



**PORTSMOUTH
CATHEDRAL**

PORTSMOUTH CATHEDRAL

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

ANNUAL REPORT AND AUDITED ACCOUNTS

YEAR ENDED 31 DECEMBER 2023

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PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER

FOR THE YEAR ENDED 31 DECEMBER 2023

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 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.

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



The Very Reverend Dr Anthony Cane

Dean of Portsmouth

Cathedral Vision

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.

The Cathedral remains focused on the conservation of the fabric for current and future generations. Chapter continues to work toward its goal of achieving carbon net zero by 2030 with further steps taken in 2022 and 2023 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. During 2024, we plan to refresh the progress measure (PMs) with SMART targets to assess progress against target.

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 to 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.

- 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 of 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 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](#)

Achievement and Performance

Worship and Music

2023 has been another extraordinary year for Portsmouth Cathedral's Worship and Music. Our core calling has been fulfilled through the daily offering of prayer and praise to God, as well as the many special highlights throughout the year, culminating in the broadcast of Midnight Mass on BBC1, which allowed the nation to enjoy and share in the profound worship and glorious singing that takes place here at Portsmouth Cathedral.

We've created new opportunities and hosted new services, and we've been delighted to welcome newcomers to the congregation and new members of the Cathedral family through baptism. And we have said farewell to some of the Cathedral team, as well as a number of members of the congregation and local community, with funerals and commemorations held here.

Following our Epiphany and Carol services in early January, we hosted Steve Daughtery's installation as the new Archdeacon of the Isle of Wight. At the end of the month, following our Candlemas Carol service, we welcomed Anna Chaplains from across the Diocese to a special Candlemas Eucharist, presided over by Bishop Jonathan and preached by Debbie Thrower, the founder of the Anna Chaplaincy movement.

The Cathedral Choir (Boy Choristers) thoroughly enjoyed their first choir tour since lockdown during the February half-term, performing in Stockholm and Uppsala. After arriving in the snow, we spent our first full day in Sweden travelling from Uppsala to Stockholm's Sofia Church. Following a morning rehearsal, the boys travelled across the water to the Vasa Museum to see the Swedish version of our Mary Rose, which is truly stunning. After lunch, we returned to Sofia Church for a concert in front of a full house.

The choir then performed the 'High Mass' at Uppsala Cathedral, the vast northern 'Westminster Abbey of Sweden'. As always, it was a pleasure and a privilege to participate in worship and Communion alongside our Lutheran brothers and sisters. In the afternoon, we had the opportunity to sing Evensong at the small but lovely Eriks Church.

Mothering Sunday was celebrated with a double baptism of Oscar Green and Frankie Bates (both of whom were born on Father's Day), with Adrian Green composing a new mass setting for the occasion.

We were thrilled to host the Revd Azariah France-Williams visit to give an afternoon talk and preach on Racial Justice Sunday at the beginning of February. It was a pleasure to install Ian Griffiths (again) in his new role as Assistant Verger.

For Holy Week, Canon Roly Riem, Canon Chancellor at Winchester Cathedral, preached from Palm Sunday to Easter Day on Christ's Passion through George Herbert's poetry, titled 'The Agonie and the Answer.' Ministers from across the Diocese attended the Chrism Eucharist on Maundy Thursday, and parishes from across the Diocese attended the Easter Vigil, which included baptism and confirmation, during which the Bishop celebrated the first Eucharist of Easter.

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Another occasion for celebration was His Majesty King Charles III's coronation, which included a contemplative service on Friday night, a live screening on Saturday, a Civic Eucharist on Sunday morning, and a special Sing for the King Evensong in which several parishes participated.

As the choir term came to a close, we said goodbye to Canon Kathryn and welcomed her back as Archdeacon of the Meon. Canon Jamie Hawkey (former Choral Scholar and Canon of Westminster Abbey) was our Patronal Festival's guest preacher. Fraser and David, two of our choristers, delivered a powerful joint sermon from the pulpit.

For their final choir service of the year, the girls performed a beautiful rendition of Sir William Harris' Bring Us, O Lord. The boys rediscovered Britten's Rejoice in the Lamb and added Shephard's And When the Builders to their repertoire. Both of our choirs have made significant progress in recovering lost repertoire from the pandemic years while also tackling a large number of new works.

This choir year saw the formal establishment of two junior choirs, which will lead to membership in our Cathedral Choir Boys' and Girls' Choirs. The boys meet after school on Mondays for food, learning, music, and play, while the girls do so on Thursdays. Throughout the year, our Junior Boys and Junior Girls performed excellent Evensongs on their own.

It was wonderful to have the Cathedral Choir joined by instrumentalists in so many services this year. Thanks to our collaboration with Portsmouth Grammar School, we were able to perform two Jazz Masses—Bob Chilcott's Little Jazz Mass and Will Todd's Jazz Missa Brevis, as well as Roxanna Panufnik's Westminster Mass.

Our Honorary Canons completed a sermon series on the subject "I believe in..." that had been running throughout the year, with the last of our (currently 8) Honorary Canons participating in October. 'Heaven', 'God the Father', 'transformation', and 'the communion of Saints', were among the topics covered.

We welcomed Harriet Neale-Stevens as our new Canon Chancellor and Vice Dean in September, and she has already begun planning exhibitions and partnerships for the coming year. Also in September, thirty former choristers returned to sing Cathedral Evensong for their Annual Reunion; several parish choirs joined the Cathedral Choir for a Michaelmas Carol Service; and the Diocese held a Michaelmas Ordination service for the first time in several years, with two of the Readers being ordained Deacons after doing placements with us over the summer.

Our annual Seafarers' Service and Royal Marines Band Service Memorial Service were both held in early October, with some farewells to RM personnel with whom we have previously worked closely. The Seafarers' Service and Royal Marines Band Service Memorial Service are significant events in our calendar, allowing us to pay tribute to all those who work at sea, with these services offering a meaningful way to connect with our community and express our gratitude for their dedication.

Our choirs tackled a set of three beautiful and different Requiems this year. The Lay Clerks and Choral Scholars gave a serene rendition of the *Vittoria Requiem* for a large congregation on All Souls' Day. Our Girls sang the Rutter *Requiem* – a new work for us here in Portsmouth – and then the Boys sang the Duruflé *Requiem* on Remembrance Sunday.

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The Cathedral Choir has been busy bringing our music to parish churches throughout the diocese and beyond. We have performed concerts in Bramshott, Beaulieu, Gosport, and, most recently, All Saints' Catherington. Along with this, our Cathedral Sing Music Team, brilliantly led by Adrian Green, is on track to work with more than 2,000 children this year. The team has worked with schools in Portsmouth, Emsworth, Gosport, and Carisbrooke, Isle of Wight, including for the first time with Roman Catholic primary schools.

During the Michaelmas term, 200 primary school students sang for a very special Choral Evensong for St Cecilia's Day. We sang songs by Margaret Rizza, Matthew Coleridge, and Ralph Vaughan Williams.

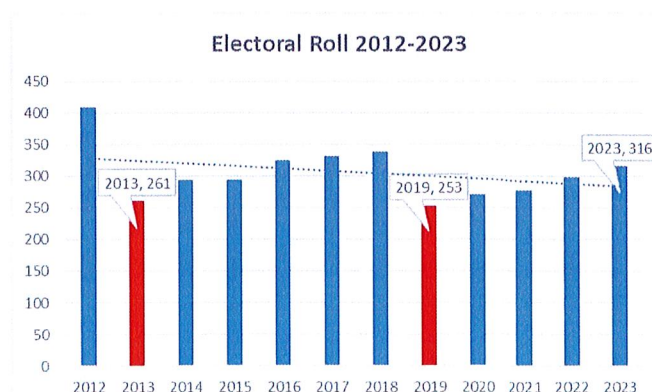
This year, an Advent Calendar was created around the ambulatory, featuring reflective contributions and artwork from many members of the Cathedral community. In addition, an Advent visitor trail used our Crib figures to tell the Christmas story in a prayerful and engaging manner. This year, a Christingle service was held at both #PompeySundays and the Sung Eucharist, complete with christenings for the entire congregation and a live 'Christingle' appearance.

On Advent Sunday, Cathedral Consort gave an outstanding performance of Langlais' Messe Solennelle—and in the evening, both sets of our choristers joined together for a wonderful Carol Service in which we were able to include a large group of our Junior Choristers and children from #PompeySundays.

The Girls choristers, Lay Clerks, and Choral Scholars thoroughly enjoyed their tour, which included performances at Antwerp Cathedral, St Walburg, Antwerp, St Charles Borromeo Church, and a special Evensong at Mechelen Cathedral. All of these wonderful buildings were a pleasure to visit and sing in, and we were greeted by large and enthusiastic audiences and congregations. The Dean of the (Roman Catholic) Cathedral welcomed Canon Jo and Canon Angela as fellow priests and invited them to assist at Communion during the International Mass at the Cathedral.

Our Christmas Carol Services were both musically and visually memorable, with standing room only! As we approached the broadcast of Midnight Mass from Portsmouth on BBC One, the cathedral was filled with cameras, BBC teams, lighting rigs, Royal Marines musicians, and choirs rehearsing or being interviewed by local media! Feedback and appreciation for this are still coming in (over two months later).

The Electoral Roll. The roll of parishioners stood at 316 at the APCM in May 2023, an increase of 17 since 2022 and total of 63 since the new roll in 2019 (growth of just under 25% 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 each "new" roll:



Growing and Learning

The Cathedral Institute at Portsmouth Cathedral hosted four successful seminars in 2023, including the revival of the annual Robert Dolling lecture. Exhibitions like Threads through Creation by Jacqui Parkinson and the Lord President of the Council's Coronation Dress showcased artistic talents.

Our toddler group, #PompeyTots, maintained its popular format and had an average weekly attendance of around 30 children. The Cathedral also held confirmation classes and nurture sessions for young people, fostering spiritual growth and community. The new Learning and Schools Officer, Diana, has engaged with schools and built relationships, with additional schools scheduled for the coming months.

Cathedral Institute at Portsmouth Cathedral

In 2023, the Institute hosted four successful seminars, the first of which was the revival of the annual Robert Dolling lecture. Each of these lectures attracted an average of 25 people, with new attendees joining talks throughout the season. Work is currently underway to increase revenue for this and other similar events, whether through encouraging attendee donations, sponsorship or event ticketing.

Exhibitions

Threads through Creation by Jacqui Parkinson, a series of large-scale textile art panels depicting elements of the creation story, was exhibited at the Cathedral from September to October. The exhibition received positive feedback from visitors and helped draw new audiences to the Cathedral. Future exhibitions are already being planned to engage the community and showcase a variety of artistic talents.

These events not only provide visitors with inspiration and reflection, but also help to ensure the Cathedral's financial sustainability. By presenting unique and thought-provoking exhibitions, the Cathedral hopes to foster a stronger connection with the community and increase support for its ongoing preservation efforts.

Lord President of the Council's Coronation Dress

In August, we were honoured to host an exhibition of The Right Honourable Penny Mordaunt's dress, which she wore as Lord President of the Council during HM King Charles III's coronation. The dress received significant amounts of media attention due to its striking design and embroidery. We exhibited the dress in the Cathedral as part of our Festival of Storytelling, emphasising the importance of the embroidery and detailing, and what they represented. More than 2,500 people attended the exhibition just to see the dress, and donations increased significantly during this period.

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#PompeyTots.

Our toddler group, #PompeyTots, continues to thrive and maintains its popular format of a service in St. Thomas' Chapel followed by playtime and refreshments in Becket Hall. In 2023, the group had an average weekly attendance of around 30 children, plus parents and guardians, for a total of approximately 45 children registered with the group.

The group also organised special events, such as seasonal parties and trips to local parks, which were well received by both children and parents. Overall, #PompeyTots has become a beloved community staple among local families.

Development of children and young people

Confirmation classes were held in person for our choristers and young people, and Bishop Jonathan baptised and confirmed them during an Easter Eve service.

Throughout the year, our choristers attended regular nurture sessions led by one of our Cathedral Curates, Hannah. These activities not only provided spiritual growth but also fostered a sense of community among the young participants. The dedication of both the clergy and volunteers contributed to the success of these programmes in nurturing the next generation.

Volunteers

Volunteers are essential to our life and work at Portsmouth Cathedral, and they have worked tirelessly and with great passion this year. Chapter is deeply grateful to each of them. Our Volunteer Coordinator streamlined recruitment and training processes and provided support to existing volunteers throughout the year. We also attended several volunteer events and collaborated with agencies and institutions throughout the City, including the Job Centre and The Hive, to recruit new volunteers.

Schools & Learning

Our new Learning and Schools Officer started in August 2023 and by year end had already spent time engaging with schools and building relationships. The response has been positive, and schools have begun to visit the Cathedral for tours and workshops, with additional schools scheduled for the coming months. Members of the Ministry Team make regular visits to local schools to deliver assemblies and services, as well as services for schools at the Cathedral. The Dean, Canon Harriet, and Canon Anthony serve on the governing bodies of The Portsmouth Grammar School, Portsmouth High School and Mayville High School, respectively.

Diocesan School Leavers'

Over 1,000 Year 6 students attended the annual Diocesan School Leavers' Services and Workshops in June, which lasted four days. Our Learning volunteers, in collaboration with the Diocesan Education Team and Cathedral staff, organised workshops on prayer pyramids, a Lego challenge, an origami crown, and a re-enactment of the King's coronation, while our Cathedral Sing team led singing workshops on the songs to be sung in the afternoon services, which were held each day after a picnic lunch on the Cathedral Green.

Diocese and Community

From late 2022 to early 2023, the Cathedral provided a warm space at Becket Hall, supported by volunteers and the local Women's Institute. The Cathedral also participated in outward giving, supporting communities like the Diocese of Sunyani in Ghana and the Hampshire and Isle of Wight Wildlife Trust.

The Cathedral also participated in national and international days of significance, such as April Fool's Day and the Eco Church event. In 2023, the Cathedral recorded 22,755 visits, and the new Visitor Experience Manager has been instrumental in developing the visitor experience. The Cathedral collaborated with the University of Portsmouth to create a path showcasing local writers' work. In 2024, the Cathedral plans to introduce new signage and leaflets to enhance the visitor experience.

Warm Spaces

From late 2022 to the beginning of 2023, we provided a warm space at Becket Hall every Monday until the end of March. Volunteers, lay pastoral assistants and members of the PtO (Permission to Officiate) clergy enabled us to welcome visitors with refreshments, activities, and good company. The local Women's Institute supported the initiative, which was praised by many people. Some members of our Cathedral congregation joined us for this social occasion, and the Cathedral Lunch Club team were extremely helpful in extending the lunch club hours while also providing a warm welcome.

Outward Giving

Outward giving is an essential component of how we support communities locally, nationally, and beyond. Our partner Diocese of Sunyani in Ghana received funds, as did Solent Mind, Toilet Twinning, the Hampshire and Isle of Wight Wildlife Trust, the Roberts Centre and Friends of the Holy Land. These donations of £5,000 in total help address various needs, from mental health support to environmental conservation efforts. Chapter's commitment to outward giving reflects our belief in serving others and making a positive impact in the world.

In addition, Chapter provided free or reduced room hire to other organisations to a total reduction of £45,313 from our corporate fees to support the work and mission of the Bishop through use of his Cathedral, as well as supporting schools, and other charitable organisations

Online Engagement

In addition to our standard social media calendar, we ensure that we remain engaged with our communities online by participating in national and international days of significance, including some more light-hearted ones! This year, our April Fool's Day social media post received a significant amount of attention from both existing and new audiences. We unveiled a new look for clergy with a humorous allusion to Star Trek, 'boldly going where no Cathedral has gone before!' The post had 16,700 views on Facebook, Instagram, and Twitter/X, with over 660 engagements. Other popular posts included those about the exhibition of Penny Mordaunt's Coronation Dress and behind-the-scenes looks at our BBC broadcast of Midnight Mass.

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ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

Visitor Experience

In 2023, we had a very successful year of welcoming people to the Cathedral. Our dedicated guides and stewards recorded 22,755 visits, putting us back up to and beyond the levels from 2021. With the introduction of our new Visitor Experience Manager in late 2022, this has been a year of development and learning. Six individual visitor trails were created on-site and installed in the Cathedral for a limited time. An International LEGO® Day trail was an enormous success, with over 200 visitors participating. Another triumph was the Eurovision Interactive Quiz, which combined with the Events Manager's efforts to commemorate and screen the Eurovision 2023 final. All of these projects have contributed invaluable knowledge and learning that will help us expand the visitor experience we provide to guests in 2024.

During the summer, we collaborated with the University of Portsmouth to create the path 'How Portsmouth Inspires Writers' for the Festival of Storytelling 2023. This initiative enabled us to digitally showcase the work of local writers and how they are inspired by our City. This trail idea has inspired us to collaborate with the University of Portsmouth and others in our community again.

In 2023, there have also been exciting developments behind the scenes that will impact the visitor experience in 2024. In 2024, we are looking at introducing new signage for visitors, replacing the old signage that was installed during lockdown. Also in 2024, new visitor leaflets are to be produced in line with the new branding introduced in 2023, including translations into other languages. Be sure to check out how we have improved the visitor experience in 2024 based on the lessons we learned from and successes we experienced in previous years.

We are committed to providing a welcoming and informative experience for all visitors, and these upcoming changes are just the beginning of our efforts to enhance the overall visitor experience. Stay tuned for more updates on our progress and how we are striving to make your visit even more enjoyable!

Sharing our skills and expertise

Portsmouth Cathedral's clergy and staff contributed their time, skills, and enthusiasm in governance and committee roles at a variety of local and national causes and organisations, including:

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

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Building and Heritage

As the current custodians of this Grade 1 listed building and precincts, Chapter is committed to preserving the Cathedral for future generations, while also working to make the building more functional to the needs of God's people today (e.g., live streaming facilities), managing the building in a way that respects God's creation (e.g., Carbon Neutral 2030 targets), and generating enough income to support mission.

Improvement to the fabric

The 2021 Quinquennial Inspection identified approximately £1.6 million in repairs needed to the existing fabric over the next five years. Given the Cathedral's financial situation, grant funding will be required for the majority of these works.

Although the repairs and maintenance budget from the Cathedral was limited during 2023, Chapter allocated funds: to repoint the lower Nave Wall and Southern porch; to reseal the Southwest Ambulatory Roof; to repair sections of the Cloister roof; to replace stones on pathways; to repair the disabled lift; to insulate the South Transept roof void; to add temporary secondary glazing; and to repair the window void.

Chapter is actively seeking additional grant funding opportunities to address the remaining repairs needed in the Cathedral. It is crucial to secure financial support in order to ensure the preservation and maintenance of this historic building for future generations.

Eco Church Silver Status

A Rocha awarded the Cathedral the Eco Church Silver Status in December 2023. The award, given to only seventeen cathedrals to date, is a significant step towards achieving Carbon Net Zero status by 2030. As noted below, since 2013, the Cathedral has reduced its carbon footprint by 58% (45%, weather adjusted).

Our efforts in these areas continue to be recognised, with the Chief Operating Officer presenting at the Net Zero Conference in Church House in the spring, followed by a presentation at the triennial CFCE (Cathedrals Fabric Commission for England) conference in York a few weeks later.

In early autumn, we were asked to host a day-long session attended by colleagues from eight other cathedrals to learn from what we have been doing here to reduce our carbon footprint using only small, cost-effective interventions. The Cathedral also hosted a similar event for Eco Church champions from across the Diocese during the autumn of 2023.

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Energy and the Environment

The Cathedral's 2023 energy carbon emissions experienced a further reduction of 7% from 2022, driven by further incremental investment in energy efficiency projects across the two buildings and a continuation of the heating turn-down strategy in the Cathedral. This reduction is despite the electricity grid carbon intensity factor being higher than 2022 and the year being slightly cooler than 2022. Weather-adjusted emissions continued to fall, reflecting also the continued focus on good housekeeping.

Energy carbon emissions and energy spend 2013-2023: Cathedral and Cathedral House					
	2023	2022	2021	2019	2013
Scope 1 – Gas consumption tCO ₂ e	59.59	66.91	87.08	92.51	120.87
Scope 2+3 – Purchased grid electricity tCO ₂ e	11.23	9.21	10.33	16.72	46.68
Total energy GHG emissions tCO ₂ e (1)	70.82	76.11	97.41	109.23	167.55
Actual change v 2013 base year	-58%	-55%	-42%	-35%	
Carbon intensity tCO ₂ /m ² floorspace occupied	0.023	0.024	0.031	0.035	0.054
Total weather-adjusted GHG emissions tCO ₂ e (2)	83.62	92.98	99.03	119.46	151.30
Weather-adjusted change v 2013 base year	-45%	-39%	-35%	-21%	
Onsite low carbon electricity generation kWh (this capacity ceased during 2023)		18,598	18,745	18,679	0
Purchased energy expenditure gross	£37,105	£23,016	£22,820	£30,761	£37,868
FIT income from onsite electricity generation (3)	£1,687	£2,812	£2,576	£2,668	£0
Energy expenditure net of FIT income	£35,418	£20,204	£20,244	£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-2023>

(2) Applying the relevant annual weather adjustment (heating) using the Stark heating degree day dataset <https://www.stark.co.uk/degree-days-for-free/>

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(3) Feed-in tariff (FIT) income earned in-year under the UK microgeneration framework

Chapter continues to embrace the Church of England's 2030 net zero carbon programme and plans 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.

Some additional highlights from 2023:

- Despite electricity and gas prices doubling since 2019, Chapter managed to limit gross energy spend to 20% above the 2019 level, a reflection of energy efficiency improvements
- Chapter continued to recycle energy bill savings and FIT income (which is RPI inflation-linked) into projects aimed at further reducing demand and carbon emissions
- In the Cathedral loft insulation was added above the greeting area, along with more trial secondary glazing works to windows above the shop area and to the Nave north ambulatory
- LED lighting was extended throughout the Song School, thereby completing the roll-out in Cathedral House

More information can be found at www.portsmouthcathedral.org.uk/carbon-footprint

Planning for Future

In 2024, the Cathedral commissioned a Heating Feasibility Study with support from the Church Commissioners, the Friends and the PCDT. The findings of this study will be used to evaluate the best options for replacing our ageing heating system and boilers.

The study, which resulted in a working model, enables Chapter to test various scenarios as we work to implement a carbon-friendly and cost-effective solution for our existing system. In 2024, it is planned to commission a Lighting Feasibility Study to complement the heating study. This study will assess the current lighting system and explore potential upgrades to improve energy efficiency and reduce costs. The goal is to develop a comprehensive plan for sustainable and cost-effective improvements to the Cathedral's infrastructure.

Communication and engagement

Every year, we conduct a formal survey of the congregation to gather feedback on the Cathedral's heating systems. This has raised awareness not only of the challenges confronting the Cathedral, but also of everyone's role in assisting it to meet those challenges.

In September, our Annual Sustainability Fortnight featured in-service interviews with leading climate change academics, our own Lay Clerk, Dr Nick Pepin, and City officials. Following the service, the congregation was invited to meet with City officials to see what practical steps they could take at home to reduce their carbon footprint/energy spend.

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The congregation's engagement in these initiatives demonstrates a growing commitment to environmental sustainability within the community. By actively participating in discussions and taking tangible actions, individuals are contributing to a collective effort to address climate change and promote energy efficiency.

The Challenges Ahead

Given the Cathedral's limited budget, the priority is to focus fundraising activities on repairing and maintaining the building. A Conservation Management Plan was commissioned in 2023 and will be delivered in 2024. This is a critical document that will inform the master plan for the care and renewal of the Cathedral and Precinct in order to conserve the fabric while first generating the funds required from its own activities.

This plan will also include strategies for involving the community in preservation efforts and forming partnerships with other organisations. By prioritising fundraising efforts and implementing the Conservation Management Plan's recommendations, the Cathedral can ensure its long-term viability and cultural significance.

Partnership and Engagement

The Cathedral continues to be an active member of the Cultural Collective and the Hampshire Chamber of Commerce. As one of Portsmouth's largest employers, joining the Chamber demonstrates our commitment to working closely with businesses and organisations throughout the Diocese. We are members of both the Association of Leading Visitor Attractions and the Association of Cultural Enterprises through the English Cathedral Association.

Lunch Club

Lunch Club continues to meet on Mondays fortnightly and serves a two-course hot meal at an affordable price. There are 60 members, with 30 to 40 attending each lunch. We are extremely grateful to the volunteers who run the club. The Lunch Club provides not only a delicious meal but also a welcoming and social atmosphere for members to enjoy. It is a great opportunity for making friendships and tackling loneliness within the community.

Coronation of HM King Charles III

Our coronation celebrations included a big screen showing of the coronation, a coronation family trail, a coronation Big Lunch and a Royal Marines Association Concert Band performance. The event was a great success, with attendees enjoying the festivities and commemorating this historic occasion. The coronation celebrations brought the community together in a spirit of unity and celebration.

Cathedrals at Night – Eurovision

As part of the Association of English Cathedrals' national 'Cathedrals at Night' campaign, we held a Eurovision celebration in the Cathedral, showcasing the broadcast on our new large projection screen. The event was free to attend, and the proceeds from the bar were split between the Cathedral and the DEC Ukraine Humanitarian Appeal.

Makers Market

In May, we held a one-day market featuring traders from across the City. Working with local trader Alphabettys, we reached out to and booked 31 different traders to be inside and outside the Cathedral. We had approximately 1,000 people visit us for this market and collected more than £1,000 in donations on the day. The market featured a variety of handmade goods, food, and drinks, creating a vibrant atmosphere for attendees to enjoy. Additionally, the event helped support local businesses and raised awareness for the Cathedral within the community.

Divine Dance

Reverend Catherine Edenborough and our Events Manager collaborated to develop an Argentinian Tango-themed day. Tracie Gooch led the first workshop, which was attended by 26 beginners. Later in the day, Catherine gave a talk about the spirituality of Tango, which was attended by 45 people. The day ended with a Milonga in the Nave, which was attended by 85 people. The entire day raised more than £1,500 for the Cathedral through refreshments and ticket sales for the event.

The positive feedback from attendees demonstrated the event's success, with many expressing an interest in future similar events at the Cathedral. Overall, Divine Dance was a unique and successful fundraising opportunity that brought the community together while also demonstrating how liturgy can be integrated into events beyond services and worship.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

Seafood on the Green

The Portsmouth Cathedral Choir Association hosted this annual event to raise funds for the choirs. This outdoor food event was well-attended and raised more than £1,200. The funds raised are used to ensure that all of our Choristers have equal access to the opportunities provided by choir membership, such as overseas tours. In 2024, we plan to build on the success of this event by adding a Summer Fair to raise additional funds to support the Cathedral Church's work and mission.

Festival of Storytelling

The Festival of Storytelling took place from late July to early August, and included exhibitions, theatre, immersive events, workshops and free storytelling sessions. Every day of the festival had a different theme, from outer space to the depths of our oceans, so there was something for everyone!

The festival aimed to showcase a variety of storytelling mediums and attract a diverse audience, including families, students, and tourists. The event's success has sparked ideas for future festivals with more engaging and interactive programming.

Daily storytelling sessions were hosted by Cathedral Volunteers and the King's Theatre pantomime Dame and local storyteller Angela McCarty. Enable Ability, a local charity that assists disabled children, participated in several story time and activity sessions as part of their holiday activities.

Collaboration was key to the Festival's success, with The University of Portsmouth and our Visitor Experience Manager working together to create a trail that brings current Portsmouth authors' work to the Cathedral and provides a new way to explore the City. Artworks created by the 12th Portsmouth Cathedral Brownies, Cathedral Choir, St Jude's School and Copnor Primary School were displayed on Library shelves throughout the Cathedral Nave. We also hosted the Hampshire Calligraphers exhibition for two weeks, which added an artistic perspective to storytelling. The Cathedral continued to host the annual exhibition of the Portsmouth & Hants Art Society in the Nave during August.

Another standout exhibit was Penny Mordaunt's Coronation Dress, which explored how clothing can tell a story. The Cathedral was the first place to exhibit the outfit, resulting in many new visitors and over 13,000 shares on Twitter, setting a record for us!

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER *continued*

FOR THE YEAR ENDED 31 DECEMBER 2023

Curiosities of the Cathedral Library

As part of the Festival of Storytelling, our Events Manager and Digital Marketing Manager developed a new projection experience that featured the voices from several Cathedral staff. The Cathedral building was used to explore historical stories about Mary Rose and Eleanor of Aquitaine, as well as reflective moments of self at the Font and our connection to nature at the West Doors. The local community responded positively to an interactive projection experience centred on storytelling that showed the Cathedral's memorials and architectural features in a whole new light!

Solent Symphony Orchestra – Night at the Movies

We continued our collaboration with the Solent Symphony Orchestra, creating a new style of concert that featured popular music from cinema classics, as well as spectacular projections alongside music for an Interstellar segment by Organist and Master of the Choristers, David Price. This was the SSO's most successful concert to date at the Cathedral, both in terms of attendance and revenue. A new audience was reached, with only 7 customers having previously booked for SSO concerts.

Yoga at the Cathedral

We continued to collaborate with Portsmouth-based yoga instructor Kat Waters to offer a bi-monthly yoga session in the Cathedral Nave. 136 people participated in all six sessions throughout the year. Participants of all levels were able to enjoy the unique experience of practising yoga in the stunning Cathedral setting, enhancing their well-being.

Christmas Gift Market

For the first time, we organised the Christmas Gift Market ourselves. We worked with a total of 26 traders, 15 of whom were new to the Cathedral Market. This market brought in more than £1,700 for the Cathedral, as well as additional revenue for the shop and flower guild, and attracted over 1,800 visitors over the course of two days. The market featured a wide variety of unique gifts, crafts and food items, providing a great opportunity for visitors to find special presents for their loved ones. The success of the Christmas Gift Market has encouraged us to continue to host similar events in the future to support the Cathedral and local businesses.

The Cathedral Christmas Fair & Carols on the Green

The Cathedral's volunteer-led Christmas Fair raised more than £6,200. The Fair, which was followed by an outdoor community 'Carols on the Green', drew approximately 500.

Tickets for free admission to Santa's Grotto at the Fair were distributed to families through the Roberts Centre, as well as to food banks and local play schemes through the Portsmouth City Council, Tackling Poverty Coordinator. Some of the Fair's stalls supported the Roberts Centre, our link Diocese in Ghana, Sunyani, and Veterans Outreach Support.

The event was a great success in bringing the community together and supporting various charitable causes. The Cathedral looks forward to continuing this tradition in the future.

Staffing and Volunteers

The Cathedral has once again been blessed with a dedicated staff and volunteer team, who would be the envy of any other cathedral. Their dedication and passion propel us forward in fulfilling our mission and making a difference in the lives of those we serve. Chapter would like to thank everyone who continues to support our Cathedral with their time and expertise.

We continue to support employees by paying at least the national living wage and, despite financial challenges, we have been pleased to offer pay increases to help employees meet rising living costs. We also continue to provide Health Shield benefits, which help employees cover the costs of a variety of healthcare needs, such as optical and dental care. In November, we were pleased to facilitate a two-day teambuilding workshop with Bridge Builders, which assisted our employees in better supporting one another, increasing collaboration, and strengthening communication within our team. Staff enjoyed the workshop, and we look forward to putting the skills and strategies learned into practice to improve our work environment even more.

Volunteers

We could not continue to work towards accomplishing all six Strategic Objectives without the time, dedication and love of helping others from our volunteer base. Our volunteers are truly the backbone of our organisation, providing invaluable support and making a significant impact in our community. Below is a summary of just some of the ways our volunteers support our work and mission throughout the year. The Cathedral is eternally grateful to its teams of volunteers, who are the lifeblood of everything we do, from events to services...

Cheryll, our Head Server, and the serving team have continued to support services throughout the year, including large City services and a BBC live broadcast at Christmas. Additionally, the Flower Guild have created some wonderful floral displays throughout the year, filling the Cathedral with colour and scent. Sheila Picton joined Ronald Rabbetts as a Churchwarden, along with their team of Deputy Wardens and Sidespeople, whose assistance has continued to ensure the smooth running of services.

Margaret Wilson has stepped down as Head Guide after ten years, and we will be eternally grateful for her efforts in not only managing the guides team, but also starring in several short films produced for those unable to visit during the pandemic. Jonathan, current Head Guide, and his team of Cathedral experts continue to assist visitors in learning about the building's history and the people who have worshipped here throughout the years.

In our shop, our volunteer Shop Manager, Crystal, and her team have worked tirelessly to improve our retail offering and product range, resulting in increased income over the last year. Jo, our volunteer Cathedral Archivist, continues to uncover more fascinating stories, working with our Visitor Experience Manager to create engaging and understandable interpretation items, explaining our stories.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER *continued*

FOR THE YEAR ENDED 31 DECEMBER 2023

The "Adams" gardening team, who care for the Memorial Garden, continues to keep it a peaceful and tranquil space for everyone to enjoy, as well as a wonderful tribute to those interred and remembered there. The 'Holy Dusters', who dust and clean our Cathedral every week, have continued to ensure that the brass shines and that we are cobweb free!

Our event volunteers have worked tirelessly over the past year to support a wide range of new and innovative events, including immersive experiences, folk concerts, and tango days! Our Cathedral Consort, who sing alongside our paid choirs, have helped us celebrate festivals and national events throughout the year. With their chimes welcoming both worshippers and visitors alike, the bellringing team has also helped to support services throughout the year.

This year, we have introduced a new team of volunteers as part of our community outreach. A small team of Anna Chaplains and Friends will focus on those of all faiths, living in isolation and care homes, as well as those suffering from dementia and Alzheimer's. In December, they held their first specially adapted service, which was attended by nearly 60 community members.

While it is still difficult to recruit new volunteers, we have expanded our outreach to include frequent visits to the Portsmouth Job Centre and participation in community projects including the Portsmouth University Volunteering & Work Experience Fair.

Staff Welcomes and Farewells

This year, we welcomed back Malina Green, who returned to her position as Head Verger and Precinct Manager after maternity leave. We were also pleased to welcome Diana Hutchins as the Cathedral's new Learning & Schools' Officer, who will coordinate school visits to the Cathedral, as well as provide outreach to schools throughout the Diocese. We welcomed the Reverend Harriet Neale-Stevens as our new Canon Chancellor and Vice Dean in September, who has already begun work on exhibitions and partnerships for the new year.

Farewells were given to the Reverend Canon Kathryn Percival, who became the new Archdeacon of the Meon in July and to the Reverend Curate Hannah Barraclough, who, after serving her title, moved on to new challenges in Gloucestershire, having re-launched and developed #PompeyTots, resulting in increased membership and weekly attendance. We also said goodbye to Tom Marks, who served as Assistant Verger, covering maternity leave.

We said farewell to the 2022/2023 scholars in July and welcomed the new cohort in September. Alastair Ross, a long time Lay Clerk, also left during the year.

Finance and Sustainability

In 2023, Chapter again focused on lowering operational deficits and worked to improve the long-term sustainability of its vision and daily activities. Financial performance improved for the fifth consecutive year, with a renewed emphasis on increasing income and investment.

Whilst significant progress has been made since 2019 to reduce the operating deficit, the Cathedral has yet to consistently achieve Performance Measure one from the Vision and Strategy; namely “PM1: Cathedral expenditure does not exceed income.” Increased revenue or decreased activity continue to be, either jointly or separately, the solution.

The annual Season of Generosity concluded with a net increase in planned giving of £4,533 (or just over 5%), which was just below the target of £5,000.

2023 remained a year of cautious hope for Chapter as it worked to lower the operational deficit while assuring the long-term sustainability of our vision and daily activities, as well as the continued care of the fabric.

In the spring of 2023, the Chief Operating Officer briefed the Archbishop's Council on the critical work underway to return the Cathedral to a viable financial position in the medium to long term. It is evident that the Cathedral is not yet there, but difficulties have been recognised that must be addressed to provide the necessary degree of financial support for missionary activity.

The Financial Accounts show a surplus of £869,225. Much of this gain was due to a revaluation of the property owned by Chapter (e.g. clergy housing, investment property, and Cathedral House, but not the Cathedral itself). This resulted in an uplift of £794,785. There was also an unrealised gain of £91,769 on CCLA investments, plus a small increase of £6,120 from the addition of new fixed assets and £143,534 accrued income from two legacies expected in 2024. Depreciation, plus accrual of some fees, accounted for a decrease of £100,702 resulting in an overall net gain of £869,225.

Revenue and Expenditure – Financial Accounts							
('000s)	2017	2018	2019	2020	2021	2022	2023
Income	£1,001	£964	£847	£1,059	£1,273	£1,056	£1,359
Expenditure	£1,421	£1,366	£1,203	£1,065	£1,207	£1,081	£1,376
Surplus/Loss	-£420	-£402	-£356	-£6	£66	-£25	-£17
Gain on investments	£182	£62	£190	£48	£210	-£92	£887
Surplus/Loss	-£238	-£340	-£166	£42	£276	-£117	£869

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

This is the fifth consecutive year in which financial performance has improved from the projected deficit at the start of the year. Chapter remains focused on reducing spending and growing income to support the mission from a variety of sources, including the congregation, events, visitors and fundraising.

Our annual Season of Generosity concluded after four weeks on 31 July 2023. The net increase before Gift Aid was £4,533, compared to SMT's planned increase of £5,000. The £4,533 is a 5.19% increase above 2022 Planned Giving, following 20% increases in the prior two years. Given the significant increase in Planned Giving over the last (almost) three years, and the current cost-of-living issue, this is a remarkable response from the congregation.

However, at year end, with several members of the church congregation having died during the year, and for other reasons, there is an anticipated dip in planned giving starting in 2024. This is a major concern. The ministry team's goals for congregational expansion will be critical in maintaining both our communal worship life and the financial resources necessary to provide this house of God.

During 2023, we were grateful to receive support from the Jerusalem Trust and Hampshire & Isle of Wight Community Foundation for our Learning & Engagement work, as well as the Cathedral Music Trust who support our choirs and organist. With a dedicated and experienced fundraiser in post for 2024, we are optimistically ambitious that trusts & foundations will be a growing area of our funding going forward.

Chapter remains incredibly grateful to our supporters including those who gave above £5,000 in 2023:

- Church Commissioners' Cathedral Sustainability Fund
- The Benefact Trust
- Cathedral Music Trust
- Friends of Portsmouth Cathedral
- Hampshire and Isle of Wight Community Foundation
- The Jerusalem Trust

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 gain on investment for the year of £91,769, as at 31 December 2023. Income from these investments was £41,466 for 2023 (£41,652 in 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 seeks the advice of on certain investment matters.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER *continued*

FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023 valued at £735,000 and £1,303,123, 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 (£1,303,123) 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
 - 60% 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.

Whilst the general fund shows a net current asset position of £211,431, given that the designated fund holds in excess of £1,303,123 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.

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

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

- A decline in congregation numbers or congregational depth of faith and engagement leads to reduced outward discipleship or loss of pledged giving
- Inadequate funding and resources to deliver operational day-to-day requirements, maintain existing infrastructure or capitalise on future growth opportunities
- Failure to achieve forecast growth in visitor numbers and related increased visitor spend, including a broadening of reach nationally and internationally
- Our offering to children and young people fails to innovate or keep current, leading to reduced lifelong discipleship
- Failure to continually innovate, develop and sustain our learning activities
- Major fabric issue occurs or is uncovered that is not in the Cathedral's Quinquennial Inspection
- Ineffective flow of information, structures, and processes to support the Cathedral's activities
- Failure to comply with safeguarding processes and/or Cathedral receives safeguarding claims from past or present
- Major health and safety or security incident impacting our buildings, people or systems, either directly or indirectly
- Failure to remain current and innovative in the quality, depth and breadth of our music and worship
- Change in key staff and/or clergy leads to instability
- Data security/GDPR/Data breach/Copyright
- Failure to maintain relationship with the City and Diocese
- Failure to comply with statutory reporting requirements/Reputational risk

Our Public Benefit

Although the Cathedral (in 2023) fell outside the Charities Act and was therefore not regulated by the Charity Commission, Chapter had 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, including provision of space at reduced rates for many charitable organisations, 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.

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 2022. 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 was dedicated to planning for the implementation of the Measure during 2023. The Cathedral became a charity on 12 March 2024 with the title of "Cathedral Church of St. Thomas of Canterbury Portsmouth" (Registration number: 1207410).

Operational Management. To oversee operations and financial management between Chapter meetings, a Senior Management Team (SMT) comprised of 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 a terms of reference for SMT.

Recruitment of Trustees. In preparation for the new Measure, Chapter formed a Nominations Committee and granted a terms 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 March 2024. 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.

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

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 2021 requires that it shall be the duty of Chapter to direct and oversee the administration of the affairs of the Cathedral and to:

- Order the worship and promote the mission of the Cathedral;
- 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;
- 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 Cathedrals Measure 2021 brought cathedrals under the jurisdiction of the Charity Commission for the first time. The Cathedral's new Constitution and Statutes came into effect on 11 December 2023 and the Cathedral became a Registered Charity (number 1207410) on 12 March 2024. Chapter members are now trustees within the meaning of the Charities Act 2011.

While we were not required to do so under the previous 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 page 34.

A list of Chapter members is shown on page 30. Under the new Constitution and Statutes, the Dean, the Canon Chancellor and Vice Dean, and the Canon Precentor are executive members of Chapter. All others are non-executive members.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

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 (Finance 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 the FIC. Chapter appoints the members of this Chapter sub-committee. This committee has been chaired by Mary Makin since January 2020.

On 11 December 2023, the Committee was renamed the Finance Committee under the new Constitution and Statutes with new Terms of Reference including clear responsibility for Risk & Audit.

The Members of the Committee are listed on page 30.

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 31.

Cathedral Council

It was 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.

Under the new Constitution and Statutes, Portsmouth's Cathedral Council was dissolved on 11 December 2023. Former members of Council are listed on page 31.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

College of Canons

It was 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 raised by its members. Under the new Constitution and Statutes, the College remains in place. It no longer has any responsibility for the governance of the Cathedral, but remains a highly important group in the life of the Cathedral.

Members of the College of Canons are listed on page 32.

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 releases them to the Cathedral under the terms of the Trust Deed.

As a separate charity (Registered Number 295024) 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 33.

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 (*until 1 July 2023*)

The Reverend Canon Harriet Neale-Stevens, Canon Chancellor, and Vice Dean (*from 17 September 2023*)

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 Ministry & Mission, Diocese of Portsmouth

Ms Mary Makin, Chair of FIC

Ms Emma Broome (*Senior Non-Executive Member from 11 December 2023*)

Mr Richard Smout (*until 27 February 2024*)

Mr David Carpenter

Mr Alexandre Lochrane

Canon Ronald Rabbetts

In attendance

The Chief Operating Officer (Chapter Clerk)

The Dean's Executive Assistant as Secretary

The Finance Officer

Members of the Senior Management Team

The Very Reverend Dr Anthony Cane, *Dean of Portsmouth (Chair)*

The Reverend Canon Harriet Neale-Stevens, *Canon Chancellor and Vice-Dean*

The Reverend Canon Dr Joanna Spreadbury, *Canon Precentor*

Richard Abraham, *Chief Operating Officer*

In attendance

The Dean's Executive Assistant as Secretary

Members of the Finance and Investment Committee (*Finance Committee from 11 December 2023*)

Mrs Mary Makin, Chair of FIC

The Very Reverend Dr Anthony Cane (member until 11 December 2023, afterwards, in attendance)

Mr Paul Mitchell

Mrs Georgianna Rustell

Mr Darryl Cox

Mr Philip Sturdy

In attendance

The Dean (as of 11 December 2023)

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

The Finance Officer as Assistant Secretary to the FIC

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

Members of the Fabric Advisory Committee

Mrs Jane Jones-Warner (*Chair*)

Mr Deane Clark (*to 3 October 2023*)

The Reverend Canon Jeremy Davies (*to 28 June 2023*)

Mr David English

Mr Chris Wood

Ms Mel Howse

Mr Mark Bowen

Mr Ryan Stock (*from 7 September 2023*)

Dr Tareq Teba (*from 7 September 2023*)

In attendance: The Dean
The Cathedral Architect
The Cathedral Archaeologist (*from 3 October 2023*)
The Chief Operating Officer (Chapter Clerk) as Secretary to the FAC
The Dean's Executive Assistant as Assistant Secretary to the FAC

Members of the Nominations Committee

Canon Sir David Normington – Chair

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

Mr Paul Quinn

Ms Margaret Scott

Mr Alex Lochrane – Lay Chapter (non-exec)

In attendance: 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 (*until 11 December 2023 when it was dissolved*)

Miss Kate Branigan KC, (*Chair*)

The Very Reverend Dr Anthony Cane, The Dean

Canon David Bennison

Councillor 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

Professor 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

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

College of Canons

The Dean and Residentiary Canons

The Venerable Jenny Rowley (until 31 January 2024)

The Venerable Steven Daughtery (from 22 January 2023)

The Venerable Kathryn Percival (from 2 July 2023)

The Revd Canon Bob White KHC

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 Hugh Wright (until 30 September 2023)

The Venerable Andrew Hillier KHC RN (from 14 May 2023)

Canon Lucy Docherty (until 5 October 2023)

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 Chris Nicol (until 25 May 2022)

Canon Sheila Picton (from 25 May 2022)

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

Mr Alfred Hawkins (from October 2023)

Curatorial Office

2nd Floor Waterloo Block

HM Tower of London

London, EC3N 4AB

Bankers

Lloyds Bank

2-4 Palmerston Road

Southsea

Hampshire, PO5 3QH

Investment Managers

CCLA

Senator House

85 Queen Victoria Street

London, EC4V 4ET

Solicitors

Vacant

Auditor

Sheen Stickland

7 East Pallant

Chichester, West Sussex, PO19 1TR

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

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 (*until 13 November 2023*)

Mrs Krysia Butwilowska

Colonel (Ret'd) Jonathan Lloyd MBE

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

Chapter is responsible, under requirements laid down by the Church Commissioners under the powers given to them under Section 30 of the Cathedrals Measure 2021:

- 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 25 April 2024 and signed as authorised on its behalf by:



The Very Reverend Dr Anthony Cane – Dean of Portsmouth

REPORT OF THE INDEPENDENT AUDITORS TO THE CHAPTER

FOR THE YEAR ENDED 31 DECEMBER 2023

We have audited the financial statements of the Chapter of Portsmouth Cathedral (“the Chapter”) for the year ended 31 December 2023, 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 in accordance with 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 read Section 30 of the Cathedrals Measure 2021. 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 Chapter’s affairs as at 31 December 2023, 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 underread Section 30 of the Cathedrals Measure 2021.

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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE CHAPTER

FOR THE YEAR ENDED 31 DECEMBER 2023

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 ISA's (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.

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. 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

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

Dated *25th* April 2024.

PORTSMOUTH CATHEDRAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Financial Activities

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Fund £	Total 2023 £	Total 2022 £
Income and endowments from							
Donations and legacies	2	376,134	-	4,000	-	380,134	234,174
Grants receivable in support of mission	3	37,378	-	608,783	-	646,161	546,473
Charitable activity income	4	66,590	-	-	-	66,590	47,737
Trading and fundraising	5	196,225	-	-	-	196,225	182,751
Investments	6	40,019	-	1,447	-	41,466	41,652
Other Income	7	28,565	-	-	-	28,565	2,834
Total income		<u>744,911</u>	<u>-</u>	<u>614,230</u>	<u>-</u>	<u>1,359,141</u>	<u>1,055,621</u>
Expenditure on:							
Raising funds	8	83,642	-	243,565	-	327,207	239,539
Ministry	9	402,544	-	247,191	-	649,735	567,721
Cathedral and precincts upkeep	10	209,422	-	97,316	-	306,738	197,036
Education and outreach	11	44,916	-	47,873	-	92,789	76,825
Total Expenditure		<u>740,524</u>	<u>-</u>	<u>635,945</u>	<u>-</u>	<u>1,376,469</u>	<u>1,081,121</u>
Net income before net investment gains		4,387	-	(21,715)	-	(17,328)	(25,500)
Gain on revaluation of investment property	15	-	260,000	-	-	260,000	75,000
Gain on investments	15	-	87,211	-	4,558	91,769	(166,547)
Gain on property revaluation	15	-	534,785	-	-	534,785	-
Net income /(expenditure)		4,387	881,996	(21,715)	4,558	869,226	(117,047)
Transfers between funds		113,530	(113,530)	-	-	-	-
Net movement in funds		117,917	768,466	(21,715)	4,558	869,226	(117,047)
Reconciliation of funds							
Total funds brought forward	20	93,514	5,049,441	75,896	48,028	5,266,969	5,384,016
Total funds carried forward	20	<u>211,431</u>	<u>5,817,907</u>	<u>54,271</u>	<u>52,586</u>	<u>6,136,195</u>	<u>5,266,969</u>

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

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

Balance Sheet

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
FIXED ASSETS							
Investment assets							
Investment property	15	-	735,000	-	-	735,000	475,000
Other investments	15	-	1,250,537	-	52,586	1,303,123	1,241,354
Tangible fixed assets							
Property	16	-	3,805,000	-	-	3,805,000	3,296,749
Fixtures, fittings, and equipment	17	-	12,212	-	-	12,212	71,261
TOTAL FIXED ASSETS		-	5,802,749	-	52,586	5,855,335	5,084,364
CURRENT ASSETS							
Stocks		29,701	-	-	-	29,701	33,173
Debtors	18	166,016	-	72,669	-	238,685	80,294
Cash at bank and in hand		67,156	15,158	(18,398)	-	63,916	111,810
TOTAL CURRENT ASSETS		262,873	15,158	54,271	-	332,302	225,277
LIABILITIES DUE WITHIN ONE YEAR							
Creditors: amounts falling due within one year	19	(51,442)	-	-	-	(51,442)	(42,672)
NET CURRENT ASSETS		211,431	15,158	54,271	-	280,860	182,605
TOTAL NET ASSETS		211,431	5,817,907	54,271	52,586	6,136,195	5,266,969
FUNDS							
Endowment funds	20	-	-	-	52,586	52,586	48,028
Restricted funds	20	-	-	54,271	-	54,271	75,986
Designated fund	20	-	5,817,907	-	-	5,817,907	5,049,441
General fund	20	211,431	-	-	-	211,431	93,514
TOTAL CATHEDRAL FUNDS		211,431	5,817,907	54,271	52,586	6,136,195	5,266,969

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

Approved by Chapter, and authorised for issue on 25 April 2024



Anthony Cane – Dean



Mary Makin – Chair of the Finance Committee

Cashflow Statement

	2023 Total funds £	2022 Total funds £
Cash flows from operating activities (note 25)		
Net cash used in operating activities	(113,240)	(89,145)
Cash flows from investing activities		
Investment income received	41,466	41,652
Purchase of tangible fixed assets	(6,120)	(31,968)
Purchase of investments	-	-
Proceeds from sale of investments	30,000	20,000
	<hr/>	<hr/>
Net cash provided by investing activities	65,346	29,684
Change in cash and cash equivalents in year	(47,894)	(59,461)
Cash and cash equivalents at the beginning of the year	111,810	171,271
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>63,916</u>	<u>111,810</u>

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

Notes to the Financial Statements

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 as 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:

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER *continued*

FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES (*Continued*)

- 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 .

Support costs and governance costs

Support costs are those that assist the work of the Cathedral and include office costs, governance costs, and 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 for 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 initially recognised at cost. During the year, these properties were revalued to their open market value. For the year ended 31 December 2023, Chapter has adopted a policy to account for these assets using the revaluation model, as it considers that this will result in the financial statements providing more relevant information about the Cathedral's financial position.

Under the revaluation model, properties held for Cathedral use are carried at fair value less any subsequent accumulated depreciation. Revaluations are undertaken with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined

using fair value at the end of the reporting year. Fair values are determined from market evidence usually undertaken by professional qualified valuers.

Changes in fair value are recognised in “gains/losses on property revaluation” in the SoFA and accumulated in the revaluation reserve, except to the extent that any decrease in value in excess of previously recognised revaluation increases for that asset, or the reversal of such a transaction, is recognised in expenditure.

Enhancing works to property, office equipment, fixtures and fittings and other equipment above a threshold of £5,000 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%
- 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.

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 undesignated at Chapter’s discretion.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER *continued*

FOR THE YEAR ENDED 31 DECEMBER 2023

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:

The identification of certain properties as investment properties rather than held for cathedral use

Areas of estimation uncertainty that have the most significant risk of causing a material adjustment to the carry amount of assets and liabilities within the next financial year are:

- Valuation of investment property and valuation of properties held for Cathedral use

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

Further details are given in notes 15 and 16.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

2. DONATIONS AND LEGACIES				
2023				
	Unrestricted Funds	Restricted Funds	Endowment Fund	2023 Total Funds
	£	£	£	£
Congregational collections and giving	119,269	-	-	119,269
Donations	71,158	3,800	-	74,958
Tax recoverable under Gift Aid	37,455	200	-	37,655
Legacies	148,252	-	-	148,252
Total	376,134	4,000	-	380,134
2022				
	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total Funds
	£	£	£	£
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
Total	223,926	10,248	-	234,174
3. GRANTS RECEIVABLE IN THE COURSE OF MISSION				
2023				
	Unrestricted Funds	Restricted Funds	Endowment Fund	2023 Total Funds
	£	£	£	£
Church Commissioners grants	-	556,070	-	556,070
Diocesan grants	-	-	-	-
Other revenue and capital grants	37,378	52,713	-	90,091
Total	37,378	608,783	-	646,161
2022				
	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total Funds
	£	£	£	£
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
Total	42,620	503,853	-	546,473
4. CHARITABLE ACTIVITY INCOME				
			2023	2022
			Total Funds	Total Funds
			£	£
Fees and charges arising in the course of Mission			66,590	47,737
All funds are unrestricted in the current and preceding year.			=====	=====

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

5. TRADING AND FUNDRAISING				2023
2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income from fundraising events and appeals	25,024	-	-	25,024
Gross income from shop and other trading activities	52,600	-	-	52,600
Income from lettings of Cathedral and other buildings	118,601	-	-	118,601
Total	196,225	-	-	196,225
2022	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
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
Total	182,751	-	-	182,751
6. INVESTMENT INCOME				2023
2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income from investments	40,019	1,447	-	41,466
2022	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income from investments	39,655	1,997	-	41,652
7. OTHER INCOME			2023	2022
			Total Funds	Total Funds
			£	£
Other income			28,565	2,834
			=====	=====

All funds are unrestricted in the current and preceding year.

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

8. RAISING FUNDS				2023
2023	Unrestricted	Restricted	Endowment	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Gross costs of shop and other trading activities	27,750	-	-	27,750
Costs of fundraising events and appeals	15,486	214,181	-	229,667
Maintenance of and repairs to other buildings	13,057	-	-	13,057
Investment management costs	3,311	-	-	3,311
Support costs	24,038	29,384	-	53,422
Total	83,642	243,656	-	327,207
2022	Unrestricted	Restricted	Endowment	2022
	Funds	Funds	Funds	Total
	£	£	£	Funds
	£	£	£	£
Gross costs of shop and other trading activities	24,264	-	-	24,264
Costs of fundraising events and appeals	12,610	148,046	-	160,656
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	67,485	172,054	-	239,539
9. MINISTRY				2023
2023	Unrestricted	Restricted	Endowment	Total
	Funds	Funds	Funds	Funds
	£	£	£	£
Clergy stipends and working expenses	-	123,895	-	123,895
Clergy housing costs	52,675	-	-	52,675
Clergy support costs	41,444	4,777	-	46,221
Services and music	260,492	59,927	-	320,419
Support costs	47,933	58,592	-	106,525
	-----	-----	-----	-----
	402,544	247,191	-	649,735
	=====	=====	=====	=====
2022	Unrestricted	Restricted	Endowment	2022
	Funds	Funds	Funds	Total
	£	£	£	Funds
	£	£	£	£
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
	-----	-----	-----	-----
	319,572	248,149	-	567,721
	=====	=====	=====	=====

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

10. CATHEDRAL AND PRECINCTS UPKEEP				
2023	Unrestricted	Restricted	Endowment	2023
	Funds	Funds	Funds	Total
	£	£	£	Funds
				£
Major repairs and restoration	-	-	-	-
Maintenance and interior upkeep	80,747	19,883	-	100,630
Cathedral insurance	35,340	-	-	35,340
Other costs	53,319	28,518	-	81,837
Support costs	40,016	48,915	-	88,931
	<u>209,422</u>	<u>97,316</u>	<u>-</u>	<u>306,738</u>
2022	Unrestricted	Restricted	Endowment	2022
	Funds	Funds	Funds	Total
	£	£	£	Funds
				£
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>
11. EDUCATION AND OUTREACH				
2023	Unrestricted	Restricted	Endowment	2023
	Funds	Funds	Funds	Total
	£	£	£	Funds
				£
Educational activities	1,911	7,812	-	9,723
Charitable and other giving	10,098	1,000	-	11,098
Other costs	952	-	-	952
Support costs	31,955	39,061	-	71,016
	<u>44,916</u>	<u>47,873</u>	<u>-</u>	<u>92,789</u>
2022	Unrestricted	Restricted	Endowment	2022
	Funds	Funds	Funds	Total
	£	£	£	Funds
				£
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>

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

12. Note 12 no longer required from 2022

13. SUPPORT COSTS

2023	Raising Funds	Ministry	Cathedral and Precinct	Education and Outreach	2023 Total Funds
	£	£	£	£	£
Salaries, recruitment, and training costs	20,075	40,031	33,419	26,687	120,212
Administration	26,287	52,415	43,758	34,943	157,403
IT	5,557	11,082	9,252	7,388	33,279
Governance costs	1,503	2,997	2,502	1,998	9,000
	-----	-----	-----	-----	-----
	53,422	106,525	88,931	71,016	319,894
	=====	=====	=====	=====	=====

Included within governance costs above are auditor's remuneration for 2023 of £7,500 plus VAT (total fee for 2023 £7,750 plus VAT)

2022	Raising Funds	Ministry	Cathedral and Precincts	Education and Outreach	2022 Total Funds
	£	£	£	£	£
Salaries, recruitment, and training costs	18,390	36,671	30,612	24,446	110,119
Administration	13,428	26,775	22,353	17,850	80,406
IT	4,066	8,108	6,767	5,405	24,346
Governance costs	3,808	7,593	6,337	5,062	22,800
	-----	-----	-----	-----	-----
	39,692	79,147	66,069	52,763	237,671
	=====	=====	=====	=====	=====

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

PORTSMOUTH CATHEDRAL
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FOR THE YEAR ENDED 31 DECEMBER 2023

14. STAFF COSTS	2023	2022
	£	£
Salary costs were as follows:		
Salary costs	511,044	431,478
Social security costs	43,472	37,376
Pension costs	27,426	23,910
	581,942	492,764

	Stipend	Levy	NIC	Pension	2023 Total
Stipends	£	£	£	£	£
The Very Reverend Anthony Cane	39,477	171	3,464	8,909	52,021
The Reverend Canon Joanna Spreadbury	31,435	136	2,494	7,127	41,192
The Reverend Canon Kathryn Percival	15,577	78	1,404	3,574	20,633
The Reverend Canon Harriet Neale-Stevens	9,211	40	797	-	10,048
	95,700	425	8,159	19,610	123,894

	Stipend	Levy	NIC	Pension	2022 Total
Stipends	£	£	£	£	£
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
	97,677	430	8,586	30,361	137,054

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 (from 11 December 2023 the Finance Committee with responsibility for Risk and Audit) for which she receives no reimbursement.

Expenses of £3,718 (2022 – £602) were reimbursed to members of Chapter. Planned giving donations of £10,738 (2022 £10,890) and other donations of £6,325 (2022-£4,566) were received from related parties during the year.

There was an average of 10 (2022: 10) full time and 13 (2022: 10) 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 2023 was 18 (2022: 13).

The aggregate remuneration of Key Management Personnel in 2023, including all benefits, was £195,306 (2022: £205,785). 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 (2022: 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 there were no donations (2022: £5,000) received from the PCDT.

PORTSMOUTH CATHEDRAL

.ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

15. INVESTMENTS	2023 Total Funds £	2022 Total Funds £
Investment Property		
Fair value brought forward	475,000	400,000
Reclassification	345,000	-
Revaluation	(85,000)	75,000
	<u>735,000</u>	<u>475,000</u>

The investment property was revalued by Chapter in 2023. The revaluation was carried out by Eddisons Chartered Surveyors in November 2023.

Other investments	2023 Total Funds £	2022 Total Funds £
Fair value brought forward	1,241,354	1,427,901
Disposals at proceeds	(30,000)	(20,000)
Gain on revaluation	91,769	(166,547)
	<u>1,303,123</u>	<u>1,241,354</u>
Total investments	<u>2,038,123</u>	<u>1,716,354</u>

Split of investments between funds:

	2023 £	2022 £
Endowment – Friends of Cathedral Music	52,586	48,028
Designated – Groves legacy including Investment Property 84 Penny Street	1,640,537	1,668,326
Designated – Tangible Fixed Assets Investment Property Flat 1	345,000	-
	<u>2,038,123</u>	<u>1,716,354</u>

Investments are held in pooled managed funds as follows:

	2023 £	2022 £
Property (directly owned)	735,000	475,000
CBF CoE Investment Fund Income Shares	1,135,845	1,065,897
CBF CoE Property Fund Income Shares	167,278	175,457
	<u>2,038,123</u>	<u>1,716,354</u>

PORTSMOUTH CATHEDRAL
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FOR THE YEAR ENDED 31 DECEMBER 2023

16. PROPERTY	2023	
	Unrestricted	Total
	Funds	Funds
	£	£
Cost or deemed cost		
At 1 January 2023	3,380,670	3,380,670
Reclassification	(345,000)	(345,000)
Disposals	(530,670)	(530,670)
Revaluation	1,300,000	1,300,000
	-----	-----
At 31 December 2023	3,805,000	3,805,000
	=====	=====
Depreciation		
Accumulated at 1 January 2023	83,921	83,921
Charge for the year	26,534	26,534
Disposals	(110,455)	(110,455)
	-----	-----
At 31 December 2023	-	-
	=====	=====
Net Book Value		
At 31 December 2023	3,805,000	3,805,000
	=====	=====
At 31 December 2022	3,296,749	3,296,749
	=====	=====

The properties above are all freehold and applied for Cathedral use. All properties (excluding the Cathedral itself) were revalued by an independent valuer, Eddisons Chartered Surveyors, in November 2023 at a total value of £3,805,000. The basis of the valuation was open market value having regard to any special assumptions or circumstances. The carrying amount of these assets under the historical cost model would be £2,996,749.

17.	Fixtures	Other	Total
	& Fittings	Equipment	
	£	£	£
Cost			
At 1 January 2023	183,162	140,901	324,063
Additions	6,120	-	6,120
Disposals	(175,365)	(136,053)	(311,418)
	-----	-----	-----
At 31 December 2023	13,917	4,848	18,765
	=====	=====	=====
Depreciation			
Accumulated at 1 January 2023	172,261	80,540	252,801
Charge for the year	7,461	57,708	65,169
On disposals	(175,365)	(136,052)	(311,417)
	-----	-----	-----
At 31 December 2023	4,357	2,196	6,553
	=====	=====	=====
Net Book Value			
At 31 December 2023	9,560	2,652	12,212
	=====	=====	=====
At 31 December 2022	10,901	60,361	71,262
	=====	=====	=====

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

18. DEBTORS				2023
2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Invoiced debtors	6,633	69,710	-	76,343
Prepayments	-	-	-	-
Accrued income	159,383	2,959	-	162,342
	<u>166,016</u>	<u>72,669</u>	<u>-</u>	<u>238,685</u>
2022	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total Funds
	£	£	£	£
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>
19. CREDITORS: amounts falling due within one year				2023
2023	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Trade creditors	25,750	-	-	25,750
Social security and other taxes	2,481	-	-	2,481
Other creditors	23,211	-	-	23,211
	<u>51,442</u>	<u>-</u>	<u>-</u>	<u>51,442</u>
2022	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Total Funds
	£	£	£	£
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>

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

**20. ANALYSIS OF NET MOVEMENTS IN FUNDS
2023**

	Total funds 01.01.23	Income	Expenditure	Gains	Transfers	Total funds 31.12.23
	£	£	£	£	£	£
Endowment fund						
FoCM – Choir Scholarship	48,028	-	-	4,558	-	52,586
Restricted funds						
Church Commissioners						
Stipends	-	123,895	(123,895)	-	-	-
Section 23 grant	-	175,952	(175,952)	-	-	-
Church Commissioners Legal Fees Grant	-	4,777	(4,777)	-	-	-
Cathedrals Sustainability Fund	-	251,446	(251,577)	-	-	(131)
Fabric						
Southwest Doors – crowdfunding	13,619	-	-	-	(13,619)	-
Let the Building Speak	4,082	-	-	-	(4,082)	-
Building & Heritage Fund	-	-	-	-	17,701	17,701
Friends Support Heating Feasibility Study	-	3,000	(3,000)	-	-	-
LPOW Heating Feasibility Study	-	2,959	(2,959)	-	-	-
Music						
Other support for music	860	-	(860)	-	-	-
Michael James Organ Scholarship	-	2,000	(1,818)	-	-	182
FoCM – Choir Scholarship	-	1,447	(1,447)	-	-	-
Church Choir project	-	20,154	(20,154)	-	-	-
Cathedral Sing	6,035	13,100	(13,394)	-	5,000	10,741
Cathedral Music Trust	13,934	13,500	(13,434)	-	(5,000)	9,000
Education and Outreach						
Pop-Up Cathedral	349	-	(349)	-	-	-
Friends Support for Education	2,000	1,000	(3,000)	-	-	-
Other Support for Education	2,000	-	(2,000)	-	-	-
The Jerusalem Trust	10,000	-	(1,463)	-	-	8,537
Monks project	1,000	-	(1,000)	-	-	-
Other funds						
All Churches Trust Hope Beyond	7,500	-	(7,500)	-	-	-
Chapel of Healing & Reconciliation	6,771	-	-	-	-	6,771
Sunyani Fund	1,470	1,000	(1,000)	-	-	1,470
Memorial garden	759	-	(759)	-	-	-
Grant towards Volition costs	4,000	-	(4,000)	-	-	-
Other restricted funds	207	-	(207)	-	-	-
Other items arising in 2021	1,320	-	(1,320)	-	-	-
Other items arising in 2022	80	-	(80)	-	-	-
Total restricted funds	75,986	614,230	(635,945)	-	-	54,271
General funds	93,514	744,911	(740,524)	-	113,530	211,431
Designated fund W. Groves legacy	1,668,326	-	-	87,211	(115,000)	1,640,537
Designated fund Tangible fixed assets	3,368,010	-	-	794,785	(583)	4,162,212
Designated funds Lunch Club	13,105	-	-	-	2,053	15,158
Total unrestricted funds	5,142,955	744,911	(740,524)	881,996	-	6,029,338
Total funds	5,266,969	1,359,141	(1,376,469)	886,554	-	6,136,195

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

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

20. ANALYSIS OF NET MOVEMENTS IN FUNDS

2022	Total funds 01.01.22	Income	Expenditure	Gains	Transfers	Total funds 31.12.22
	£	£	£	£	£	£
Endowment fund						
FoCM – Choir Scholarship	54,404	-	-	(6,376)	-	48,028
Restricted funds						
<u>Church Commissioners</u>						
Stipends	-	137,053	(137,053)	-	-	-
Section 23 grant	-	143,760	(143,760)	-	-	-
Cathedrals Sustainability Fund	(876)	139,726	(138,850)	-	-	-
<u>Fabric</u>						
Major Fabric Work	-	828	(828)	-	-	-
Southwest Doors – crowdfunding	13,619	-	-	-	-	13,619
<u>Music</u>						
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
<u>Education and Outreach</u>						
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
<u>Other funds</u>						
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
Total restricted funds	56,427	516,098	(496,151)	(669)	281	75,986
General funds	123,271	539,523	(584,970)	-	15,690	93,514
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
Total unrestricted funds	5,273,185	539,523	(584,970)	(84,502)	(281)	5,142,955
Total funds	5,384,016	1,055,621	(1,081,121)	(91,547)	-	5,266,969

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

PORTSMOUTH CATHEDRAL

ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2023

21. TRANSFERS BETWEEN FUNDS	Unrestricted Funds £	Restricted Funds £	Total Funds £
2023			
Expenditure repaid to unrestricted funds	-	-	-
	<u> </u>	<u> </u>	<u> </u>
2022			
	(281)	281	-
	<u> </u>	<u> </u>	<u> </u>
22. DESCRIPTION OF FUNDS			
Endowment funds			
Friends of Cathedral Music – Choir Scholarship			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.
Restricted funds			
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.
Southwest Doors – crowdfunding			Funds solicited towards the named project
Let the Building Speak			This fund is for the purchase of resources associated with Cathedral history and interpretation.
Building and Heritage Fund			Formed to consolidate existing funds related to buildings and heritage
Friends Support Heating Feasibility Study			Funds donated by Friends of Portsmouth Cathedral towards the cost of the Heating Feasibility Study
LPOW Heating Feasibility Study			Listed Places of Worship Grant to reclaim the VAT paid out on the Heating Feasibility Study
Other support for Music			Restricted income for sheet music
Michael James Organ Scholarship			Funds solicited towards the costs of an Organ Scholar
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.
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 guidebook
Other Items Arising in 2021			Funds to support better quality broadcasting
Other Items Arising in 2022			Itinerants Discretionary fund
Designated funds			
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
General fund			These funds are unrestricted and available for the Cathedral's use.

PORTSMOUTH CATHEDRAL

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FOR THE YEAR ENDED 31 DECEMBER 2023

23. CAPITAL COMMITMENTS

There were no material amounts contracted for but not provided for at 31 December 2023 or 31 December 2022.

24. PENSION SCHEMES

Portsmouth 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 (2023: £32,202 2022: £26,216).

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.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

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

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FOR THE YEAR ENDED 31 DECEMBER 2023

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO OPERATING CASH FLOW	2023 Total Funds £	2022 Total Funds £
Net expenditure/(income) excluding investment gains and losses	(17,328)	(25,500)
Investment income	(41,466)	(41,652)
Operating (deficit)/surplus	<u>(92,723)</u>	<u>(67,152)</u>
Depreciation charges	91,703	46,081
Decrease in stocks	3,472	(3,595)
Increase in debtors	(158,391)	(24,755)
Increase in creditors	8,770	(39,724)
Net cash outflow from operations	<u><u>(113,240)</u></u>	<u><u>(89,145)</u></u>