

PORTSMOUTH  
CATHEDRAL

---

**PORTSMOUTH CATHEDRAL**

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

**ANNUAL REPORT AND AUDITED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2021**

**PORTSMOUTH CATHEDRAL**  
**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

<b>CONTENTS</b>	<b>Page</b>
Preface	3
Annual Report of the Chapter	4
Statement of Chapter's Responsibilities in relation to the Accounts	31
Independent Auditor's Report	32
Statement of Financial Activities	35
Balance Sheet	36
Cash Flow Statement	37
Notes to the Financial Statements	38

**PORTSMOUTH CATHEDRAL**  
**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**PREFACE**

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

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

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

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

**The Very Reverend Dr Anthony Cane**

**Dean of Portsmouth**

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### STATEMENT OF PURPOSE

*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.

While 2021 still presented a challenge to our worship and operations we continued to innovate with some of our services online as well as opening the Cathedral as much as possible, in a way to ensure the safety of worshippers, visitors, staff, and volunteers. Over the course of 2021 Cathedral life began to return increasingly to more normal operations as Covid-19 restrictions were slowly relaxed over the 12 months.

The Cathedral also remained focused on its goal of achieving carbon net zero by 2030 with further steps taken in 2021 to reduce our carbon footprint (Please see: 'Responsible Stewardship – Energy and the Environment (Energy Carbon Footprint)' later in this report for more detail).

Central to all our actions sits the Vision and Strategy with its six separate, but interdependent strands that work together to enable the Cathedral community to live out our mission to be 'a beacon and safe haven, anchored in Jesus Christ'. Each objective is underpinned by individual projects and supported by Progress Measures (PM), examples of which are included below.

- **Worship and Music**

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

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

- **Growing and Learning**

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

- 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

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### STATEMENT OF PURPOSE (CONTINUED)

- **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

#### **Reviewing and measuring progress**

In order to achieve each of these strategic objectives, Chapter will continue to review each progress measure. All individual projects developed over the next 10 years will align with at least one of the Strategic Objectives to be taken forward. Each project will have targets that are **S**pecific, **M**easurable, **A**chievable, **R**ealistic and **T**ime-bound (**SMART** targets). Because of the ongoing pressures of focusing on managing in a Covid environment while addressing the deficit there is more progress to be made in this area in 2022 including detailed reporting on the 18 Performance Measures.

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

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

FOR THE YEAR ENDED 31 DECEMBER 2021

---

## MISSION AND REVIEW OF ACTIVITIES

### WORSHIP AND MUSIC.

We are committed... to offering worship to God on behalf of the whole community and serving the needs of many individuals, groups, and organisations. With our excellence in music and the rich resources of liturgy – both traditional and contemporary – Portsmouth Cathedral will continue to draw people to God, reflect the beauty of Christ and invite all comers to take part in a deeper spiritual experience.

Worship and music remained at the heart of our Cathedral life during 2021.

Our pattern of worship continued with a combination of in person and online services as we embraced the opportunities of live broadcasting to reach more people and offer worship to those who were self-isolating from Covid or unable to come to the Cathedral for other reasons. We sought to offer many different ways for people to encounter God in worship; our regular pattern of services encompassed a range of liturgical styles from Choral Evensong to Taizé, toddlers' services to our informal café-church style #Pompey Sundays.

We continued to respond to the changing restrictions and guidelines, adapting our services where necessary to ensure everyone's safety. As pandemic restrictions eased in June 2021, we reviewed the enhanced pattern of worship we had been offering during the height of the pandemic and made gradual changes to revert back to our previous pattern.

**Special services:** We hosted a wide variety of special services during 2021, welcoming local community groups and marking important anniversaries in our civic life.

On 10 January we commemorated the 80<sup>th</sup> anniversary of the Portsmouth Blitz. Portsmouth was heavily bombed during World War II. Although the target was the strategic port, our local area and parish was badly damaged in the worst bombing raids on 10 and 11 January, with the churchwarden at the time writing 'During this night Portsmouth was heavily raided and much of the parish was destroyed'. Members of the local community and civic representatives attended the commemoration which took place during Choral Evensong.

We joined the National Day of Reflection on 23 March as people across the nation paused to remember all those lost in the first year since the first Covid-19 lockdown. Dean Anthony and the Lord Mayor led an online memorial service for the City; we extended the Cathedral's opening hours and provided special prayer stations.

Following the announcement of the death of HRH The Duke of Edinburgh on 9 April, we adapted contingency plans to comply with the restrictions of Covid and held a thanksgiving service, attended by civic, military and ecumenical representatives on Saturday 17 April. The following week we again welcomed a restricted number of people as we celebrated the ministry of Bishop Christopher, who retired after 10 years as Bishop of Portsmouth, at a farewell service on 24 April.

We were delighted that the Cathedral was, once again, able to host the Ordination and Readers Licensing Services. In June, Commissary Bishop Rob ordained seven deacons and three priests to service in the Diocese. This was followed by the annual service of celebration of licensed lay ministry where two new Readers were admitted and licensed. Four Readers who were digitally licensed in 2020 were welcomed, and all other Readers present renewed their ministerial vows. The services were joyous occasions, as family and friends filled every part of the Cathedral to ensure as many people as possible could safely attend.

As the Cathedral of the Sea, Portsmouth Cathedral has a strong association with the Navy and seafaring communities. During the autumn we hosted several special services including the annual Seafarers' Service for local civic leaders and representatives from seafaring charities, and the annual Royal Marines' Band Memorial Day Service which included music performed by the Band of Her Majesty's Royal Marines Portsmouth. We also welcomed the Fishermen's Mission as it celebrated its 140<sup>th</sup> anniversary during Choral Evensong, as well as the Association of Royal Yachtsmen, the Mary Rose Trust, and Queen Alexandra's Royal Naval Nursing Service.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

**Lent, Holy Week and Easter:** With Lent falling during a period of strict pandemic restrictions, we offered a wide variety of ways for people to engage in person and online. These included the weekly Stations of the Cross, when the themes of Lent were explored in music, art, meditation and prayer, accompanied by a display of visual stations around the Cathedral ambulatory.

The relaxing of rules around singing, just before Palm Sunday, ensured that our Holy Week and Easter Sunday liturgy was enriched with music from the Cathedral Consort and Lay Clerks. We were delighted to welcome the Reverend Dr Stephen Hance, National Lead for Evangelism and Witness, as our Holy Week preacher. His series of sermons, entitled *God's Story: Our Story* explored how to live our lives in light of the story of God's loving and creative engagement with the world.

Thanks to some generous donations of plants, a beautiful new Easter Garden was set up outside the South doors.

**Advent and Christmas:** Advent and Christmas were very busy times of the year for Portsmouth Cathedral. Our Advent Retreat, conceived and led by Cathedral Curate Rev'd Catherine Edenborough, offered an opportunity to pause, in the midst of the Christmas preparations, and focus on the meaning of God's presence with us individually, to reflect on God coming to us in the form of a child and to sense what God might be bringing to birth in us. Feedback was that it was a welcome space and a fruitful time of resting in God's presence.

We held our full pattern of seasonal services and over 1,600 people joined one of our four Carol Services, two Crib Services, Midnight Mass, and Christmas Day Services, with many others joining online. Carols on the Green returned for a second year, with 115 people gathering to sing together outside. The rise of the Omicron variant impacted the numbers attending, but not the joy of being able to celebrate Christmas together.

For the first time one of our Carol Services was British Sign Language Interpreted, with over 50 people booking spaces in the interpretation area. Feedback was very positive, and we plan to continue to offer BSL interpretation in future years.

**#PompeySundays:** After several delays, we launched our new informal Sunday service, #PompeySundays, during the third national lockdown. Initially services were online only and featured interviews with the Revd Richard Coles, a local GP, an ITU nurse, and the Christian comedian Paul Kerensa. As pandemic restrictions eased, our first in person service launched at Pentecost, in a shower of red balloons. The informal café-style format has proved popular with all ages, week by week. As well as the regular pattern of worship on Sunday mornings at 9:30am, we held a pet blessing service and a Christingle. The #PompeySundays community is developing, with the introduction of refreshments after the service and the organic growth of a band to lead the singing.

**Choirs and Music:** Portsmouth Cathedral's rich musical life continued to flourish during 2021 despite continued disruption during the first half of the year, which resulted in choristers rehearsing online only and just three singers being able to sing together at any time.

Our three choirs comprise 22 girl choristers, 24 boy choristers, five choral scholars, six lay clerks and 14 voluntary adults from the local area. The choirs sing at least six services a week during term time, as well as at special services, events, and recordings. They are led by Organist and Master of Choristers Dr David Price and Sub-Organist Sachin Gunga, supported by the Michael James Organ Scholar: Adam Field (until July 2021) and Joel Colyer.

The experience of being a Cathedral Chorister provides an unrivalled musical education and life-long skills to local boys and girls. Four new choristers joined during the third national lockdown and showed amazing resilience and dedication during their first weeks of online only rehearsals. One of our new starters has since been made Head Chorister when chorister rehearsals were online only,

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### **MISSION AND REVIEW OF ACTIVITIES (continued)**

Our Choral Scholar and Organ Scholar programme continued to offer young adults a year-long placement to develop their singing and playing. We bade farewell to six scholars in July and welcomed another six new scholars in September. The programme continues to receive excellent feedback.

Portsmouth Cathedral Choirs champion new and contemporary music. During 2021 the choir gave the world première of renowned US composer, Nico Muhly's, setting - *Hymnus in Natale Martyrum* which was commissioned for Bishop Christopher's farewell service. Other first performances included, former Portsmouth Cathedral chorister, Tim Hamilton's *Clangat Tuba Martir Thoma* commissioned for the 850<sup>th</sup> anniversary of the death of our patron saint St Thomas a Becket, Sean Farrell's *St Thomas Evening Canticles*, and a set of Responses by Lee Dunleavy. The Choirs also gave a rare performance of Roxanna Panufnik's *Westminster Mass for Choir, Harp, Organ, and Tubular Bells*. Thanks to a generous supporter, we received sets of *Multitude of Voyces (volumes 1 and 2)*. These compilations of works by female composers will enable us to incorporate more female-written music into our repertoire, promoting composers who have historically been overlooked.

Outside of term time we welcome visiting choirs from around the country to sing our regular choral services. The continuing pandemic restrictions, which particularly affected amateur choirs, meant that several visiting choirs were not able to join us as planned. Nonetheless, we were delighted to welcome eight visiting choirs during 2021, six of which were singing at Portsmouth Cathedral for the first time.

Our Cathedral music staff continue to have an impact at the regional and national scale. Dr David Price offers support and mentoring to Choir Church at St James' Milton, a recent initiative to build new Christian communities around participation in singing. Over Christmas, our choirs, once again, featured on *ClassicFM* which played tracks from our 2019 recording *Verbum Caro*.

Dr David Price marked 25 years as Organist and Master of Choristers. We celebrated this remarkable achievement with *In Tune With Heaven*, an evening event where David was interviewed about his career by singer and broadcaster Catherine Bott.

**Cathedral Sing:** Our choral outreach project, Cathedral Sing, restarted in June 2021 after a 15-month hiatus due to pandemic restrictions. We were so pleased to, once again, be able to hold singing workshops in schools across the region. In June and July, we ran sessions with children from three schools on the Isle of Wight, delivering three workshops in each school. Unfortunately, the planned end-of-project performance was cancelled due to pandemic restrictions.

Our November St Cecilia's Day project saw us invite children from three schools in Portsmouth for an afternoon workshop at Portsmouth Cathedral. The day culminated with the children singing a joint Choral Evensong with the Cathedral Choir and 15 children from Choir Church. In November we worked with two schools in Emsworth, delivering two sessions in each school before the Omicron variant paused this project. Our planned Christmas project, in collaboration with St Mary's Fratton and The News was also postponed as a result of the reintroduction of pandemic restrictions in schools. Despite these challenges, we delivered 20 workshops and worked with 310 children during 2021. We plan a full programme of activities for 2022, including returning to schools where we had to cancel projects this year.



## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

##### Growing and Learning

*We are committed... to seeking to grow in faith, learning and participation, enabling encounters with the living God for all, through education 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 improvement in all that we do.*

Our commitment to growing and learning continued during 2021 despite the challenges and restrictions of working during the pandemic.

We offered a rich variety of opportunities for adults to deepen their faith and learning, taking advantage of the flexibility offered by online platforms to reach more people and try new ideas.

After many months without major art exhibitions, 2021 saw an explosion of colour and creativity as we hosted six exhibitions ranging from Charlotte Griffiths' moving *Black Lives Matter* photography exhibitions to a landmark exhibition of Kurdish culture, *Halabja: In the Golden Days*, and community art and making projects devised by Jen Evison, Alice Hume and our own Cathedral Curate, Catherine Edenborough.

During October half term we were excited to host a newly written musical, *Florence, and the Mermaid's Tears*, created for churches across the Diocese. The musical explores the subject of plastic pollution and climate change in a lively and engaging way for children and families. The event proved very popular with over 160 people attending.

Our popular Toddler Group for local families restarted in person after many months online. We are grateful to Clare Cane for taking over as leader and to Carole King who has stepped down from leading this important initiative after many years of dedicated service.

Our work, mission and ministry would not be possible without the incredible dedication and passion of our volunteers. We remain deeply grateful to everyone who lends their time, skills, and enthusiasm to Portsmouth Cathedral.

**Portsmouth Cathedral Institute:** We launched the Portsmouth Cathedral Institute, a new forum for public theology and discussion on the pressing issues of the day. Its inaugural event took place on 11 September 2021, a day conference entitled "*Life after Covid – radical transformation or business as usual?*" The purpose of the Institute is to promote public debate and exploration of the most important questions of ethics, the common good and human flourishing; the impact of the pandemic seemed the best place to start. The keynote speakers at this well attended and much appreciated day were Sir Jonathan Montgomery (Professor of Health Care Law at University College London) and Dame Clare Moriarty, (Chief Executive of Citizens Advice, and Chair of the Health Foundation COVID-19 impact inquiry).

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

During the day we also heard a variety of other experiences and perspectives, including from Tania Marsh (Director, Crisis Skylight London), Stewart Vaughan (Head of Priory School, Portsmouth), and Dr Helen Peet (Critical Care Consultant, Queen Alexandra Hospital, Portsmouth).

The first lecture of an annual Robert Dolling lecture series, under the umbrella of the Institute, will be held in May 2022, and will be delivered by Mark Chapman (Professor of the History of Modern Theology at the University of Oxford, and Vice Principal of Ripon College, Cuddesdon).

**Schools:** Fundraising for a new Learning Manager to lead our work with schools started in 2021 and will continue into 2022. Maintaining our relationships with schools and colleges during this gap in staffing and the pandemic has been challenging, but we have continued to work with schools whenever we can, with members of the clergy involved in governance and taking assemblies and services at Portsmouth Grammar School, Portsmouth High School, and Mayville High School, and taking chapel services at Ryde School. In addition, the Cathedral has a Foundation Governor at St. Jude's School. We were delighted to work with students from Portsmouth College on a video for our Covid Anniversary Service in March. For the second year we contributed to the video service for Diocesan Primary Schools' Leavers. We hope to return to hosting the Leavers' Services in person next year. It was a joy to welcome some local schools back to the Cathedral in the autumn, for their start of the academic year services.

**Adult education and nurture:** Our regular Bible Discussion Group continued to meet over Zoom during 2021, led by the Reverend Lyn Comerford. During the summer we held an Eco Discussion Group; the group studied Ruth Valerio's recently published book *Saying Yes to Life*, eliciting lively discussion and debate.

As part of our Lent programme, Canon Kathryn Percival led weekly *Art Wednesdays* over Zoom. Each of the five lectures explored different aspects of the themes of Lent through art. The course attracted a broad range of participants including many from beyond the regular Cathedral congregation.

In November, members of the Cathedral congregation and the wider Deanery joined us online for the Church of England's *Pastoral Principles for Living well Together* course. Discussions explored how we can have meaningful and respectful conversations, including good disagreement, about topics where there are strongly held, differing views. The course will lead into the *Living in Love and Faith* course in January, when we will be taking up the Church of England's invitation to conversations around sexuality, marriage, and relationships.

#### Exhibitions

**Community Stations of the Cross:** As part of our Lent programme, members of the Cathedral community were invited to select a Station of the Cross and contribute a piece of their own art, craft, or poetry to represent what it meant to them. These stations were presented as part of an online service and then displayed in the Cathedral. We were hugely inspired by the range of creativity and talent in our midst.

**Portsmouth: Our Place – Jen Evison:** In July we welcomed *PortsFest 2021* and its exhibition, *Portsmouth: Our Place*, an interactive 3D jigsaw model of Portsmouth created by Gosport-based creative, Jen Evison. The beautiful model was created by Jen in collaboration with ten local schools who each created a piece of the jigsaw representing their local area as it is now, as well as an aspirational element of how they would like their area to develop in the future. QR codes on the model directed visitors to videos of the children involved, sharing their feelings and hopes for the future of their area.

The exhibition proved extremely popular during *PortsFest* and the following weeks: many of the children involved with the project visited with their families to see their work on display.

**Summer Exhibition – Portsmouth and Hampshire Art Society:** August saw the welcome return of the Portsmouth and Hampshire Art Society's Summer Exhibition which this year showcased over 350 pieces of art from 54 local professional and amateur artists.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

**Black Lives Matter – Charlotte Griffiths:** Over August and September, we were honoured to host a portrait exhibition by local photographer Charlotte Griffiths. Charlotte was inspired to celebrate black lives by the experience of racism directed at herself and her daughter, and by witnessing the positive impact that participating in acts of solidarity can have on the self-esteem and pride of young black and brown women. The exhibition featured ten arresting portraits of black and brown women from Portsmouth alongside their stories of struggle, triumph, pain, and happiness. We have continued to work with Charlotte on other photography projects for Portsmouth Cathedral.

**Interactive Weaves – Alice Hume:** In September and October, we were delighted to host the *Interactive Weaves* project. The project was designed and created by Alice Hume, a textile artist and weaver based at the Hot Walls Studios around the corner from Portsmouth Cathedral. The exhibition showcased seven woven installations created from local waste materials including paper, textiles, plastic, and plants. Over 500 members of the public of all ages and 21 Hot Walls Studios' artists contributed to the artworks through a programme of workshops and events led by Alice over summer 2021. During the exhibition we also hosted an Artist Talk with Alice Hume, nettle textile artist Allan Brown and Dr Carol Ekinsmyth from the University of Portsmouth's School of the Environment, Geology and Geosciences, chaired by Lynne Dick from the John Hansard Gallery in Southampton.

**Halabja: In the Golden Days:** During October and November, the Cathedral was filled with a colourful celebration of Kurdish culture as we hosted *Halabja: In the Golden Days*, part of Journey's Festival International. This landmark exhibition celebrated the incredible richness of Kurdish culture that was centred on Halabja, now in Iraqi Kurdistan, before the devastating chemical attack of 1988 that the city is now most remembered for. The exhibition was the culmination of several years' work by *Gulan*, a UK charity dedicated to promoting Kurdish culture, with the local Kurdish community in Portsmouth. It featured the works of 13 Kurdish artists including costumes and jewellery created by *Gulan's* Artistic Director Della Murad and eight newly commissioned artworks by Mariwan Jalal, depicting life in Iraqi Kurdistan. Poetry, stories, and photographs were also displayed as part of the exhibition, giving visitors an insight into the daily life of the Kurds of Halabja.

The exhibition opened with a joyful launch event including dancing and traditional Kurdish food and drinks. Many members of Portsmouth's Kurdish community joined as well as Karwan Tahir Jamal, the High Representative of the Kurdistan Regional Government to the United Kingdom, and Revan Akrawi, representative of the Kurdish community organisation, Mali Kurd.

We saw a significant rise in daytime visitors during the exhibition, receiving excellent feedback.:

- 'A beautiful exhibition showing art and culture from people and countries often hidden from view. Thought provoking and powerful'
- 'Thank you for transporting us with the beauty of the colours and words of the inhabitants of Halabja.'

**Volunteers:** Volunteers are an essential and valued part of the Portsmouth Cathedral team, supporting clergy and staff across all areas of the Cathedral's work. During 2021, there were 135 volunteers who contributed thousands of hours of voluntary work.

Over the course of the pandemic our volunteers made it possible for Portsmouth Cathedral to remain open, and they have provided a warm welcome to our visitors. As pandemic restrictions have continued to ease, we have welcomed back more of our volunteers across a wider range of roles.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

A particular highlight was the welcome return of the much-loved Christmas Fair which is led and delivered by our incredible volunteers. Over 90 volunteers, led by Ann Wilson and her organising team, created a fantastic event with numerous stalls, tombolas, Santa's Grotto, and delicious refreshments. Over 1,000 people visited the Cathedral in just three and a half hours, and the space was filled with festive excitement and joy. The Christmas Fair raised vital funds for the Cathedral and the high footfall resulted in an excellent day of trading in the Cathedral Shop.

We are so grateful for the resilience and dedication of all our volunteers during this challenging year.

#### Our volunteer roles include:

- Guides, Welcomers and Prayer Stewards
- Sidespeople and Concert Stewards
- Retail Volunteers
- Learning and Schools Volunteers
- Administration Volunteers
- Readers, Intercessors, Eucharistic Ministers, and Servers
- Duty Chaplains
- Toddlers' Group and Becket's Bunch Volunteers
- Memorial Gardeners
- Volunteer Choir Singers
- Volunteer Choir Matrons
- Flower Guild
- Holy Dusters
- Lunch Club Volunteers
- Bell Ringers
- Research Group

#### Diocese and Community

We are committed... to resource and build up the community the Cathedral serves, from our own parish and worshipping community to the parishes of the diocese and our visitors and pilgrims. We will work with our Bishop and colleagues to be a cathedral connected with and relevant to the whole diocese. We aim to exceed the expectations of our visitors and pilgrims, whether spiritually, emotionally, or intellectually.

Portsmouth Cathedral is the mother church of the Diocese of Portsmouth and plays an important role in the life of the Church of England across South-East Hampshire and the Isle of Wight. We are also a parish church and have a particular responsibility to care for and serve the communities in our immediate neighbourhood.

During 2021 we joined with the whole Diocese to bid a fond farewell to Bishop Christopher who has faithfully served the Diocese for over ten years. We were delighted that the Right Reverend Jonathan Frost was appointed as the tenth Bishop of Portsmouth, and we looked forward to welcoming him in early 2022.

During the past year we worked closely with Diocesan colleagues to host major services both online and in person. These included the Ordinations of Priests and Deacons and the Annual Readers' Licensing services. We also hosted events including the Diocesan Healing Day, Diocesan Synod and vocations events and meetings. As mother church to the Diocese, Portsmouth Cathedral offers all curates in the Diocese the opportunity to join us for a two-week placement. As pandemic restrictions eased, we were thrilled to welcome Reverend Wendy-May Jacobs who is currently Assistant Curate at Holy Trinity and St Columba in Fareham, as our first curate placement since 2020.

Portsmouth Cathedral plays an active role in our Deanery, working in partnership with nearby parishes in the Inner City Cluster. We hosted the *Pastoral Principles* course for people from our Deanery and beyond, and once again participated in the city-wide *With Thankful Hearts* campaign.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

As a parish church we continued to serve those on our doorstep. October saw the welcome return of our popular Lunch Club, offering a delicious meal and company to older people from our local area. We were delighted to be joined by the Lord Mayor and Lady Mayoress for the first event since the beginning of the pandemic, as well as the Bishop-designate, the Right Reverend Dr Jonathan Frost, who said Grace and chatted to guests. Our weekly Toddlers' Group continued welcoming, on average, 11 children and 10 adults at each session.

Our Ministry Team and Lay Pastoral Assistants offered support and help to people in need through pastoral visits, home communion, prayer and keeping in touch over the telephone. We continued our fortnightly mailing to isolated and housebound members of the Cathedral community. The mailing includes copies of sermons and special orders of service for those not able to access them on the Cathedral website; it is greatly appreciated by those who receive it.

**Announcing the new Bishop of Portsmouth:** We are delighted that Bishop Jonathan Frost, currently Dean of York and formerly Bishop of Southampton, has been appointed as the tenth bishop of Portsmouth. The Cathedral is 'the seat of the bishop and a centre of worship and mission' and we look forward to working with him in serving God and neighbour: the people of this diocese, city, and communities across Portsmouth, the Isle of Wight, and South-East Hampshire.

**A space for the community:** During 2021, our two community event spaces, Becket Hall, and the Bishop Kenneth Room, were used by a wide range of local groups and schools including:

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

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

- The Cathedral Organists Association
- Church of England Liturgical Commission
- Church of England Coronavirus Recovery Group
- Church of England's Living in Love and Faith process
- D-Day Story
- National Network of Safeguarding Chapter Leads
- Ouseley Church Music Trust
- Portsmouth Cultural Education Partnership
- Portsmouth High School
- Portsmouth and Winchester Diocesan Academies Trust
- Petersfield In between Club
- Praxis

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### MISSION AND REVIEW OF ACTIVITIES (continued)

- Royal School of Church Music, Portsmouth, and Isle of Wight Area
- The Portsmouth Grammar School

In addition, the Digital Marketing Manager gave a keynote presentation at the Cathedral Sustainability Fund conference and the Head of Fundraising joined a panel session at the Chartered Institute of Fundraising's Annual Convention.

#### Building and Heritage

We are committed... to conserve and harness the potential of the 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, whilst maximising the use of all our buildings to improve income streams and engage wider audiences with the life and work of the Cathedral.

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

2021 saw the completion of a number of major repairs on the Cathedral fabric and these included:

- *West End finials and North Quire roof.* In November 2020 we were awarded a grant from English Heritage's Heritage Stimulus Fund, part of the Culture Recovery Fund, to support important works on the North Quire roof and the decorative finials which sit atop the West End towers. Both had been damaged by the salt-laden rainwater and were in urgent need of repair and conservation. The project concluded in February 2021.
- *South Tower Transept window.* With the support of a grant from Historic England's Covid-19 Emergency Heritage at Risk Response Fund, part of the Culture Recovery Fund, we were able to start a project to repair the rapidly decaying stonework and glazing to the South Tower Transept window. This work concluded in February 2021

Establishing a more permanent platform for our live streaming capabilities has taken longer than expected, but will be implemented during 2022.

**Quinquennial Repair Plan:** 2021 saw the Cathedral Architect undertake the programmed five year review of the condition of the fabric of the Cathedral and Cloisters. His report identified a programme of repair and maintenance for each of the next five years through to 2027.

His report identified repairs in the region of £1.6million (excluding VAT and professional fees) with the replacement of the heating system to move the Cathedral toward Carbon Neutral as the single biggest investment required over the next five years. The Chief Operating Officer continues, along with his colleagues across the Cathedral network, to work with Church House to support its work with Government to identify ways to support the conservation of our historic buildings, which are here for the whole community. The Church Commissioners, in early 2022, will undertake an energy audit of all 42 English Cathedrals and we look forward to taking them through the improvements we have made, and equally to learn where we can make further improves.

It is worth noting that in 2019, the repairs and maintenance plan for the Cathedral forecast costs at £2,078,000 (plus VAT and professional fees). Through the works undertaken since then – most of it externally funded – the total cost of planned repairs has been reduced to this £1.6million figure. Chapter will continue to prioritise work that conserves the building, makes it a functional worship space and events venue, and reduces our operating costs (e.g., heating and lighting costs) and carbon footprint.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

**Eco Church Status:** Chapter remains committed to moving to Gold status under Eco Church. Progress was slower in 2021 to move from Bronze to Silver status than was hoped. As we start 2022, a clear plan is in place to achieve Silver status by the end of 2022. Sue Ward, our former Churchwarden, is now leading our efforts as our congregational Climate Advocate. We also continued to invest in our limited property portfolio. Flat 1 Cathedral House was redeveloped to bring it up to a better standard and to attract higher rental values to then provide additional funds for mission. Chapter has begun discussions about ways to mark the 2027 centenary, including possible redevelopment of Cathedral House to increase revenues to support our missional activities.

#### 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, 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.*

Working in partnership with other organisations, charities, businesses, and stakeholders is a key principle for how Portsmouth Cathedral seeks to engage with the communities we serve.

During 2021 we launched an exciting new partnership with *Love Southsea* and continue to proactively develop new partnerships to expand and broaden the range of people and organisations we collaborate with. We

continued to support the common good in Portsmouth and around our Diocese through our charity partnerships, and remain committed to prioritising local businesses in our procurement where possible. Funding from the Government's Culture Recovery Fund for Heritage has enabled us to conduct vital audience research and give us the information we need to better engage those in our city and region.

**Christmas Gift Market with *Love Southsea*:** We partnered with *Love Southsea* to create a new Christmas Gift Market featuring over twenty local independent businesses and creators.

The Gift Market took place over two days, with stalls inside the Cathedral selling a range of gifts from candles and scents to clothing, jewellery, and floral displays. Food stalls outside and coffee, mulled wine, and bagels inside added to the festive experience. A special Advent Carol Sequence on Friday evening took the place of Choral Evensong, and many of those attending the Market paused their shopping to join in with this short, reflective service of readings and music from our Cathedral Choir. On Saturday we welcomed the *Urban Vocal Group*, a local community choir, and star Portsmouth singer, Amba Tremain who entertained guests with festive music. Cast members from the Portsmouth Guildhall's pantomime popped by for a meet-and-greet. The event was hugely successful, welcoming over 2,500 people, many of whom would not usually visit the Cathedral. Our own shop had its most successful weekend of trading ever, and we were able to promote our Christmas services and events to a much wider audience.

**Culture Recovery Fund for Heritage:** During 2021 we concluded a six-month programme of research and business planning, enabled by a grant from the first round of the Culture Recovery Fund for Heritage.

This project included extensive research to explore who our current audiences are and who we are underserving. It also explored what the potential barriers to participation are and how we can overcome them. Accompanying this is a programme of business planning to enable us to successfully navigate the post-pandemic period and build a financially sustainable business model for Portsmouth Cathedral for the coming years.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

The resulting report has provided a roadmap for how we can develop our existing work to better meet the needs of the audiences in our area. New types of events and activities and working in even greater partnership will not only encourage more people to visit, engage and participate, but also diversify and increase revenue. We have already applied some of the learnings from this project, for example, our collaboration with *Love Southsea*, and will continue to implement the roadmap over the coming years.

During 2021 we were extremely grateful to receive a further grant from the Fund towards our core running costs and reserves which has proved vital in sustaining us through the continuing financial challenges of the pandemic.

**Supporting the common good in Portsmouth and beyond:** The Cathedral community supports a range of charities and causes that enable people to live life to the full.

We entered the second of three years of financial support for five causes we have committed to supporting from our core budgets. These charities are The Roberts Centre, Solent Mind, Stop Domestic Abuse, the Sunyani Partnership and Toilet Twinning. In addition, the Cathedral and members of our congregation offered support and funding to Christian Aid, Rowans Hospice and the Hampshire and the Islands Historic Churches Trust via their Ride and Stride initiative. The Cathedral hosts a foodbank collection point for the HIVE Portsmouth and participated again in *With Thankful Hearts*, a citywide drive from Portsmouth churches to make donations to foodbanks during harvest-tide.

Portsmouth Cathedral is proud to be an Associate Partner of *Shaping Portsmouth* and support its many programmes which are helping to make Portsmouth Britain's premier waterfront city in which to live, invest, learn, work and visit.

We continue to prioritise local businesses in our procurement where possible. Some of the local companies and individuals we worked with this year include Purple Realtime which created immersive experiences for our visitor app, photographer Charlotte Griffiths who took product photography for our shop, and B&M Clarke who undertook fabric projects.

#### **Our partners during 2021:**

- Choir Church, St. James' Milton
- Diocese of Portsmouth
- Eco Church, an A Rocha UK initiative
- Gulan
- Hampshire and the Islands Historic Churches Trust
- Inclusive Church
- Journey's Festival International
- LoveSouthsea
- Portsmouth City Council
- The Portsmouth Grammar School
- PortsFest
- Portsmouth Music Hub
- The Roberts Centre
- Shaping Portsmouth
- Solent Mind
- Stop Domestic Abuse
- Sunyani Partnership Link
- Toilet Twinning



# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### MISSION AND REVIEW OF ACTIVITIES (continued)

##### **Finance and Sustainability:**

A detailed report on the financial activities of the Cathedral during 2021 can be found in the Finance section, preceding the audited annual accounts, later in this report.

##### **Staff and Volunteers**

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

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

2021, while not as challenging as 2020, has still been an eventful year with staff responding to rapidly changing circumstances. We worked to re-start activities and to begin to return to the so called “new normal” in an environment where the Omicron variant of Covid still affected the way we planned and carried out our activities.

It was a relief to finally exit the Government’s furlough programme ahead of when the programme formally ended and to have all staff back into their roles. The Cathedral continues to provide a hybrid work experience between office and home working where that is practical to the job role.

*Staff changes.* In December 2021 we welcomed our new Events Manager, Jemima Crayden who joined us from Worthing Theatres & Museum. In only three short weeks, by the year end, she had already begun to radically improve how we manage the diary and plan events. Her post is funded for three years by the Cathedral Sustainability Fund (CSF). We are most grateful to the CSF for its support, without which this recruitment could not have happened. William Forrest also joined the team as our temporary Administrative Assistant.

It would be remiss not to acknowledge the arrival of our new Shop Manager, Crystal Gale who started in January 2021 in a voluntary capacity. Over the course of the year and with the support of funds from the Cultural Recovery Fund for Heritage, Crystal and her team of volunteers have led a revival, renewal, and rejuvenation of the Cathedral Shop. With support from the Digital Marketing Manager, a new on-line shop was created, and the shop went card-only for payment. Over the course of 2021 the surplus generated by sales was twice the budgeted amount of approximately £11,000 to £12,000, all of which supports the mission of the Cathedral.

##### **Our Public Benefit:**

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

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### MISSION AND REVIEW OF ACTIVITIES (continued)

##### Responsible Stewardship – Energy and the Environment

2021 marked a return to more normal levels of activity and our actual energy carbon emissions rose by 8.4%. However, on a weather-adjusted basis emissions continued to fall reflecting the continued investment in energy efficiency measures and improved housekeeping.

Energy carbon emissions and energy spend 2013-2021: Cathedral and Cathedral House					
	2021	2020	2019	2018	2013
Scope 1 – Gas consumption tCO <sub>2</sub> e	87.08	78.02	92.51	101.24	120.87
Scope 2+3 – Purchased grid electricity tCO <sub>2</sub> e	10.78	12.23	16.72	21.4	46.68
Total energy GHG emissions tCO <sub>2</sub> e (1)	97.86	90.26	109.23	122.64	167.55
Actual change v 2013 base year	<b>-41.59%</b>	-46.13%	-34.81%	-26.80%	
Carbon intensity tCO <sub>2</sub> /m <sup>2</sup> floorspace occupied	0.031	0.029	0.035	0.039	0.054
Total weather-adjusted GHG emissions tCO <sub>2</sub> e (2)	99.48	105.51	119.46	130.81	151.30
Weather-adjusted change v 2013 base year	<b>-34.25%</b>	-30.33%	-21.04%	-13.54%	
Onsite low carbon electricity generation kWh	18,745	17,274	18,679	16,696	0
Purchased energy expenditure gross	£22,197	£23,069	£27,352	£27,741	£37,868
FIT income from onsite electricity generation (3)	£2,576	£2,653	£2,668	£2,178	£0
Energy expenditure net of FIT income	£19,621	£20,416	£24,684	£25,563	£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-2021>

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

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

#### Highlights from 2021:

- Onsite electricity generation (solar panels and fuel cell mCHP) met in excess of 60% of power demand in Cathedral House, a new record
- Gas consumption in Cathedral House reduced by 32% v typical levels following commissioning of new high efficiency boilers and smart controls in January 2021
- Despite increased building occupation and ventilation in H2 we managed to spend less on energy than in 2020
- In June 2021 we moved early to fix prices until October 2023 for around 90% of our typical annual gas consumption
- In October 2021 we switched to a renewable electricity tariff for both main buildings
- We continued to recycle 100% of energy bill savings and FIT income into energy efficiency projects to further reduce demand and emissions.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### MISSION AND REVIEW OF ACTIVITIES (continued)

We welcome the Church of England's 2030 net zero carbon ambition and from 2022 intend to publish our emissions in line with its scope. This would add clergy housing average reasonable energy use (by reference to EPC ratings) and all reimbursable travel. It would also credit purchased certified renewable electricity/biogas along with any exported solar PV generation.

For the Cathedral and Cathedral House we intend to also continue publishing weather-adjusted emissions for energy efficiency purposes and will set a new target for 2030.

We continue to work towards EcoChurch silver award status and various initiatives are being pursued for 2022 in this area with the help of our newly appointed volunteer climate change champion.

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

#### FINANCE

2021 was a year that, while it had financial challenges, saw the Cathedral begin to return to more normal post-pandemic operation.

As detailed in the financial accounts and in the table below the Cathedral's financial position has improved significantly over the past financial years.

Revenue and Expenditure						
	2016	2017	2018	2019	2020	2021
Income	£1,190,737	£1,001,479	£963,511	£846,730	£1,059,020	£1,273,191
Expenditure	£1,529,563	£1,421,709	£1,365,584	£1,202,977	£1,064,596	£1,206,772
Surplus/Loss	-£338,826	£420,230	-£402,073	-£356,247	-£5,576	£64,419
Gain on investments	£151,171	£181,887	£62,125	£190,004	£47,613	£210,286
Surplus/Loss	-£187,655	-£238,343	-£339,948	-£166,243	£42,037	£276,705

A number of complementary steps have helped the Cathedral achieve improved financial performance including:

*Increased Congregational giving.* In April 2021, the Cathedral carried out its first Season of Generosity led by the Head of Fundraising. The values-based season involved interviews with parishioners during services to ask them why they valued the Cathedral and why they thought financial stewardship an integral part of stewardship. By 31 December 2021 congregation giving was up 40% since January 2020. There is still much to do in this area to bring Cathedral Planned Giving up to the national average of English Cathedrals. The Season of Generosity is an annual event lasting four weeks with the 2022 Season focusing upon legacy giving.

*Capital investment.* Funds continued to be spent on capital works to increase medium to long term revenue streams to support missional activities. In 2021, this included a redevelopment of Flat 1 in Cathedral House that had fallen into disrepair. This approach over the past two years has increased the value of physical assets, increased revenue from property and decreased the carbon footprint of Cathedral property.

*Management of expenditure.* We will continue to closely manage expenditure, holding monthly budget monitoring meeting with Heads of Departments and requiring the prior approval of either the Dean or Chief Operating Officer for any financial commitment above £100. The structure of delegated authority and oversight was in the process of being reviewed in late 2021 with a view to strengthening it in 2022.

*External Financial Support.* Chapter is very grateful for the following support:

- The Church Commissioners for their ongoing as well as Covid-19 related financial support including helping us to meet salary costs from November through December 2021 amounting to £54,000.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### FINANCE (continued)

- The Cathedral Choirs Emergency Fund gave the Cathedral a grant of £36,500.
- The Cultural Recovery Fund for Heritage Grant for supports with salaries and running costs in the amount of £31,000.
- The UK Government's Job Retention scheme (Furlough programme) for support in the amount of £7,900

*Increase in unrealised gains in assets.* The Cathedral's finances have also benefited from the increase of the investment property (84 Penny Street) by £40,000 and an increase in value of the investment portfolio by £185,286. These assets may vary and as they are unrealised gains should be treated as variable. More details follow in the next section.

#### Balance Sheet

The investment property figure of £400,000 is the value of 84 Penny Street, which is let commercially, as an investment property. Our other investments are valued, as of 31 December 2021, at £1,427,901 (£1,305,114 in 2020 and £1,405,000 in 2019) and result from the William Groves and other legacies. See Reserves Policy below for the designation of these funds. It should be noted that the just over £3.4million of tangible fixed assets, identified as property, comprises Cathedral House community facilities and offices, staff flats and clergy housing. The total of our investments and property comes to just over £5.2million. Adding net current assets (stock, debtors, and cash less creditor), total Cathedral funds amount to just over £5.4 million.

#### General

There was legacy income of £2,250 (as shown in note 2) in 2021 (£6,000 in 2020). Chapter agreed in 2019 that the Cathedral would no longer set a revenue target for legacy donations, as income from this source is, at best, sporadic and cannot be anticipated.

Income from investments was £42,723 in 2021 (£44,355 in 2020). Investments made gains of £165,786 and £67,500 was drawn down from the capital as is shown in Note 15.

Following a review of Cathedral properties against the local market carried out informally by a local estate agent, Chapter has elected to revalue the investment property upwards by £25,000 compared to the 2020 valuation previously adopted. A similar exercise in 2020 indicated that the value of the property assets for Cathedral use had increased to an amount of circa £0.9m in excess of their book value. However, the Cathedral does not adopt a policy of revaluing these assets which are used operationally, so does not revalue these assets on an annual basis.

#### Challenges for 2022 and beyond.

While the Cathedral has met the financial challenges of the last few years, Chapter is fully aware that there are still steps to be taken to place the Cathedral on a firm financial footing for the medium to longer term.

The most significant single financial step Chapter took in 2021 was to end the payment of parish share to the Diocese starting on 1 January 2022. From the period from January 2011 to December 2021 the Cathedral made a net contribution to the Portsmouth Diocesan Board of Finance of £891,967. This is in the context of non-parish cathedrals making £0 per annum contribution to their DBF and of the 14 parish cathedrals most pay nothing or making a contribution based upon a Service Level Agreement. Chapter has agreed to pay up to £20,000 per annum to the DBF for certain services such as safeguarding support. At the time of writing, the SLA had yet to be agreed with the DBF.

Since 2019, Chapter has been hugely grateful to the Church Commissioners through the Cathedrals Sustainability Fund (CSF) for their up to 100% funding of many core positions for up to three years. This grant income for CSF funded posts begins to expire in 2023 when the full costs of such positions will rest with Chapter.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### FINANCE (continued)

For some of these posts such as the Events Manager (recruited December 2021 with a three-year 100% grant) and the Visitor Experience Manager (to be recruited in 2022 on a three-year 100% grant) it is planned that they will generate unrestricted income to cover their salaries plus make a significant contribution to the Cathedral's annual budget once this grant funding expires. However, for other posts such as the Head of Fundraising (funding expires in February 2023) and the Digital Marketing Manager (funding expires in October 2023) they are unlikely to generate unrestricted revenue, but are a key aspect of supporting the operations of all aspects of Cathedral life having proven their worth since 2020.

*Increasing Events and Visitor Experience Income.* As noted above, it is planned that the Events and Visitor Experience Managers will generate unrestricted revenue in excess of their own salaries with this income supporting other aspects of mission. As an example of the approach the Cathedral will take into 2022 and beyond, in late November 2021 we hosted the first *Love Southsea* Christmas Gift Market in the Cathedral Nave over two days. This market comprised only goods made locally and sold by local crafts people themselves.

Over 2,000 people come into the Cathedral with over £2,500 spent in the Cathedral Shop; over a normal two days circa 300 people would have visited the Cathedral resulting in a more limited taking in the shop.

We will do more of this sort of activity to raise income to support mission and to support and broadly engage with our local business community.

Balancing the use of the Cathedral, especially the Nave, between Music and Liturgy and revenue generating events is a balancing act all cathedrals face. Chapter will continue to monitor that balance, but given the need to increase revenues to support key staff costs and ongoing operations it will be important to get this balance correct.

*Increasing property income.* Chapter is taking steps to review how to create this necessary additional revenue. In 2022 it is planning to conduct a further review of its property assets, including Cathedral House, to ensure income for mission is maximised as is appropriate. Early indications show that Cathedral House may be able to generate an additional £80,000 - £120,000 gross revenue per annum. To begin this process of understanding possibilities, Chapter visited St. John's, Waterloo to review its £5.2 million redevelopment and in February (2022) York Minster's Director of Works and Precincts discussed with Chapter the lessons from its recent redevelopment, to help Chapter better understand the opportunities and pitfalls of such redevelopments. It is planned that Chapter will work with *Tricolor*, specialist heritage consultants who have worked with Newport Minster and Durham Cathedral in the past, to help assess the feasibility of projects such as Cathedral House and possible 2027 building works to mark the centenary.

#### **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, continued to perform well with a net gain on investment for the year of £185,286 as at 31 December 2021. Income from these investments was £42,723 in 2021 (£44,335 in 2020 and £57,245 in 2019). Responsibility for the management of this policy rests with Chapter, but it is advised by its FIC to which Chapter has delegated decision-making on certain investment matters.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### FINANCE (continued)

##### 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 2021 valued at £400,000 and £1.4 million, 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 (£1.4million) in line with the new Vision and Strategy – *Portsmouth Cathedral: a beacon and safe haven, anchored in Jesus Christ*. The current reserves allocation as outlined below remains in place until updated by Chapter to reflect the new Vision and Strategy:
  - 10% for Worship and Music
  - 10% for Growing and Learning
  - 10% for Diocese and Community
  - 50% for Building and Heritage including fabric works
  - 10% for Partnership and Engagement.

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

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

Whilst the general fund shows a net current asset position of £123,271 given that the designated fund holds in excess of £1.4 million in readily realisable investments, Chapter is content that any liabilities that can reasonably be forecast, over the foreseeable future, can be met as they arise.

##### Risk Management:

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

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

- *Failure to accomplish our purpose* – Our new Vision and Strategy gives direction to our worship and work, and this is regularly monitored by staff and Chapter.
- *Failure to manage our financial resources appropriately* – Our new Vision and Strategy gives direction to our activity. Monthly Management Accounts are produced and used to monitor income against expenditure. Action is taken if required to keep accounts within planned budget.
- *Rising costs of energy*. Chapter is committed to decreasing the Cathedral's use of energy. Through retaining an energy consultant and investing in on-site green energy, Chapter has decreased energy costs significantly over the last number of years. With energy prices scheduled to rise significantly during 2022, Chapter will continue to monitor the situation and invest in capital projects such as solar arrays, insulation, use of LED lighting, and TVR remote thermostats to reduce energy costs where such investment is practical and represents a good return on investment.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### **FINANCE (continued)**

- *Failure to achieve balanced budget* – Chapter is committed to seeking ways to generate new income and reduce spending and to increase current income. A multi-year financial plan is being developed and will be used to guide the Cathedral through to its centenary.
- *Failure to manage risk* – Chapter has begun to review the terms of reference of the Finance and Investment Committee and to create a risk and audit function within its committee structure in advance of the Cathedral's adoption of new governance arrangements under the new Cathedrals Measure. The development of a single risk register is a priority.
- *Failure to meet statutory and regulatory requirements* – Our accounts are audited annually, safeguarding issues and health and safety matters are regularly monitored through the senior staff team and by Chapter, and we are advised on employment and HR matters by an independent specialist advisor.
- *Negative publicity and damage to reputation* – A formal complaints procedure is in place, publications are checked by senior staff, and Chapter receives and responds to criticism.

#### **Future Plans**

2021 has been a year of recovery and emerging from the effects of the pandemic. Thanks to the decisions made by Chapter in 2020 and 2021, Cathedral ends 2021 in a relatively stronger financial position than might have been anticipated.

The Vision and Strategy launched in 2020 provides a focal point for our activities and the choices the Cathedral makes in terms of prioritising activities. Chapter remains committed to building a long term financially viable Cathedral with the “Finances and Sustainability” underpinning the other five strategic objectives.

As planning begins toward the Cathedral's centenary in 2027 the Cathedral is reviewing how it's maximising revenue for its physical assets such as Cathedral House as well as developing a programme of Events and Activities to attract new individuals and groups into the Cathedral. In 2022 with the recruitment of a Visitor Experience Manager it is planned to expand the Cathedral's links with the tourism industry to draw more people in to experience the Cathedral and to increase revenue.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The authorities listed in this section each have a specific role in the governance of the Cathedral.

##### **The Chapter of the Cathedral:**

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

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

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

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

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

As part of preparing to come under the new Measure in late 2023 we have used the findings of the scheduled SCIE Safeguarding Audit in June 2021 to strengthen our policies and practice in this area. An action plan was developed and is in the process of being implemented. The Peer Review organised by the Association of English Cathedrals was postponed by June 2021 and is now scheduled to take place in February 2022. This Review is welcome as a way to assist the Cathedral reflect on current practice and to thereby improve policy and practice.



## **PORTSMOUTH CATHEDRAL**

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

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

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

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

Chapter also has the responsibilities in relation to the accounts as set out on page 33.

A list of Chapter members is shown on page 27.

#### **Staff and volunteers**

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

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

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

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

The Members of the Committee are listed on page 27.

#### **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 27.

#### **Cathedral Council**

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

Members of Council are listed on page 28.

#### **College of Canons**

It is the duty of the College of Canons to receive and consider the annual report and audited accounts of the Cathedral Church, to discuss such matters concerning the Cathedral Church as shall be raised by its members. Members of the College of Canons are listed on page 28.

## **PORTSMOUTH CATHEDRAL**

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

#### **FOR THE YEAR ENDED 31 DECEMBER 2021**

---

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

##### **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 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 30.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### LEGAL AND ADMINISTRATIVE DETAILS

##### **Members of the Chapter**

The Very Reverend Dr Anthony Cane, *Dean of Portsmouth*  
The Reverend Canon Kathryn Percival, Canon Chancellor, and Vice Dean  
The Reverend Canon Dr Joanna Spreadbury, *Canon Precentor*  
The Reverend Canon Nicholas Ralph,  
*Head of Mission and Social Transformation, Diocese of Portsmouth*  
The Reverend Canon Dr Anthony Rustell,  
*Head of Lay and Ordained Ministry, Diocese of Portsmouth*  
Mrs. Mary Makin, Chair of FIC (*from 22 January 2020*)  
Mr. Richard Smout  
Ms. Emma Broome  
Mr. David Carpenter  
Mrs. Linda Swinburne  
Canon Sheila Picton

##### *In attendance*

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

##### **Members of the Finance and Investment Committee**

Mrs. Mary Makin, Chair of FIC  
The Very Reverend Dr. Anthony Cane  
Mr. Paul Mitchell  
Mrs. Georgianna Rustell

##### *In attendance*

The Chief Operating Officer (Chapter Clerk)  
The Finance Officer

##### **Members of the Fabric Advisory Committee**

Mrs. Jane Jones-Warner (*Chair*)  
Mr. Deane Clark  
The Reverend Canon Jeremy Davies  
Mr. David English  
Dr Karen Fielding  
Mr. Chris Wood  
Ms. Mel Howse

##### *In attendance*

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

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

##### Members of the Cathedral Council

Miss Kate Branigan QC, (*Chair*)  
The Very Revd Dr Anthony Cane, The Dean  
Canon David Bennison  
Councillor Chris Atwell  
The Reverend Canon Bob White  
Canon Lucy Docherty  
Canon Stuart Forster  
Mrs. Shirley Grayson-Smith - (until her death in July 2021 – RIP)  
Mr. Terence Ward (since October 2021)  
Dr David Price  
The Reverend Canon Dr Anthony Rustell  
Mr. Nicholas Speller  
Dr. Bryn Hughes  
Mr. Richard Smout  
The Reverend Connie Sherman

##### *In attendance*

The Bishop of Portsmouth  
The Chief Operating Officer (Chapter Clerk) as Clerk to the Council  
The Dean's Executive Assistant as Secretary  
The Finance Officer

##### College of Canons

The Venerable Gavin Collins (until April 2021)  
The Venerable Peter Leonard (until February 2022)  
The Venerable Jenny Rowley

The Revd Canon Bob White  
The Revd Canon Will Hughes  
The Revd Canon Karina Green  
The Venerable Peter Sutton  
The Revd Canon Peter Hall  
The Revd Canon Tom Kennar  
The Revd Canon Julie Price  
The Revd Canon John Owen  
The Revd Canon Hugh Wright  
The Revd Canon Judith Bee  
Canon Lucy Docherty  
Canon Stuart Forster  
Canon Margaret Chappell  
Canon Neil Pugmire  
Canon John Gwynn  
Canon Graham Salter  
Canon Sir David Normington  
Canon Sarah McCarthy-Fry  
Canon David Bennison  
Canon Adrian Jordan  
Canon Sheila Picton  
Canon Sue Ward (until 4 July 2021)  
Canon Ronald Rabbetts (from 4 July 2021)  
Canon Robert Solomon  
Canon Bradley Albuery

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

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

Mr. Richard Abraham (as Chief Operating Officer/Chapter Clerk)

Cathedral Offices  
64-68 St Thomas's Street  
Old Portsmouth  
Hampshire  
PO1 2HA

**Cathedral Organist and Master of the Choristers**

Dr. David Price

**Cathedral Architect**

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

**Archaeological Consultant**

Vacant (from 10 November 2020)

**Bankers**

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

**Investment Managers**

CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

**Solicitors**

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

**Auditor**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

**PORTSMOUTH CATHEDRAL**

**ANNUAL REPORT OF THE CHAPTER continued**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**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

Mr. Thomas Morton (until December 2021)

**PORTSMOUTH CATHEDRAL**

**STATEMENT OF CHAPTER'S RESPONSIBILITIES IN RELATION TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)**

Chapter is responsible under requirements laid down by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999 for:

- preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities, and funds at the end of each financial year of the Cathedral and its connected entities;
- stating that they have complied in all material respects with these regulations or describing which regulations have not been complied with and giving reasons for the non-compliance;
- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- keeping proper accounting records from which, the financial position of the Cathedral can be ascertained with reasonable accuracy at any time; and
- safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by Chapter on 6 April 2022 and signed as authorised on its behalf by:



---

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

**6 April 2022**

**PORTSMOUTH CATHEDRAL**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**Opinion**

We have audited the financial statements of Portsmouth Cathedral for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Cathedral's affairs as at 31 December 2021 and its net movement in funds 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 regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Cathedral in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that Chapter's 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 Cathedral'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 Chapter with respect to going concern are described in the relevant sections of this report.

**Other information**

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

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

**Matters 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;
- the Cathedral's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.



## PORTSMOUTH CATHEDRAL

### INDEPENDENT AUDITOR'S REPORT

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

##### **Responsibilities of the members of Chapter**

As explained more fully in the Chapter Responsibilities statement set out on page 24, Chapter is 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 Chapter 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, Chapter is 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 Chapter either intends to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

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

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 detailed below:

##### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud.**

Based on our understanding of the Cathedral and its circumstances, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Cathedrals Measure 1999, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risk was related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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

**PORTSMOUTH CATHEDRAL**

**INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**Use of our report**

This report is made solely to the Cathedral Chapter, as a body, in accordance with section 27 of the Cathedral Measure 1999. Our audit work has been undertaken so that we might state to Chapter those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Cathedral and the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP  
Statutory Auditor

10 Queen Street Place  
London EC4R 1AG

Date: 6 April 2022

**PORTSMOUTH CATHEDRAL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Fund £	Total 2021 £	Total 2020 £
<b>Income and endowments from</b>							
Donations and legacies	2	164,914	-	11,316	-	176,230	185,714
Grants receivable in support of mission	3	52,897	-	827,751	-	880,648	726,510
Charitable activity income	4	35,676	-	-	-	35,676	13,729
Trading and fundraising	5	134,988	-	-	-	134,988	81,364
Investments	6	40,791	-	1,932	-	42,723	44,355
Other Income	7	2,926	-	-	-	2,926	7,348
<b>Total income</b>		<u>432,192</u>	<u>-</u>	<u>840,999</u>	<u>-</u>	<u>1,273,191</u>	<u>1,059,020</u>
<b>Expenditure on:</b>							
Raising funds	8	30,484	-	229,208	-	259,692	145,730
Ministry	9	191,401	-	314,747	-	506,148	500,354
Cathedral and precincts upkeep	10	104,663	-	162,973	-	267,636	219,139
Education and outreach	11	17,495	-	48,870	-	66,365	69,958
Community, parish, and congregation	12	85,174	-	21,757	-	106,931	129,415
<b>Total Expenditure</b>		<u>429,217</u>	<u>-</u>	<u>777,555</u>	<u>-</u>	<u>1,206,772</u>	<u>1,064,596</u>
<b>Net income before net investment gains</b>		2,975	-	63,444	-	64,419	(5,576)
Investment property gain	15	-	25,000	-	-	25,000	10,000
Net gains on investments	15	-	175,730	2,717	6,839	185,286	37,613
<b>Net income /(expenditure)</b>		2,975	200,730	66,161	6,839	276,705	42,037
<b>Transfers between funds</b>		101,076	30,158	(131,234)	-	-	-
<b>Net movement in funds</b>		104,051	230,888	(65,073)	6,839	276,705	42,037
<b>Reconciliation of funds</b>							
Total funds brought forward	20	19,220	4,919,026	121,500	47,565	5,107,311	5,065,274
<b>Total funds carried forward</b>	20	<u>123,271</u>	<u>5,149,914</u>	<u>56,427</u>	<u>54,404</u>	<u>5,384,016</u>	<u>5,107,311</u>

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

**PORTSMOUTH CATHEDRAL**

**BALANCE SHEET**

**FORTHEYEAR ENDED 31 DECEMBER 2021**

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
<b>FIXED ASSETS</b>							
<b>Investment assets</b>							
Investment property	15	-	400,000	-	-	400,000	375,000
Other investments	15	-	1,367,790	5,707	54,404	1,427,901	1,305,114
<b>Tangible fixed assets</b>							
Property	16	-	3,300,833	-	-	3,300,833	3,203,274
Fixtures, fittings, and equipment	17	-	81,291	-	-	81,291	102,101
<b>TOTAL FIXED ASSETS</b>		-	5,149,914	5,707	54,404	5,210,025	4,985,489
<b>CURRENT ASSETS</b>							
Stocks		29,578	-	-	-	29,578	21,198
Debtors	18	3,373	-	52,166	-	55,539	81,437
Cash at bank and in hand		172,716	-	(1,446)	-	171,270	186,471
<b>TOTAL CURRENT ASSETS</b>		205,667	-	50,720	-	256,387	289,106
<b>LIABILITIES DUE WITHIN ONE YEAR</b>							
Creditors: amounts falling due within one year	19	(82,396)	-	-	-	(82,396)	(167,284)
<b>NET CURRENT ASSETS</b>		123,271	-	50,720	-	173,991	121,822
<b>TOTAL NET ASSETS</b>		123,271	5,149,914	56,427	54,404	5,384,016	5,107,311
<b>FUNDS</b>							
Endowment funds	20	-	-	-	54,404	54,404	47,565
Restricted funds	20	-	-	56,427	-	56,427	121,500
Designated fund	20	-	5,149,914	-	-	5,149,914	4,919,026
General fund	20	123,271	-	-	-	123,271	19,220
<b>TOTAL CATHEDRAL FUNDS</b>		123,271	5,149,914	56,427	54,404	5,384,016	5,107,311

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

Approved by Chapter, and authorised for issue on 6 April 2022

*A. Cane*

.....  
Anthony Cane – Dean

*M. Makin*

.....  
Mary Makin – Chair of Finance and Investments Committee

**PORTSMOUTH CATHEDRAL**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>Total funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities (note 25)</b>		
Net cash used in operating activities	(2,813)	120,430
<b>Cash flows from investing activities</b>		
Investment income received	47,723	44,355
Purchase of tangible fixed assets	(117,609)	(158,848)
Purchase of investments	-	-
Proceeds from sale of investments	62,500	137,500
Net cash provided by investing activities	(12,386)	23,007
<b>Change in cash and cash equivalents in year</b>	(15,200)	143,437
Cash and cash equivalents at the beginning of the year	186,471	43,034
<b>Cash and cash equivalents at the end of the year</b>	<u>171,270</u>	<u>186,471</u>

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

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**I. ACCOUNTING POLICIES**

**Basis of preparation**

The Cathedral constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals issued in December 2020 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).

**Going concern**

The financial statements are approved during a period when there is much uncertainty as a result of the global and national COVID-19 crisis. The ultimate impact of the crisis is unclear, but Chapter has remodelled their forecasts and budgets on the assumption of much reduced income and have revised their expenditure plans accordingly. 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 and a minimum period of 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.

**Entity status**

The Cathedral is an exempt charity and a public benefit entity as defined in FRS102.

**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.

**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, and the amount can be reliably measured.

*Support costs and governance costs*

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

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

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

---

**I. ACCOUNTING POLICIES (continued)**

**Fixed assets**

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

The Regulations also require that no value is attributed on the balance sheet to items included in the Cathedral's statutory inventory maintained in accordance with the Care of Cathedrals Measure 2011.

Properties held for Cathedral use at 1 January 2015 are recorded at a 2013 valuation which has been adopted as a deemed cost at that date. This treatment was permitted on transition to FRS102, and the deemed cost is not subject to ongoing revaluation.

No depreciation is applied to the deemed cost on the basis that any depreciation would be immaterial; however, the valuation is subject to an annual impairment review. Enhancing works to property, office equipment, fixtures and fittings and other equipment are capitalised at cost.

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

- Property enhancements	5%
- Office equipment	25%
- Fixtures and fittings	20%
- Other equipment	33 $\frac{1}{3}$ %

**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.

**Stocks**

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

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

**Pension Schemes**

The pension costs charged against the surplus represent the amounts payable to defined contribution pension schemes in respect of the accounting period.

**Funds**

*Unrestricted funds – general*

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

*Unrestricted funds – designated*

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

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

---

**I. ACCOUNTING POLICIES (continued)**

**Funds (continued)**

*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 uncertainly and judgements**

In the opinion of Chapter those areas giving rise to estimation uncertainty and judgments are: valuation of investment property and depreciation of tangible fixed assets.



**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. DONATIONS AND LEGACIES**  
**2021**

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

**2020**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
<i>Congregational collections and Giving</i>	79,005	-	-	79,005
<i>Donations</i>	51,190	22,610	-	73,800
<i>Tax recoverable under Gift Aid</i>	23,051	3,858	-	26,909
<i>Legacies</i>	6,000	-	-	6,000
<b>Total</b>	<b>159,246</b>	<b>26,468</b>	<b>-</b>	<b>185,714</b>

**3. GRANTS RECEIVABLE IN THE COURSE OF MISSION**  
**2021**

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

**2020**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
<i>Church Commissioners grants</i>	-	434,148	-	434,148
<i>Diocesan grants</i>	-	-	-	-
<i>Other revenue and capital grants</i>	59,157	233,205	-	292,362
	<b>59,157</b>	<b>667,353</b>	<b>-</b>	<b>726,510</b>

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>4. CHARITABLE ACTIVITY INCOME</b>	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
Fees and charges arising in the course of Mission	35,676	13,729
	<u>          </u>	<u>          </u>
All funds are unrestricted in the current and preceding year		

<b>5. TRADING AND FUNDRAISING</b>				<b>2021</b>
<b>2021</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income from fundraising events and appeals	8,846	-	-	8,846
Gross income from shop and other trading activities	38,151	-	-	38,151
Income from lettings of Cathedral and other buildings	87,991	-	-	87,991
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	134,988	-	-	134,988
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

<b>2020</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2020</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Income from fundraising events and appeals</i>	2,711	-	-	2,711
<i>Gross income from shop and other trading activities</i>	16,814	-	-	16,814
<i>Income from lettings of Cathedral and other buildings</i>	61,839	-	-	61,839
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	81,364	-	-	81,364
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

<b>6. INVESTMENT INCOME</b>				<b>2021</b>
<b>2021</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Income from investments	40,791	1,932	-	42,723
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

<b>2020</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2020</b>
	<b>Fund</b>	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<i>Income from investments</i>	42,055	2,300	-	44,355
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>7. OTHER INCOME</b>	<b>2021 Total Funds £</b>	<b>2020 Total Funds £</b>
Other income	2,926	7,348

All funds are unrestricted in the current and preceding year

<b>8. RAISING FUNDS 2021</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2021 Total Funds £</b>
Gross costs of shop and other trading activities	12,249	-	-	12,249
Costs of other income generation	1,488	59,902	-	61,390
Business Planning and Future Income Generation Project	-	88,477	-	88,477
Marketing costs	4,234	45,569	-	49,803
Maintenance of and repairs to other buildings	11,246	2,625	-	13,871
Investment management costs	1,267	-	-	1,267
Support costs	-	32,635	-	32,635
<b>Total</b>	<b>30,484</b>	<b>229,208</b>	<b>-</b>	<b>259,692</b>

  

<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2020 Total Funds £</b>
Gross costs of shop and other trading activities	12,186	9,655	-	21,841
Costs of other income generation	4,925	42,007	-	46,932
Business Planning and Future Income Generation Project	-	21,434	-	21,434
Marketing costs	5,418	8,419	-	13,837
Maintenance of and repairs to other buildings	9,461	-	-	9,461
Investment management costs	1,247	-	-	1,247
Support costs	-	30,978	-	30,978
<b>Total</b>	<b>33,237</b>	<b>112,493</b>	<b>-</b>	<b>145,730</b>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>9. MINISTRY 2021</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2021 Total Funds £</b>
Clergy stipends and working expenses	-	137,152	-	137,152
Clergy housing costs	46,066	909	-	46,975
Clergy support costs	21,692	14,809	-	36,501
Services and music	123,644	96,607	-	220,251
Support costs	(1)	65,270	-	65,269
	<u>191,401</u>	<u>314,747</u>	<u>-</u>	<u>506,148</u>
<b>2020</b>				<b>2020 Total Funds £</b>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	
Clergy stipends and working expenses		136,903		136,903
Clergy housing costs	37,866	7,091	-	44,957
Clergy support costs	16,540	20,122	-	36,662
Services and music	103,756	116,120	-	219,876
Support costs	-	61,956	-	61,956
	<u>158,162</u>	<u>342,192</u>	<u>-</u>	<u>500,354</u>
<b>10. CATHEDRAL AND PRECINCTS UPKEEP 2021</b>				<b>2021 Total Funds £</b>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	
Major repairs and restoration	-	82,340	-	82,340
Maintenance and interior upkeep	50,082	2,122	-	52,204
Cathedral insurance	18,434	12,976	-	31,410
Other costs	36,417	11,144	-	47,291
Support costs	-	54,391	-	54,391
	<u>104,663</u>	<u>162,973</u>	<u>-</u>	<u>267,636</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. CATHEDRAL AND PRECINCTS UPKEEP CONTINUED**

**2020**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Major repairs and restoration	8,178	36,272	-	44,450
Maintenance and interior				
Upkeep	29,193	11,565	-	40,758
Cathedral insurance	30,035	-	-	30,035
Other costs	52,266	-	-	52,266
Support costs	-	51,630	-	51,630
	<u>119,672</u>	<u>99,467</u>	<u>-</u>	<u>219,139</u>

**11. EDUCATION AND OUTREACH**

**2021**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Educational activities	9,176	1,688	-	10,844
Charitable and other giving	6,595	3,689	-	10,284
Other costs	1,724	-	-	1,724
Support costs	-	43,513	-	43,513
	<u>17,495</u>	<u>48,870</u>	<u>-</u>	<u>66,365</u>

**2020**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Educational activities	7,546	10,335	-	17,881
Charitable and other giving	6,290	3,680	-	9,970
Other costs	803	-	-	803
Support costs	-	41,304	-	41,304
	<u>14,639</u>	<u>55,319</u>	<u>-</u>	<u>69,958</u>

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

	2021 Total Funds £	2020 Total Funds £
Direct activity costs	85,174	108,763
Support costs	21,757	20,652
	<u>106,931</u>	<u>129,415</u>

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

The support costs for the current and preceding years are borne by restricted funds

13. SUPPORT COSTS 2021	Raising Funds	Ministry	Cathedral and Precinct	Education and Outreach	Community, Parish, and Congregation	2021 Total Funds
	£	£	£	£	£	£
Salaries, recruitment, and training costs	16,227	32,454	27,045	21,636	10,818	108,180
Administration	12,971	25,941	21,617	17,294	8,647	86,471
IT	3,309	6,618	5,515	4,412	2,206	22,059
	<u>32,507</u>	<u>65,013</u>	<u>54,177</u>	<u>43,342</u>	<u>21,671</u>	<u>216,710</u>

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

2020	Raising Funds	Ministry	Cathedral and Precincts	Education and Outreach	Community Parish and Congregation	2020 Total Funds
	£	£	£	£	£	£
Salaries, recruitment, and training costs	13,082	26,164	21,804	17,443	8,721	87,214
Administration	13,268	26,535	22,112	17,690	8,845	88,450
IT	4,628	9,257	7,714	6,171	3,086	30,856
	<u>30,978</u>	<u>61,956</u>	<u>51,630</u>	<u>41,304</u>	<u>20,652</u>	<u>206,520</u>

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

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>14. STAFF COSTS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Salary costs were as follows:</b>		
Salary costs	371,936	344,764
Social security costs	31,960	26,316
Pension costs	22,053	18,798
	<u>425,950</u>	<u>389,878</u>

No employee had emoluments above £60,000 in 2021 or 2020.

	<b>Stipend</b>	<b>Levy</b>	<b>NIC</b>	<b>Pension</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>
					<b>£</b>
<b>Stipends</b>					
The Very Reverend Anthony Cane	37,670	170	3,477	12,539	53,856
The Reverend Canon Joanna Spreadbury	29,204	119	2,095	10,031	41,450
The Reverend Canon Kathryn Percival	29,204	134	2,477	10,031	41,846
	<u>96,078</u>	<u>423</u>	<u>8,049</u>	<u>32,602</u>	<u>137,152</u>
	<b>Stipend</b>	<b>Levy</b>	<b>NIC</b>	<b>Pension</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Total</b>
					<b>£</b>
<b>Stipends</b>					
The Very Reverend Anthony Cane	37,485	170	3,487	12,293	53,435
The Reverend Canon Joanna Spreadbury	29,204	127	2,295	9,834	41,460
The Reverend Canon Kathryn Percival	29,204	146	2,823	9,834	42,007
	<u>95,893</u>	<u>443</u>	<u>8,605</u>	<u>31,961</u>	<u>136,902</u>

The stipends of the Dean and the above Residentiary Canons are paid directly from the Church Commissioners along with the related costs sets out above.

Two other Canons, Nicholas Ralph, and Anthony Rustell are remunerated by the Diocese of Portsmouth.

Expenses of £ 0 (2020 - £809) were reimbursed to members of Chapter.

There was an average of 9 (2020: 11) full time and 9 (2020: 9) part time paid staff including clergy paid by the Church Commissioners but excluding the Cathedral Choir. The full time equivalent of the same group in 2021 was 14 (2020: 14).

The aggregate remuneration of Key Management Personnel in 2021, including all benefits, was £206,752 (2020: £191,794). 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 (2020: none).

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>15. INVESTMENTS</b>	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>Investment Property</b>		
Fair value brought forward	375,000	365,000
Revaluation	25,000	10,000
	<u>400,000</u>	<u>375,000</u>

The investment property was revalued by Chapter in 2021 based on external advice obtained from local Estate Agents.

	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>Other investments</b>		
Fair value brought forward	1,305,114	1,405,001
Disposals at proceeds	(62,500)	(137,500)
Gain on revaluation	185,286	37,613
	<u>1,427,901</u>	<u>1,305,114</u>
<b>Total investments</b>	<u>1,827,901</u>	<u>1,680,114</u>

Split of investments between funds:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Endowment - Friends of Cathedral Music	54,404	47,565
Restricted – Ritchie bequest	5,707	18,898
Designated – Groves legacy	1,767,790	1,613,651
	<u>1,827,901</u>	<u>1,680,114</u>

Investments are held in pooled managed funds as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Property (directly owned)	400,000	375,000
CBF CoE Investment Fund Income Shares	1,207,397	1,055,612
CBF CoE Property Fund Income Shares	220,504	249,502
	<u>1,827,901</u>	<u>1,680,114</u>



**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>16. PROPERTY</b>	<b>Unrestricted Funds £</b>	<b>2021 Total Funds £</b>
<b>Cost or deemed cost</b>		
At 1 January 2021	3,241,227	3,241,227
Reclassification		
Additions	117,609	117,609
	<u>3,358,836</u>	<u>3,358,836</u>
At 31 December 2021	<u>3,358,836</u>	<u>3,358,836</u>
<b>Depreciation</b>		
Accumulated at 1 January 2021	37,953	37,953
Charge for the year	20,050	20,050
	<u>58,003</u>	<u>58,003</u>
At 31 December 2021	<u>58,003</u>	<u>58,003</u>
<b>Net Book Value</b>		
At 31 December 2021	<u>3,300,833</u>	<u>3,300,833</u>
At 31 December 2020	<u>3,203,274</u>	<u>3,203,274</u>

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

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**17. FIXTURES, FITTING AND EQUIPMENT**

	Fixtures & Fittings £	Office Equipment £	Other Equipment £	Total £
<b>Cost</b>				
At 1 January 2021	177,876	-	136,053	313,929
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 December 2021	<u>177,876</u>	<u>-</u>	<u>136,053</u>	<u>313,929</u>
<b>Depreciation</b>				
Accumulated at 1 January 2021	158,967	-	52,861	211,828
Charge for the year	6,637	-	14,173	20,810
On disposals	-	-	-	-
At 31 December 2021	<u>165,604</u>	<u>-</u>	<u>67,034</u>	<u>232,638</u>
<b>Net Book Value</b>				
At 31 December 2021	<u>12,272</u>	<u>-</u>	<u>69,019</u>	<u>81,291</u>
At 31 December 2020	<u>18,909</u>	<u>-</u>	<u>83,192</u>	<u>102,101</u>

**18. DEBTORS**  
**2021**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2021 Total Funds £
Invoiced debtors	1,300	35,131	-	36,431
Prepayments	-	-	-	-
Accrued income	2,073	17,305	-	19,108
	<u>3,373</u>	<u>52,166</u>	<u>-</u>	<u>55,539</u>

**2020**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Invoiced debtors	6,105	10,623	-	16,728
Prepayments	39	-	-	39
Accrued income	7,873	56,797	-	64,670
	<u>14,017</u>	<u>67,420</u>	<u>-</u>	<u>81,437</u>

**PORTSMOUTH CATHEDRAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**19. CREDITORS: amounts falling due within one year**  
**2021**

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

**2020**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>2020 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	107,930	-	-	107,930
Social security and other taxes	8,522	-	-	8,522
Other creditors	9,182	41,650	-	50,832
	<u>125,634</u>	<u>41,650</u>	<u>-</u>	<u>167,284</u>

PORTSMOUTH CATHEDRAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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

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

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**20. ANALYSIS OF NET MOVEMENTS IN FUNDS (CONTINUED)**

<b>2020</b>	<b>Total funds 01.01.20</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains</b>	<b>Transfers</b>	<b>Total funds 31.12.20</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Endowment fund</b>						
FoCM – Choir Scholarship	44,493	-	-	3,072	-	47,565
<b>Restricted funds</b>						
<b>Church Commissioners</b>						
Stipends	-	136,903	(136,903)	-	-	-
Section 23 grant	-	133,476	(133,476)	-	-	-
Section 21 grant	-	20,414	(20,414)	-	-	-
Removal costs	-	8,000	(7,091)	-	-	909
Cathedrals Sustainability Fund	-	113,794	(113,793)	-	(1)	-
Lay Clerks	-	21,501	(21,501)	-	-	-
Training	-	60	(60)	-	-	-
<b>Fabric</b>						
Major Fabric Work	-	55,943	(41,638)	-	-	14,305
Southwest Doors - crowdfunding	2,380	14,425	(3,186)	-	-	13,619
<b>Music</b>						
Ritchie bequest	32,169	965	(4,457)	2,221	(12,000)	18,898
Organ Scholarship (Michael James Trust)	-	1,000	(1,000)	-	-	-
FoCM – Choir Scholarship	-	1,335	(1,335)	-	-	-
Church Choir project	-	33,512	(33,512)	-	-	-
Cathedral Sing	5,282	4,500	(1,350)	-	-	8,432
Chorister support income	1,800	-	(1,800)	-	-	-
Other support for music	-	7,503	(5,765)	-	-	1,738
<b>Education and Outreach</b>						
Pop-Up Cathedral	6,026	-	(5,677)	-	-	349
Friends Support for Education	-	1,000	(1,000)	-	-	-
Other support for Education	-	1,000	(1,000)	-	-	-
Monks project	1,000	-	-	-	-	1,000
Let the Building Speak	4,082	-	-	-	-	4,082
<b>Other funds</b>						
Culture Recovery Fund for Heritage	-	133,250	(89,939)	-	-	43,311
QARNNS – Chapel of Healing and Reconciliation						
Sunyani	275	1,040	(1,500)	-	185	-
Memorial garden	899	-	-	-	-	899
Grant towards Volition costs	4,000	-	-	-	-	4,000
Other restricted funds	1,033	-	(726)	-	-	307
Support for Pastoral and Liturgy	-	6,500	(3,000)	-	-	3,500
<b>Total restricted funds</b>	<b>65,097</b>	<b>696,121</b>	<b>(630,123)</b>	<b>2,221</b>	<b>(11,816)</b>	<b>121,500</b>
<b>General funds</b>	<b>3,262,346</b>	<b>362,899</b>	<b>(434,473)</b>	<b>-</b>	<b>(3,171,552)</b>	<b>19,220</b>
<b>Designated funds</b>						
William Groves legacy	1,693,338	-	-	42,320	(122,007)	1,613,651
Tangible fixed assets	-	-	-	-	3,305,375	3,305,375
<b>Total unrestricted funds</b>	<b>4,955,684</b>	<b>362,899</b>	<b>(434,473)</b>	<b>42,320</b>	<b>11,816</b>	<b>4,938,246</b>
<b>Total funds</b>	<b>5,065,274</b>	<b>1,059,020</b>	<b>(1,064,596)</b>	<b>47,613</b>	<b>-</b>	<b>5,107,311</b>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

21. TRANSFERS BETWEEN FUNDS	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>2021</b>			
Expenditure repaid to unrestricted funds	131,234	(131,234)	-
<b>2020</b>			
	11,816	(11,816)	

**22. DESCRIPTION OF FUNDS**

**Endowment funds**

Friends of Cathedral Music

This a capital fund to be retained permanently. Income arising from the fund is to be applied to a restricted income fund for a choral scholarship.

**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.

Major Fabric Work

Grants for major fabric work include direct grants and claims for irrecoverable VAT under the Listed Places of Worship scheme.

Southwest Doors - crowdfunding

Funds solicited towards the named project

Organ Scholarship (Michael James Trust)

Funds solicited towards the costs of an Organ Scholar

Ritchie Bequest

This fund was created on receipt of a legacy and is restricted for use in support of music.

Friends of Cathedral Music – Choral Scholarship

Restricted income fund arising from the related endowment. The income is to be spend 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

Monks Project

This fund is for the purchase of equipment relating to education workshops.

Let the Building Speak

This fund is for the purchase of resources associated with Cathedral history and interpretation.

All Churches Trust Hope Beyond

This fund is to enable churches and Christian charities to meet changing needs within their communities

QARNNS – Chapel of Healing and Reconciliation

This fund represents monies raised to fund improvements and enhancements to the chapel of healing and reconciliation.

Cultural Recovery Fund for Heritage

Funds from the Government's Culture Recovery Fund for Heritage towards unrestricted reserves

Memorial Garden

Funds to be spent on the memorial garden.

Volition Costs

Grant received towards volition costs

Other Items Arising in 2021

Funds to support better quality broadcasting

**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

**General fund**

These funds are unrestricted and available for the Cathedral's use.

## PORTSMOUTH CATHEDRAL

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2021

---

#### 23. CAPITAL COMMITMENTS

There were no material amounts contracted for but not provided for at 31 December 2021 or 31 December 2020.

#### 24. PENSION SCHEMES

The Cathedral participates in the Church of England Defined Contributions Scheme, part of the Church Workers Pension Fund. No deficit contributions are presently required.

The Cathedral also operates a stakeholder defined contribution scheme for the benefit of employees not in the Church of England scheme. The Cathedral's contributions to these schemes are disclosed in Note 13 to these financial statements.

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO OPERATING CASH FLOW	2021	2020
	Total Funds £	Total Funds £
Net income/(expenditure) excluding investment gains and losses	66,419	(5,576)
Investment income	(42,723)	(44,355)
<b>Operating (deficit)</b>	<b>23,696</b>	<b>(49,931)</b>
Depreciation charges	40,861	41,783
Increase/(decrease) in stocks	(8,380)	392
Decrease in debtors	25,898	28,404
Increase in creditors	(84,888)	99,782
<b>Net cash outflow/(inflow) from operations</b>	<b>(2,813)</b>	<b>120,430</b>