property' and 'Other Investments' and as of 31 December 2022 valued at £475,000 and £1,244,912, in the following manner:

- to retain until such time as needed a reserve of at least six months of ordinary activity (£650,000) to protect the Cathedral's operations.
- to allocate the remaining reserve (£1,244,912) in line with the new Vision and Strategy – *Portsmouth Cathedral: a beacon and safe haven, anchored in Jesus Christ*. The current reserves allocation as outlined below remains in place until updated by Chapter to reflect the new Vision and Strategy:
  - 10% for Worship and Music
  - 10% for Growing and Learning
  - 10% for Diocese and Community
  - 50% for Building and Heritage including fabric works.
  - 10% for Partnership and Engagement.

The emphasis on Buildings and Heritage reflects the £1.6million worth of works on the Cathedral (plus fees and VAT) identified by the 2021 Quinquennial inspection. Amongst key projects identified is the replacement of the ageing heating system by 2024.

In addition, Chapter has designated an amount of unrestricted funds, equal to the net book value of the tangible fixed assets, to reflect the fact that these funds are not readily realised and are utilised operationally.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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Whilst the general fund shows a net current asset position of £93,514, given that the designated fund holds in excess of £1,244,912 in readily realisable investments, Chapter is content that any liabilities that can reasonably be forecast, over the foreseeable future, can be met as they arise.

### Risk Management

Chapter has identified the major risks to which it may be exposed and has set in place systems and procedures to mitigate them. There are sound internal controls in force to safeguard the Cathedral's assets. Suitable accounting policies and practice are long established and appropriate and required insurance is held. Budgets are set annually and measured monthly against actual outcomes.

The principal risks and uncertainties facing the Cathedral and the strategies in place for managing them are as follows:

- *Failure to accomplish our purpose* – Our new Vision and Strategy gives direction to our worship and work, and this is regularly monitored by staff and Chapter.
- *Failure to manage our financial resources appropriately* – Our new Vision and Strategy gives direction to our activity. Monthly Management Accounts are produced and used to monitor income against expenditure. Action is taken if required to keep accounts within planned budget.
- *Rising costs of energy*. Chapter is committed to decreasing the Cathedral's use of energy. Through retaining an energy consultant and investing in on-site green energy, Chapter has decreased energy costs significantly over the last number of years. With energy prices rising significantly during 2022, Chapter will continue to monitor the situation and invest in capital projects such as solar arrays, insulation, use of LED lighting, and TVR remote thermostats to reduce energy costs where such investment is practical and represents a good return on investment.
- *Failure to achieve balanced budget* – Chapter is committed to seeking ways to generate new income and reduce spending and to increase current income. A multi-year financial plan is being developed and will be used to guide the Cathedral through to its centenary.
- *Failure to manage risk* – Chapter has begun to review the terms of reference of the Finance and Investment Committee and to create a risk and audit function within its committee structure in advance of the Cathedral's adoption of new governance arrangements under the new Cathedrals Measure. The development of a single risk register is a priority.
- *Failure to meet statutory and regulatory requirements* – Our accounts are audited annually, safeguarding issues and health and safety matters are regularly monitored through the senior staff team and by Chapter, and Chapter is advised on employment and HR matters by an independent specialist advisor.
- *Negative publicity and damage to reputation* – A formal complaints procedure is in place, publications are checked by senior staff, and Chapter receives and responds to criticism.

### Our Public Benefit

Although the Cathedral (in 2022) falls outside the Charities Act and is therefore not regulated by the Charity Commission, Chapter has due regard to the public benefit guidance issued by the Charity Commission. The Cathedral not only serves the local community daily in its religious and charitable work and funding, but it is a resource in the promotion of religion, music, culture, and heritage. Within this Annual Report there is a description of activities that deliver these core public benefits.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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## Future Plans

2022 was a year in which the life of the Cathedral returned to pre-pandemic ways of worshipping and working.

The Cathedral's financial position is much stronger than it was before 2019 thanks to the decisions Chapter has made, strong financial management throughout the year and focus on increased non restricted income. However, Chapter remains cognisant that there is more to be done to ensure the long-term financial health of the Cathedral.

The Vision and Strategy provides the focal point for our activities and the choices the Cathedral makes in terms of prioritising activities. Chapter remains committed to building a long-term financially viable Cathedral with "Finance and Sustainability" underpinning the other five strategic objectives.

As noted earlier in this report, planned giving has decreased slightly in 2022 mostly due to the death of individuals. But with congregations returning and growth in services such as Pompey Sundays, the annual Season of Generosity is an opportunity to renew discussion with those most closely involved in the work and mission of the Cathedral, the congregation.

Other practical steps include the work of the inaugural Visitor Experience Manager who took up post on 1 November 2022. Her early work for the first half of 2023 includes the development of a Visitor Experience Strategy and Shop Merchandise strategy designed to bring more visitors into the Cathedral each year. Pre-pandemic, of the 9.4 million visitors that visit Portsmouth per annum ([Portsmouth Visitor Economy Update on Activity 2018 report.pdf](#)), around 20,000 visited the Cathedral. Her work is focused on increasing visitor numbers to the Cathedral and to thereby increase donations and shop revenues.

During 2023, a refreshed approach to heritage interpretation led by the Visitor Experience Manager, Digital Marketing Manager, Cathedral Archivist and Head Guide will develop new ways to interpret and present our heritage and stories to the public. This includes exploring options for new exhibitions and interpretation materials, interactive experiences, and learning events programming.

Working alongside the above are our 2023 brand refresh and 2023 website redevelopment projects led by the Digital Marketing Manager. The brand refresh project will update and modernise the Cathedral's brand to better align with our vision and values, using the findings from our audience development research and agreed marketing plan to focus this work. It also includes a re-design of our logo and visual identity, as well as a refreshed tone of voice for our communications.

The Cathedral's website will be completely redeveloped, to make it more user-friendly and visually cohesive with the new brand refresh, with a focus on improving the overall user experience and ensuring that accessibility, performance and SEO (Search Engine Optimisation) are top priorities. This includes the integration of new and existing technologies such as chatbots, volunteer portals, and better content management for multiple authors.

The new website will also support the "Hire us Campaign" designed to bring more charitable and corporate hires of our facilities in both the Cathedral and Cathedral House. During 2022 funds were expended to make rooms in Cathedral House such as the Andrewes Room, Corner Meeting room and Becket Hall more attractive to external groups to hire. Investment in new visual equipment for the Cathedral will also help to make the venue more attractive for external hires.

With the Cathedral's centenary now just three years away, Chapter remains focused on how to physically mark this milestone, including how works will increase revenue to support mission.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

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## Governance and Structure

Portsmouth Cathedral is governed by the Chapter, a group of 11 appointed and elected individuals. They are supported by the Cathedral Council, Finance and Investment Committee, Fabric Advisory Committee, and the College of Canons. The Portsmouth Cathedral Development Trust is an independent registered charity which undertakes fundraising for major developments at Portsmouth Cathedral.

The Cathedrals Measure 2021 was given Royal Assent in April 2021, this legislation will bring all cathedrals under the jurisdiction of the Charity Commission in addition to that of the Church Commissioners. A significant amount of Chapter and senior staff time has been and will be dedicated to planning for the implementation of the Measure, which will see Portsmouth Cathedral becoming a registered charity in late 2023.

*Operational Management.* To oversee operations and financial management between Chapter meetings, a Senior Management Team (SMT) comprising the Dean, Canons Chancellor and Precentor and the COO meet at least bi-weekly except over the summer months and Christmas/New Year period. Chapter has approved terms of reference for SMT.

*Recruitment of Trustees.* In preparation for the new Measure, Chapter struck a Nominations Committee and granted a term of reference for its work on 23 November 2022. The retired senior civil servant, Canon Sir David Normington, GCB, agreed to be Chair of this Committee which is tasked with providing nominees for election to Chapter and its committees in advance of the Cathedral coming under the Measure in late 2023. The Committee is tasked with providing a rolling renewal of Chapter and Committee members on a three-year cycle.

The reports from the Social Care Institute of Excellence Safeguarding Audit of June 2021 and the Peer Review of February 2022 both remain living documents that are shaping how the organisation operates and evolves.

### The Chapter of the Cathedral:

The Chapter of the Cathedral comprises: the Dean *ex officio*, who is Chair and has a casting vote; all Residentiary Canons of the Cathedral *ex officio*; the Chair of the Finance and Investment Committee *ex officio*; and five lay persons: two appointed by the Bishop of Portsmouth after consultation with Chapter, one appointed by Chapter after consultation with the Bishop of Portsmouth, one Churchwarden and one elected by the Annual Parochial Church Meeting who may also be a Churchwarden.

The Vicar of the Parish is *ex officio* the Dean, whilst the Residentiary Canons are appointed by the Bishop after consultation with Chapter.

New members of Chapter receive briefing from the Chief Operating Officer (Chapter Clerk) and are also encouraged to attend external training provided by the Association of English Cathedrals (AEC). There is specific training provided by the Church Commissioners and the AEC for Deans, which Dean Anthony will be following.

The Cathedrals Measure 1999 requires that it shall be the duty of Chapter to direct and oversee the administration of the affairs of the Cathedral and to:

- i) Order the worship and promote the mission of the Cathedral;
- ii) Formulate, after consultation with the Bishop, proposals in connection with the general direction and mission of the Cathedral and submit them to the Council for its advice;

## **PORTSMOUTH CATHEDRAL**

### **ANNUAL REPORT OF THE CHAPTER continued**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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- Prepare an annual budget for the Cathedral;
- Submit to the Council the annual report and audited accounts prepared by Chapter and such other reports as may be requested by the Council on any matter concerning the Cathedral;
- Submit to the College of Canons the annual report and audited accounts prepared as aforesaid;
- Keep under review the Constitution and Statutes of the Cathedral and submit any proposals for their revision to the Council;
- Manage all property vested in the Cathedral and the income accruing from it and, in particular, ensure that necessary repairs and maintenance in respect of the Cathedral and its contents and other buildings and monuments are carried out, and
- Perform such other functions as may be prescribed.

#### **Cathedrals Measure 2021**

The new Cathedrals Measure given Royal Assent in April 2021, will, among other changes, bring cathedrals under the jurisdiction of the Charity Commission for the first time, and increase the percentage of non-executives on Chapter.

As part of preparing to come under the new Measure in late 2023, we have used the findings of the scheduled SCIE Safeguarding Audit in June 2021 to strengthen our policies and practice in this area. An action plan was developed and is in the process of being implemented. The Peer Review, organised by the Association of English Cathedrals, took place in February 2022. The findings are also informing the renewal of how the Cathedral operates in advance of it coming under the Measure.

Further written reports to Chapter from Executive members of Chapter (e.g., Canons Chancellor and Precentor) were instituted during 2020, reflecting best practice and anticipating the new requirements under the 2021 Measure. Also, while not currently required to do so under the existing Measure, the Cathedral has, for years, voluntarily published its annual accounts, welcoming comment and scrutiny.

Chapter is the ultimate decision-making body of the Cathedral and responsible for all strategic matters.

Chapter also has the responsibilities in relation to the accounts as set out on pages 28 and 29.

A list of Chapter members is shown on page 22.

#### **Staff and volunteers**

Chapter is assisted in the day-to-day implementation of its decisions by a team of paid staff led by the Chief Operating Officer (Chapter Clerk), together with numerous volunteers.

The policy on the remuneration of paid staff, including the Chief Operating Officer (Chapter Clerk), is determined by Chapter.

#### **Finance and Investment Committee**

The Constitution requires the setting up of a Finance Committee, known as the Finance and Investment Committee (FIC), with the function of advising Chapter in connection with its responsibilities in the field of financial and investment management. Chapter receives and acts with the guidance and the advice given to it by FIC. Chapter appoints the members of this Chapter sub-committee. This committee has been chaired by Mary Makin since January 2020.

The Members of the Committee are listed on page 22.

## **PORTSMOUTH CATHEDRAL**

### **ANNUAL REPORT OF THE CHAPTER continued**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Fabric Advisory Committee**

Under the Care of Cathedrals Measure 1990, the Fabric Advisory Committee (FAC) is responsible to the Cathedrals Fabric Commission for England and considers applications from Chapter in regard to proposed development of and changes to the Cathedral's fabric.

There are eight voting members of the Fabric Advisory Committee: four appointed by the Cathedrals' Fabric Commission for England after consultation with Chapter, and four by Chapter after consultation with the Commission. The members appoint a Chair from among their own number. The Dean and Chapter Clerk attend meetings on behalf of Chapter, and other Chapter members are free to attend; no members of Chapter have a vote. The Cathedral Archaeologist and the Cathedral Architect have, under Section 4 of the Care of Cathedrals Measure 1990, a duty to attend meetings, although neither has a vote.

Members of the Committee are listed on page 22.

##### **Cathedral Council**

It is the duty of Cathedral Council to support the spiritual, pastoral, evangelistic, social, and ecumenical work of the Cathedral Church, to review and to advise Chapter accordingly, and to receive and to consider the annual budget and the report and annual accounts.

Members of Council are listed on page 23.

##### **College of Canons**

It is the duty of the College of Canons to receive and consider the annual report and audited accounts of the Cathedral Church and to discuss such matters concerning the Cathedral Church as shall be raised by its members.

Members of the College of Canons are listed on page 23.

##### **Portsmouth Cathedral Development Trust (PCDT)**

The Trust was formed originally in the 1980s and exists principally to receive funds from appeals made on the Cathedral's behalf and to make grants to the Cathedral in accordance with the terms of the Trust Deed and the relevant appeal.

The Trust presently holds funds arising from such appeals and donates them to the Cathedral under the terms of the Trust Deed.

As a separate charity with its own body of trustees, PCDT prepares its own annual accounts which are submitted to the Charity Commission. PCDT is chaired by Nigel Atkinson Esq, HM Lord-Lieutenant of Hampshire.

Members of the PCDT are listed on page 23.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2022

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## Legal and Administrative Details

### Members of the Chapter

The Very Reverend Dr Anthony Cane, *Dean of Portsmouth*  
The Reverend Canon Kathryn Percival, Canon Chancellor, and Vice Dean  
The Reverend Canon Dr Joanna Spreadbury, *Canon Precentor*  
The Reverend Canon Nicholas Ralph,  
*Head of Mission and Social Transformation, Diocese of Portsmouth*  
The Reverend Canon Dr Anthony Rustell,  
*Director of Mission and Ministry, Diocese of Portsmouth*  
Mrs Mary Makin, Chair of FIC  
Mr Richard Smout  
Ms Emma Broome  
Mr David Carpenter  
Mr Alexandre Lochrane (from May 2022)  
Canon Ronald Rabbetts (from May 2022)  
Canon Sheila Picton (until May 2022)

#### *In attendance*

The Chief Operating Officer (Chapter Clerk)  
The Finance Officer  
The Dean's Executive Assistant as Secretary

### Members of the Finance and Investment Committee

Mrs Mary Makin, Chair of FIC  
The Very Reverend Dr Anthony Cane  
Mr Paul Mitchell  
Mrs Georgianna Rustell  
Mrs Caroline Hewitt (*from 14 September 2022 until 14 March 2023*)  
Mr Darryl Cox (*from 14 September 2022*)  
Mr Philip Sturdy (*from 11 November 2022*)

#### *In attendance*

The Chief Operating Officer (Chapter Clerk)  
The Finance Officer

### Members of the Fabric Advisory Committee

Mrs Jane Jones-Warner (*Chair*)  
Mr Deane Clark  
The Reverend Canon Jeremy Davies  
Mr David English  
Dr Karen Fielder (*until 15 September 2022*)  
Mr Chris Wood  
Ms Mel Howse  
Mr Mark Bowen

#### *In attendance*

The Dean  
The Cathedral Architect  
The Cathedral Archaeologist (vacant from 10 November 2020)  
The Chief Operating Officer (Chapter Clerk) as Secretary to the FAC  
The Dean's Executive Assistant as Assistant Secretary to the FAC



## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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##### **Members of the Nominations Committee**

Canon Sir David Normington, GCB – Chair (*from 23 November 2022*)

##### *In attendance*

The Dean

The Chief Operating Officer (Chapter Clerk) as Secretary to the Nominations Committee

The Dean's Executive Assistant as Assistant Secretary to the Nominations Committee

##### **Members of the Cathedral Council**

Miss Kate Branigan KC, (*Chair*)

The Very Revd Dr Anthony Cane, The Dean

Canon David Bennison

Councilor Chris Atwell

The Reverend Canon Bob White

Canon Lucy Docherty

Canon Stuart Forster

Mr Terence Ward

Dr David Price

The Reverend Canon Dr Anthony Rustell

Mr Nicholas Speller

Dr Bryn Hughes

Mr Richard Smout

The Reverend Connie Sherman

##### *In attendance*

The Bishop of Portsmouth

The Chief Operating Officer (Chapter Clerk) as Clerk to the Council

The Dean's Executive Assistant as Secretary

The Finance Officer

##### **College of Canons**

The Venerable Jenny Rowley

The Revd Canon Bob White

The Revd Canon Will Hughes

The Revd Canon Karina Green

The Venerable Peter Sutton

The Revd Canon Peter Hall

The Revd Canon Tom Kennar

The Revd Canon Julie Price

The Revd Canon John Owen (*until November 2022*)

The Revd Canon Hugh Wright

The Revd Canon Judith Bee (*until October 2022*)

Canon Lucy Docherty

Canon Stuart Forster

Canon Margaret Chappell

Canon Neil Pugmire

Canon John Gwynn

Canon Graham Salter

Canon Sir David Normington

Canon Sarah McCarthy-Fry

Canon David Bennison

Canon Adrian Jordan

Canon Robert Solomon

Canon Bradley Albuery

Canon Ronald Rabbetts

Canon Sheila Picton (*until May 2022*)

Canon Chris Nicol (*from May 2022*)

##### **Trustees of the Portsmouth Cathedral Development Trust**

Nigel Atkinson Esq – Chairman

The Very Reverend Dr Anthony Cane - Dean (*ex officio*)

Mrs Susan Sheldon JP

Mr John Matthews

Mrs Krysia Butwilowska (*from 28 November 2022*)

Colonel (Ret'd) Jonathan Lloyd MBE (*from 28 November 2022*)

## **PORTSMOUTH CATHEDRAL**

### **ANNUAL REPORT OF THE CHAPTER continued**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Cathedral Administrator, Chapter Clerk, Clerk to the Cathedral Council and Secretary to the Fabric Advisory Committee**

Mr Richard Abraham (as Chief Operating Officer/Chapter Clerk)  
Cathedral Offices  
64-68 St Thomas's Street  
Old Portsmouth  
Hampshire, PO1 2HA

#### **Cathedral Organist and Master of the Choristers**

Dr David Price

#### **Cathedral Architect**

Mr Simon L. Ablett  
Ablett Architects  
Kingfisher House  
21-23 Elmfield Road  
Bromley, Kent  
BR1 1LT

#### **Archaeological Consultant**

Vacant (from 10 November 2020)

#### **Bankers**

Lloyds Bank  
2-4 Palmerston Road  
Southsea  
Hampshire  
PO5 3QH

#### **Investment Managers**

CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

#### **Solicitors**

Brutton & Co  
West End House  
288 West Street  
Fareham, Hampshire  
PO16 0AJ

#### **Auditors**

Sheen Stickland  
7 East Pallant  
Chichester, West Sussex  
PO19 1TR

**PORTSMOUTH CATHEDRAL**

**ANNUAL REPORT OF THE CHAPTER continued**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

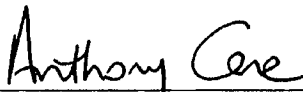
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**LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)**

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 these regulations or describing which regulations 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.

Approved by Chapter on 17 April 2023 and signed as authorised on its behalf by:



**The Very Reverend Dr Anthony Cane – Dean of Portsmouth**

**17 April 2023**

## **PORTSMOUTH CATHEDRAL**

### **INDEPENDENT AUDITOR'S REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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We have audited the financial statements of the Chapter of Portsmouth Cathedral ("the Chapter") for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Cathedral Chapter, as a body, in accordance with the regulations made under Section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the Chapter those matters we are required to state to them in an auditors' 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 Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements;

- give a true and fair view of the state of the group's and of the Chapter's affairs as at 31 December 2022, of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals, as specified by the Church Commissioners under section 27 of the Cathedral Measures 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 group 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.

#### **Responsibilities of the members of Chapter for the financial statements**

The members of the Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of Chapter are responsible for assessing the Cathedral's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they intend to liquidate the Cathedral 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 the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## PORTSMOUTH CATHEDRAL

### INDEPENDENT AUDITOR'S REPORT

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is listed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Auditing the risk of management override of controls including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A 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.

#### Conclusion relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

#### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Matter on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which we report to you if, in our opinion:

- sufficient accounting records have not been kept by the Cathedral; or
- the Cathedral's 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 our audit.

SHEEN STICKLAND  
CHARTERED ACCOUNTANTS  
REGISTERED AUDITORS  
7 EAST PALLANT  
CHICHESTER  
WEST SUSSEX  
PO19 1TR

*Sheen Stickland*

Dated *17<sup>th</sup> Nov 2023*

**PORTSMOUTH CATHEDRAL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Fund £	Total 2022 £	Total 2021 £
<b>Income and endowments from</b>							
Donations and legacies	2	223,926	-	10,248	-	234,174	176,230
Grants receivable in support of mission	3	42,620	-	503,853	-	546,473	880,648
Charitable activity income	4	47,737	-	-	-	47,737	35,676
Trading and fundraising	5	182,751	-	-	-	182,751	134,988
Investments	6	39,655	-	1,997	-	41,652	42,723
Other Income	7	2,834	-	-	-	2,834	2,926
<b>Total income</b>		<u>539,523</u>	<u>-</u>	<u>516,098</u>	<u>-</u>	<u>1,055,621</u>	<u>1,273,191</u>
<b>Expenditure on:</b>							
Raising funds	8	67,485	-	172,054	-	239,539	259,692
Ministry	9	319,572	-	248,149	-	567,721	506,148
Cathedral and precincts upkeep	10	156,003	-	41,033	-	197,036	267,636
Education and outreach	11	41,910	-	34,915	-	76,825	66,365
Community, parish, and congregation	12	-	-	-	-	-	106,931
<b>Total Expenditure</b>		<u>584,970</u>	<u>-</u>	<u>496,151</u>	<u>-</u>	<u>1,081,121</u>	<u>1,206,772</u>
<b>Net income before net investment gains</b>		(45,447)	-	19,947	-	(25,500)	66,419
Gain on revaluation of investment property	15	-	75,000	-	-	75,000	25,000
Net (loss)/gain on investments	15	-	(159,502)	(669)	(6,376)	(166,547)	185,286
<b>Net income/(expenditure)</b>		<u>(45,447)</u>	<u>(84,502)</u>	<u>19,278</u>	<u>(6,376)</u>	<u>(117,047)</u>	<u>276,705</u>
<b>Transfers between funds</b>		<u>15,690</u>	<u>(15,971)</u>	<u>281</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(29,757)</u>	<u>(100,473)</u>	<u>19,559</u>	<u>(6,376)</u>	<u>(117,047)</u>	<u>276,705</u>
<b>Reconciliation of funds</b>							
Total funds brought forward	20	123,271	5,149,914	56,427	54,404	5,384,016	5,107,311
<b>Total funds carried forward</b>	20	<u>93,514</u>	<u>5,049,441</u>	<u>75,986</u>	<u>48,028</u>	<u>5,266,969</u>	<u>5,384,016</u>

The notes numbered 1 to 25 form part of these financial statements.

**PORTSMOUTH CATHEDRAL**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
<b>FIXED ASSETS</b>							
<b>Investment assets</b>							
Investment property	15	-	475,000	-	-	475,000	400,000
Other investments	15	-	1,193,326	-	48,028	1,241,354	1,427,901
<b>Tangible fixed assets</b>							
Property	16	-	3,296,749	-	-	3,296,749	3,300,833
Fixtures, fittings, and equipment	17	-	71,261	-	-	71,261	81,291
<b>TOTAL FIXED ASSETS</b>		-	5,036,336	-	48,028	5,084,364	5,210,025
<b>CURRENT ASSETS</b>							
Stocks		33,173	-	-	-	33,173	29,578
Debtors	18	14,217	-	66,077	-	80,294	55,539
Cash at bank and in hand		88,796	13,105	9,909	-	111,810	171,270
<b>TOTAL CURRENT ASSETS</b>		136,186	13,105	75,986	-	225,277	256,387
<b>LIABILITIES DUE WITHIN ONE YEAR</b>							
Creditors: amounts falling due within one year	19	(42,672)	-	-	-	(42,672)	(82,396)
<b>NET CURRENT ASSETS</b>		93,514	13,105	75,986	-	182,605	173,991
<b>TOTAL NET ASSETS</b>		93,514	5,049,441	75,986	48,028	5,266,969	5,384,016
<b>FUNDS</b>							
Endowment funds	20	-	-	-	48,028	48,028	54,404
Restricted funds	20	-	-	75,986	-	75,986	56,427
Designated fund	20	-	5,049,441	-	-	5,049,441	5,149,914
General fund	20	93,514	-	-	-	93,514	123,271
<b>TOTAL CATHEDRAL FUNDS</b>		93,514	5,049,441	75,986	48,028	5,266,969	5,384,016

The notes numbered 1 to 25 form part of these financial statements.

Approved by Chapter, and authorised for issue on 17 April 2023



Anthony Cane – Dean



Mary Makin – Chair of the Finance and Investment Committee



**PORTSMOUTH CATHEDRAL**

**CASHFLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>2022</b>	<b>2021</b>
	<b>Total funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities (note 25)</b>		
Net cash used in operating activities	(89,145)	(2,813)
<b>Cash flows from investing activities</b>		
Investment income received	41,652	42,723
Purchase of tangible fixed assets	(31,968)	(117,609)
Purchase of investments	-	-
Proceeds from sale of investments	20,000	62,500
Net cash provided by investing activities	29,684	(12,386)
<b>Change in cash and cash equivalents in year</b>	<b>(59,461)</b>	<b>(15,200)</b>
Cash and cash equivalents at the beginning of the year	171,271	186,471
<b>Cash and cash equivalents at the end of the year</b>	<b>111,810</b>	<b>171,271</b>

The notes numbered 1 to 25 form part of these financial statements.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The accounts have been prepared in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals issued in December 2018 by the Cathedral Administration and Finance Association and UK Generally Accepted Practice including the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Cathedral is an exempt charity and a public benefit entity as defined in FRS102. The accounts are presented in pounds sterling, which is the functional currency of the cathedral, and rounded to the nearest pound.

**Going concern**

Chapter has reviewed the funding available to the cathedral, in particular the level of reserves available in relatively liquid form, together with the expected future cashflows for the foreseeable future, being a period of at least 12 months from the balance sheet date. Chapter considers that there are no material uncertainties over the cathedral's financial viability and that, accordingly, it is appropriate to prepare the accounts on a going concern basis.

**Income and endowments**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Cathedral is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations, legacies, and grants to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the income and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity, and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes as outlined in the notes to the accounts. It is included when the amount can be measured reliably. Interest and dividend income is recognised when the Cathedral's right to receive payment is established.

Income from the letting of investment property is recognised on an accruals basis in accordance with the terms of the rental agreement.

Income from the sale of goods in the Cathedral shop is recognised at the point of sale when ownership of the goods transfers to the customer.

**Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount can be reliably measured. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs of commercial trading and their associated support costs
- Costs of ministry comprise costs of clergy housing, services, music and their associated support costs
- Costs of cathedral precincts and upkeep comprise maintenance, insurance, utilities and their associated support costs
- Costs of education and outreach comprise educational activities, charitable giving and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**I. ACCOUNTING POLICIES (continued)**

*Support costs and governance costs*

Support costs are those that assist the work of the Cathedral and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the activities of the Cathedral. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a consistent basis as set out below:

- Salaries, recruitment, and training costs – apportioned based on time analysis by employees and use of resources
- Administration – apportioned based on approximate use of resources
- Information technology – apportioned based on approximate use of resources
- Governance costs – apportioned based on approximate use of resources

**Fixed assets**

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.

The Regulations also require that no value is attributed on the balance sheet to heritage assets included in the Cathedral's statutory inventory acquired before 31 December 2018 and maintained in accordance with the Care of Cathedrals Measure 2011, because information on their historical cost is not available. The statutory inventory comprises items of architectural, archaeological, artistic, or historical interest.

Investment property is held at fair value.

Properties held for Cathedral use are held at cost, being the 2013 valuation, which was adopted as the deemed cost on transition to FRS 102 from 1 January 2015. No depreciation is applied to the deemed cost on the basis that any depreciation would be immaterial; however, the valuation is subject to an annual impairment review.

Enhancing works to property, office equipment, fixtures and fittings and other equipment above a threshold of £500 are capitalised at cost.

Depreciation is calculated to write off the cost or valuation less estimated residual value of all tangible fixed assets (other than the deemed cost adopted on transition to FRS102) by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

- |                         |      |
|-------------------------|------|
| - Property enhancements | 5%   |
| - Office equipment      | 25%  |
| - Fixtures and fittings | 20%  |
| - Other equipment       | 33⅓% |

**Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the Statement of Financial Activities.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid, net of any trade discounts due.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**I. ACCOUNTING POLICIES (continued)**

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term, highly liquid investments with a short maturity of three months or less from the date of acquisition.

**Creditors and provisions**

Creditors and provisions are recognised when the cathedral has a present obligation resulting from a past event that is expected to result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount, after allowing for any trade discounts due.

**Stocks**

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

**Pension Schemes**

The pension costs recognised in the Statement of Financial Activities represent the amounts payable to defined contribution pension schemes.

**Funds**

*Unrestricted funds – general*

Unrestricted funds are spent or applied at the discretion of Chapter in furtherance of the ministry of the Cathedral. Where necessary, unrestricted funds can be used to supplement expenditure made from restricted funds.

*Unrestricted funds – designated*

Designated funds represent funds earmarked by Chapter for a specific purpose. They may be un-designated at Chapter's discretion.

*Restricted funds*

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Cathedral for particular purposes. Information on each restricted fund is set out in note 20 of these financial statements.

*Endowment funds*

Permanent endowment funds are funds where the donor has specified that the donation must be retained as capital or where the Cathedral has solicited endowment funds as part of a fundraising appeal. Income arising from the capital may be expended subject to any donor restrictions or restrictions arising from the fundraising appeal. Expendable endowment funds are funds where the donor has specified that the donation is capital in nature but has granted Chapter discretion to expend that capital. The income arising from the capital may be expended subject to any donor restrictions.

Further specific information is given in notes 20 to 22.

**Estimation uncertainty and judgements**

The preparation of the financial statements requires Chapter to make judgements, estimates and assumptions about the carrying amount of assets and liabilities. The nature of estimation means that the actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

- Valuation of investment property
- Basis for non-depreciation of properties held for Cathedral use

Chapter uses the valuation performed by its independent valuer as the basis for fair value of investment property.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. DONATIONS AND LEGACIES**  
**2022**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Fund</b>	<b>2022 Total Funds</b>
	£	£	£	£
Congregational collections and giving	106,395	88	-	106,483
Donations	60,103	6,980	-	67,083
Tax recoverable under Gift Aid	34,278	3,180	-	37,458
Legacies	23,150	-	-	23,150
<b>Total</b>	<b>223,926</b>	<b>10,248</b>	<b>-</b>	<b>234,174</b>

**2021**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
<i>Congregational collections and Giving</i>	96,048	479	-	96,527
<i>Donations</i>	42,431	9,217	-	51,648
<i>Tax recoverable under Gift Aid</i>	24,185	1,620	-	25,805
<i>Legacies</i>	2,250	-	-	2,250
<b>Total</b>	<b>164,914</b>	<b>11,316</b>	<b>-</b>	<b>176,230</b>

**3. GRANTS RECEIVABLE IN THE COURSE OF MISSION**  
**2022**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Fund</b>	<b>2022 Total Funds</b>
	£	£	£	£
Church Commissioners grants	6,306	420,539	-	426,845
Diocesan grants	1,500	-	-	1,500
Other revenue and capital grants	34,814	83,314	-	118,128
<b>Total</b>	<b>42,620</b>	<b>503,853</b>	<b>-</b>	<b>546,473</b>

**2021**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
<i>Church Commissioners grants</i>	-	422,688	-	422,688
<i>Diocesan grants</i>	16,000	-	-	16,000
<i>Other revenue and capital grants</i>	36,897	405,063	-	441,960
	<b>52,897</b>	<b>827,751</b>	<b>-</b>	<b>880,648</b>

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**4. CHARITABLE ACTIVITY INCOME**

	<b>2022</b> <b>Total</b> <b>Funds</b> £	<b>2021</b> <b>Total</b> <b>Funds</b> £
Fees and charges arising in the course of Mission	47,737	35,676

All funds are unrestricted in the current and preceding year.

**5. TRADING AND FUNDRAISING**  
**2022**

	<b>Unrestricted</b> <b>Funds</b> £	<b>Restricted</b> <b>Funds</b> £	<b>Endowment</b> <b>Funds</b> £	<b>2022</b> <b>Total</b> <b>Funds</b> £
Income from fundraising events and appeals	15,525	-	-	15,525
Gross income from shop and other trading activities	39,752	-	-	39,752
Income from lettings of Cathedral and other buildings	127,474	-	-	127,474
<b>Total</b>	<u>182,751</u>	<u>-</u>	<u>-</u>	<u>182,751</u>

**2021**

	<b>Unrestricted</b> <b>Funds</b> £	<b>Restricted</b> <b>Funds</b> £	<b>Endowment</b> <b>Funds</b> £	<b>2021</b> <b>Total</b> <b>Funds</b> £
Income from fundraising events and appeals	8,846	-	-	8,846
Gross income from shop and other trading activities	38,151	-	-	38,151
Income from lettings of Cathedral and other buildings	87,991	-	-	87,991
	<u>134,988</u>	<u>-</u>	<u>-</u>	<u>134,988</u>

**6. INVESTMENT INCOME**

<b>2022</b>	<b>Unrestricted</b> <b>Funds</b> £	<b>Restricted</b> <b>Funds</b> £	<b>Endowment</b> <b>Funds</b> £	<b>2022</b> <b>Total</b> <b>Funds</b> £
Income from investments	39,655	1,997	-	41,652

<b>2021</b>	<b>Unrestricted</b> <b>Fund</b> £	<b>Restricted</b> <b>Funds</b> £	<b>Endowment</b> <b>Funds</b> £	<b>2021</b> <b>Total</b> <b>Funds</b> £
Income from investments	40,791	1,932	-	42,723

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>7. OTHER INCOME</b>	<b>2022 Total Funds £</b>	<b>2021 Total Funds £</b>
Other income	2,834	2,926

All funds are unrestricted in the current and preceding year.

<b>8. RAISING FUNDS</b>				<b>2022 Total Funds £</b>
<b>2022</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2022 Total Funds £</b>
Gross costs of shop and other trading activities	24,264	-	-	24,264
Costs of other income generation	9,021	103,091	-	112,112
Business Planning and Future Income Generation Project	-	-	-	-
Marketing costs	3,589	44,955	-	48,544
Maintenance of and repairs to other buildings	13,591	-	-	13,591
Investment management costs	1,337	-	-	1,337
Support costs	15,683	24,008	-	39,691
Total	<u>67,485</u>	<u>172,054</u>	<u>-</u>	<u>239,539</u>
<b>2021</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2021 Total Funds £</b>
Gross costs of shop and other trading activities	12,249	-	-	12,249
Costs of other income generation	1,488	59,902	-	61,390
Business Planning and Future Income Generation Project	-	88,477	-	88,477
Marketing costs	4,234	45,569	-	49,803
Maintenance of and repairs to other buildings	11,246	2,625	-	13,871
Investment management costs	1,267	-	-	1,267
Support costs	-	32,635	-	32,635
Total	<u>30,484</u>	<u>229,208</u>	<u>-</u>	<u>259,692</u>



**PORTSMOUTH CATHEDRAL**

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**FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. MINISTRY  
2022**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2022 Total Funds £</b>
Clergy stipends and working expenses	-	137,053	-	137,053
Clergy housing costs	30,435	-	-	30,435
Clergy support costs	40,287	-	-	40,287
Services and music	217,578	63,224	-	280,802
Support costs	31,272	47,872	-	79,144
	<u>319,572</u>	<u>248,149</u>	<u>-</u>	<u>567,721</u>

**2021**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2021 Total Funds £</b>
Clergy stipends and working expenses		137,152		137,152
Clergy housing costs	46,066	909	-	46,975
Clergy support costs	21,692	14,809	-	36,501
Services and music	123,644	96,607	-	220,251
Support costs	(1)	65,270	-	65,269
	<u>191,401</u>	<u>314,747</u>	<u>-</u>	<u>506,148</u>

**10. CATHEDRAL AND PRECINCTS UPKEEP  
2022**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2022 Total Funds £</b>
Major repairs and restoration	2,116		-	2,116
Maintenance and interior upkeep	36,434	1,068	-	37,502
Cathedral insurance	34,086	-	-	34,086
Other costs	57,259	-	-	57,259
Support costs	26,108	39,965	-	66,073
	<u>156,003</u>	<u>41,033</u>	<u>-</u>	<u>197,036</u>

**2021**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2021 Total Funds £</b>
Major repairs and restoration	-	82,340	-	82,340
Maintenance and interior upkeep	50,082	2,122	-	52,204
Cathedral insurance	18,434	12,976	-	31,410
Other costs	36,147	11,144	-	47,291
Support costs	-	54,391	-	54,391
	<u>104,663</u>	<u>162,973</u>	<u>-</u>	<u>267,636</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. EDUCATION AND OUTREACH**  
**2022**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2022 Total Funds</b>
	£	£	£	£
Educational activities	7,660	-	-	7,660
Charitable and other giving	10,813	3,000	-	13,813
Other costs	2,589	-	-	2,589
Support costs	20,848	31,915	-	52,763
	<u>41,910</u>	<u>34,915</u>	<u>-</u>	<u>76,825</u>

**2021**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
<i>Educational activities</i>	9,176	1,668	-	10,844
<i>Charitable and other giving</i>	6,595	3,689	-	10,284
<i>Other costs</i>	1,724	-	-	1,724
<i>Support costs</i>	-	43,513	-	43,513
	<u>17,495</u>	<u>48,870</u>	<u>-</u>	<u>66,365</u>

**12. COMMUNITY, PARISH, AND CONGREGATION**

	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	£	£
Direct activity costs	-	85,174
Support costs	-	21,757
	<u>-</u>	<u>106,931</u>

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The support costs for the preceding years are borne by restricted funds.

<b>13. SUPPORT COSTS 2022</b>	<b>Raising Funds</b>	<b>Ministry</b>	<b>Cathedral and Precinct</b>	<b>Education and Outreach</b>	<b>Community, Parish, and Congregation</b>	<b>2022 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries, recruitment, and training costs	18,389	36,670	30,614	24,446	-	110,119
Administration	13,428	26,775	22,353	17,850	-	80,406
IT	4,066	8,107	6,768	5,405	-	24,346
Governance costs	3,808	7,592	6,338	5,062	-	22,800
	<u>39,691</u>	<u>79,144</u>	<u>66,073</u>	<u>52,763</u>	<u>-</u>	<u>237,671</u>

Included within governance costs above are auditor's remuneration for 2021 of £11,500 plus VAT and for 2022 of £7,500 plus VAT

<b>2021</b>	<b>Raising Funds</b>	<b>Ministry</b>	<b>Cathedral and Precincts</b>	<b>Education and Outreach</b>	<b>Community Parish and Congregation</b>	<b>2021 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries, recruitment, and training costs	16,227	32,454	27,045	21,636	10,818	108,180
Administration	11,254	22,508	18,756	15,005	7,503	75,026
IT	3,309	6,618	5,514	4,412	2,206	22,059
Governance	1,845	3,690	3,075	2,460	1,230	12,300
	<u>32,635</u>	<u>65,270</u>	<u>54,390</u>	<u>43,513</u>	<u>21,757</u>	<u>217,565</u>

Included within support costs above is auditor's remuneration for 2020 of £10,250 plus VAT.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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<b>14. STAFF COSTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Salary costs were as follows:</b>		
Salary costs	431,478	371,936
Social security costs	37,376	31,960
Pension costs	23,910	22,054
	<u>492,764</u>	<u>425,950</u>

	<b>Stipend</b>	<b>Levy</b>	<b>NIC</b>	<b>Pension</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>
					<b>£</b>
<b>Stipends</b>					
The Very Reverend Anthony Cane	37,955	165	3,493	11,677	53,290
The Reverend Canon Joanna Spreadbury	29,861	123	2,285	9,342	41,611
The Reverend Canon Kathryn Percival	29,861	142	2,808	9,342	41,153
	<u>97,677</u>	<u>430</u>	<u>8,586</u>	<u>30,361</u>	<u>137,054</u>

	<b>Stipend</b>	<b>Levy</b>	<b>NIC</b>	<b>Pension</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>
					<b>£</b>
<b>Stipends</b>					
The Very Reverend Anthony Cane	37,670	170	3,477	12,539	53,856
The Reverend Canon Joanna Spreadbury	29,204	119	2,095	10,031	41,450
The Reverend Canon Kathryn Percival	29,204	134	2,477	10,031	41,846
	<u>96,078</u>	<u>423</u>	<u>8,049</u>	<u>32,602</u>	<u>137,152</u>

The stipends of the Dean and the above Residentiary Canons are paid directly from the Church Commissioners along with the related costs set out above. The remuneration of, and pension provision for, Clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board.

Two other Canons, Nicholas Ralph, and Anthony Rustell are remunerated by the Diocese of Portsmouth. Anthony Rustell's wife is a member of the cathedral's Finance and Investment Committee, for which she receives no reimbursement.

Expenses of £602 (2021 - £0) were reimbursed to members of Chapter. Planned giving donations of £10,890 and other donations of £4,566 were received from related parties during the year.

There was an average of 10 (2021: 9) full time and 10 (2021: 9) part time paid staff including clergy paid by the Church Commissioners but excluding the Cathedral Choir. The full time equivalent of the same group in 2022 was 13 (2021: 14).

The aggregate remuneration of Key Management Personnel in 2022, including all benefits, was £205,785 (2021: £206,752). This group is defined as the remunerated members of Chapter and the Chapter Clerk/COO.

No member of staff was paid emoluments of more than £60,000 (2021: none).

The Dean is also a trustee of the Portsmouth Cathedral Development Trust, which is not considered to be a related party of the Cathedral. During the year a donation of £5,000 (2021: £1,000) was received from the PCDT.

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. INVESTMENTS**

	<b>2022</b>	<b>2021</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>Investment Property</b>		
Fair value brought forward	400,000	375,000
Revaluation	75,000	25,000
	<u>475,000</u>	<u>400,000</u>

The investment property was revalued by Chapter in 2022 based on external advice obtained from local Estate Agents.

	<b>2022</b>	<b>2021</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>Other investments</b>		
Fair value brought forward	1,427,901	1,305,115
Disposals at proceeds	(20,000)	(62,500)
(Loss)/gain on revaluation	(166,547)	185,286
	<u>1,241,354</u>	<u>1,427,901</u>
<b>Total investments</b>	<u>1,716,354</u>	<u>1,827,901</u>

Split of investments between funds:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Endowment - Friends of Cathedral Music	48,028	54,404
Restricted – Ritchie bequest	-	5,707
Designated – Groves legacy	1,668,326	1,767,790
	<u>1,716,354</u>	<u>1,827,901</u>

Investments are held in pooled managed funds as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Property (directly owned)	475,000	400,000
CBF CoE Investment Fund Income Shares	1,065,897	1,207,397
CBF CoE Property Fund Income Shares	175,457	220,504
	<u>1,716,354</u>	<u>1,827,901</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>16. PROPERTY</b>	<b>Unrestricted Funds £</b>	<b>2022 Total Funds £</b>
<b>Cost or deemed cost</b>		
At 1 January 2022	3,358,836	3,358,836
Reclassification		
Additions	21,834	21,834
	<u>3,380,670</u>	<u>3,380,670</u>
At 31 December 2022	<u>3,380,670</u>	<u>3,380,670</u>
<b>Depreciation</b>		
Accumulated at 1 January 2022	58,003	58,003
Charge for the year	25,918	25,918
	<u>83,921</u>	<u>83,921</u>
At 31 December 2022	<u>83,921</u>	<u>83,921</u>
<b>Net Book Value</b>		
At 31 December 2022	<u>3,296,749</u>	<u>3,296,749</u>
At 31 December 2021	<u>3,300,833</u>	<u>3,300,833</u>

The properties above are all freehold and applied for Cathedral use. On adoption of the 2015 Cathedral Accounting Regulations a previous valuation of £3,150,000 was adopted as the deemed cost of the assets on transition. One asset was subsequently transferred to investment property at its fair value at date of transfer of £300,000. Assets acquired subsequently have been added at their actual cost.

<b>17.</b>	<b>Fixtures &amp; Fittings £</b>	<b>Other Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2022	177,876	136,053	313,929
Additions	5,286	4,848	10,134
Disposals	-	-	-
	<u>183,162</u>	<u>140,901</u>	<u>324,063</u>
At 31 December 2022	<u>183,162</u>	<u>140,901</u>	<u>324,063</u>
<b>Depreciation</b>			
Accumulated at 1 January 2022	165,604	67,034	232,638
Charge for the year	6,657	13,506	20,163
On disposals			
	<u>172,261</u>	<u>80,540</u>	<u>252,801</u>
At 31 December 2022	<u>172,261</u>	<u>80,540</u>	<u>252,801</u>
<b>Net Book Value</b>			
At 31 December 2022	<u>10,901</u>	<u>60,361</u>	<u>71,262</u>
At 31 December 2021	<u>12,272</u>	<u>69,408</u>	<u>81,680</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**18. DEBTORS  
2022**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2022 Total Funds</b>
	£	£	£	£
Invoiced debtors	8,040	64,446	-	72,486
Prepayments	-	131	-	131
Accrued income	6,177	1,500	-	7,677
	<u>14,217</u>	<u>66,077</u>	<u>-</u>	<u>80,294</u>

**2021**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
Invoiced debtors	1,300	35,131	-	36,431
Prepayments	-	-	-	-
Accrued income	2,073	17,035	-	19,108
	<u>3,373</u>	<u>52,166</u>	<u>-</u>	<u>55,539</u>

**19. CREDITORS: amounts falling due within one year  
2022**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2022 Total Funds</b>
	£	£	£	£
Trade creditors	19,853	-	-	19,853
Social security and other taxes	2,913	-	-	2,913
Other creditors	19,906	-	-	19,906
	<u>42,672</u>	<u>-</u>	<u>-</u>	<u>42,672</u>

**2021**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2021 Total Funds</b>
	£	£	£	£
Trade creditors	62,860	-	-	62,860
Social security and other taxes	9,497	-	-	9,497
Other creditors	10,039	-	-	10,039
	<u>82,396</u>	<u>-</u>	<u>-</u>	<u>82,396</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**20. ANALYSIS OF NET MOVEMENTS IN FUNDS  
2022**

	Total funds 01.01.22	Income	Expenditure	Gains	Transfers	Total funds 31.12.22
	£	£	£	£	£	£
<b>Endowment fund</b>						
FoCM – Choir Scholarship	54,404	-	-	(6,376)	-	48,028
<b>Restricted funds</b>						
<i>Church Commissioners</i>						
Stipends	-	137,053	(137,053)	-	-	-
Section 23 grant	-	143,760	(143,760)	-	-	-
Cathedrals Sustainability Fund	(876)	139,726	(138,850)	-	-	-
<i>Fabric</i>						
Major Fabric Work	-	828	(828)	-	-	-
Southwest Doors – crowdfunding	13,619	-	-	-	-	13,619
<i>Music</i>						
Ritchie bequest	5,707	568	(4,457)	(669)	(1,149)	-
FoCM – Choir Scholarship	-	1,429	(1,429)	-	-	-
Church Choir project	-	33,890	(33,890)	-	-	-
Cathedral Sing	9,596	6,000	(9,561)	-	-	6,035
Other support for music	1,250	7,031	(7,421)	-	-	860
Cathedral Music Trust	-	20,400	(6,466)	-	-	13,934
<i>Education and Outreach</i>						
Pop-Up Cathedral	349	-	-	-	-	349
Friends Support for Education	1,000	1,000	-	-	-	2,000
Other Support for Education	-	2,000	-	-	-	2,000
The Jerusalem Trust	-	10,000	-	-	-	10,000
Monks project	1,000	-	-	-	-	1,000
Let the Building Speak	4,082	-	-	-	-	4,082
<i>Other funds</i>						
All Churches Trust Hope Beyond	7,500	-	-	-	-	7,500
Chapel of Healing & Reconciliation	6,674	97	-	-	-	6,771
Sunyani Fund	-	3,040	(3,000)	-	1,430	1,470
Memorial garden	899	-	(140)	-	-	759
Grant towards Volition costs	4,000	-	-	-	-	4,000
Other restricted funds	307	-	(100)	-	-	207
Other items arising in 2021	1,320	-	-	-	-	1,320
Other items arising in 2022	-	9,276	(9,196)	-	-	80
<b>Total restricted funds</b>	<b>56,427</b>	<b>516,098</b>	<b>(496,151)</b>	<b>(669)</b>	<b>281</b>	<b>75,986</b>
<b>General funds</b>	<b>123,271</b>	<b>539,523</b>	<b>(584,970)</b>	<b>-</b>	<b>15,690</b>	<b>93,514</b>
Designated fund W. Groves legacy	1,767,790	-	-	(84,502)	(14,962)	1,668,326
Designated fund Tangible fixed assets	3,382,124	-	-	-	(14,114)	3,368,010
Designated funds Lunch Club	-	-	-	-	13,105	13,105
<b>Total unrestricted funds</b>	<b>5,273,185</b>	<b>539,523</b>	<b>(584,970)</b>	<b>(84,502)</b>	<b>(281)</b>	<b>5,142,955</b>
<b>Total funds</b>	<b>5,384,016</b>	<b>1,055,621</b>	<b>(1,081,121)</b>	<b>(91,547)</b>	<b>-</b>	<b>5,266,969</b>

Further information on each of the above funds is given in note 22.



**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**20. ANALYSIS OF NET MOVEMENTS IN FUNDS**

<b>2021</b>	<b>Total funds 01.01.21</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains</b>	<b>Transfers</b>	<b>Total funds 31.12.21</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Endowment fund</b>						
FoCM – Choir Scholarship	47,565	-	-	6,839	-	54,404
<b>Restricted funds</b>						
<u>Church Commissioners</u>						
Stipends	-	137,152	(137,152)	-	-	-
Section 23 grant	-	138,628	(138,628)	-	-	-
Section 21 grant	-	-	-	-	-	-
Removal costs	909	-	(909)	-	-	-
Cathedrals Sustainability Fund	-	146,908	(147,784)	-	-	(876)
<u>Fabric</u>						
Major Fabric Work	14,305	68,035	(82,340)	-	-	-
Southwest Doors – crowdfunding	13,619	-	-	-	-	13,619
<u>Music</u>						
Ritchie bequest	18,898	549	(4,457)	2,717	(12,000)	5,707
Organ Scholarship (Michael James Trust)	-	1,000	(1,000)	-	-	-
FoCM – Choir Scholarship	-	1,383	(1,383)	-	-	-
Church Choir project	-	32,628	(32,628)	-	-	-
Cathedral Sing	8,432	5,000	(3,836)	-	-	9,596
Other support for music	1,738	5,784	(6,272)	-	-	1,250
Cathedral Music Trust	-	35,650	(35,650)	-	-	-
<u>Education and Outreach</u>						
Pop-Up Cathedral	349	-	-	-	-	349
Friends Support for Education	-	1,000	-	-	-	1,000
Monks project	1,000	-	-	-	-	1,000
Let the Building Speak	4,082	-	-	-	-	4,082
All Churches Trust Hope Beyond	-	7,500	-	-	-	7,500
<u>Other funds</u>						
Culture Recovery Fund for Heritage	43,311	254,250	(178,327)	-	(119,234)	-
QARNNS – Chapel of Healing and Reconciliation	6,151	523	-	-	-	6,674
Memorial garden	899	-	-	-	-	899
Grant towards Volition costs	4,000	-	-	-	-	4,000
Other restricted funds	307	-	-	-	-	307
Other items arising in 2021	3,500	5,009	(7,189)	-	-	1,320
<b>Total restricted funds</b>	<b>121,500</b>	<b>840,999</b>	<b>(777,555)</b>	<b>2,717</b>	<b>(131,234)</b>	<b>56,427</b>
<b>General funds</b>	<b>19,220</b>	<b>432,192</b>	<b>(429,217)</b>	<b>-</b>	<b>101,076</b>	<b>123,271</b>
Designated funds William Groves legacy	1,613,651	-	-	200,730	(46,591)	1,767,790
Tangible fixed assets	3,305,375	-	-	-	76,749	3,382,124
<b>Total unrestricted funds</b>	<b>4,938,246</b>	<b>432,192</b>	<b>(429,217)</b>	<b>200,730</b>	<b>131,234</b>	<b>5,273,185</b>
<b>Total funds</b>	<b>5,107,311</b>	<b>1,273,191</b>	<b>(1,206,772)</b>	<b>210,286</b>	<b>-</b>	<b>5,384,016</b>

Further information on each of the above funds is given in note 22.

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

21. TRANSFERS BETWEEN FUNDS	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>2022</b>			
Expenditure repaid to unrestricted funds	(281)	281	-
<b>2021</b>	131,234	(131,234)	
<b>22. DESCRIPTION OF FUNDS</b>			
<b>Endowment funds</b>			
Friends of Cathedral Music	This a capital fund to be retained permanently. Income arising from the fund is to be applied to a restricted income fund for a choral scholarship.		
<b>Restricted funds</b>			
Church Commissioners grants	The Church Commissioners grants are as described in note 20. The stipend grant represents the payment of stipends by the Church Commissioners directly. No cash is received by Chapter.		
Major Fabric Work	Grants for major fabric work include direct grants and claims for irrecoverable VAT under the Listed Places of Worship scheme.		
Southwest Doors - crowdfunding	Funds solicited towards the named project		
Ritchie Bequest	This fund was created on receipt of a legacy and is restricted for use in support of music.		
Other support for Music	Restricted income for sheet music		
Friends of Cathedral Music – Choral Scholarship	Restricted income fund arising from the related endowment. The income is to be spent on providing a Choral Scholarship.		
Church Choir project	Funds solicited towards the named project		
Cathedral Sing project	Funds solicited towards the named project		
Cathedral Music Trust	Funds from the Cathedral Choirs Emergency Fund towards the costs of the Cathedral Choirs		
Pop-Up Cathedral	Funds solicited towards the named project		
Friends Support for Education	Contribution to the costs of educational activities		
Other Support for Education	Contribution to the costs of educational activities		
The Jerusalem Trust	Contribution to the costs of educational activities		
Monks Project	This fund is for the purchase of equipment relating to education workshops.		
Let the Building Speak	This fund is for the purchase of resources associated with Cathedral history and interpretation.		
All Churches Trust Hope Beyond	This fund is to enable churches and Christian charities to meet changing needs within their communities		
QARNNS – Chapel of Healing and Reconciliation	This fund represents monies raised to fund improvements and enhancements to the chapel of healing and reconciliation.		
Sunyani Fund	Funds, raised from events and congregational giving, used to support the St. Anselm's Cathedral and Diocese of Sunyani, Ghana.		
Memorial Garden	Funds to be spent on the memorial garden		
Volition Costs	Grant received towards volition costs		
Other restricted funds	Funds for Guides guide book		
Other Items Arising in 2021	Funds to support better quality broadcasting		
Other Items Arising in 2022	Itinerants Discretionary fund		
<b>Designated funds</b>			
William Groves legacy	Funds originally arising from the legacy of William Groves and earmarked by Chapter for longer term application.		
Tangible fixed asset	Funds represented by operational fixed assets and not readily realisable		
Lunch Club	Funds raised by the Cathedral Lunch Club		
<b>General fund</b>	These funds are unrestricted and available for the Cathedral's use.		

## PORTSMOUTH CATHEDRAL

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 23. CAPITAL COMMITMENTS

There were no material amounts contracted for but not provided for at 31 December 2022 or 31 December 2021.

#### 24. PENSION SCHEMES

The Cathedral participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: £26,216, 2021: £24,058).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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<b>25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO OPERATING CASH FLOW</b>	<b>2022</b>	<b>2021</b>
	<b>Total Funds £</b>	<b>Total Funds £</b>
Net expenditure/(income) excluding investment gains and losses	(25,500)	66,419
Investment income	(41,652)	(42,723)
<b>Operating (deficit)/surplus</b>	<b>(67,152)</b>	<b>23,696</b>
Depreciation charges	46,081	40,861
Increase in stocks	(3,595)	(8,380)
(Increase)/decrease in debtors	(24,755)	25,898
Decrease in creditors	(39,724)	(84,888)
<b>Net cash outflow from operations</b>	<b>(89,145)</b>	<b>(2,813)</b>