

PORTSMOUTH  
CATHEDRAL

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**PORTSMOUTH CATHEDRAL**

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

**ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2020**

**PORTSMOUTH CATHEDRAL**  
**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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# **PORTSMOUTH CATHEDRAL**

## **ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **PREFACE**

This year's Annual Report and Audited Accounts has 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, under Section 27 of the Cathedrals Measure 1999 (December 2018 version). A copy of the Regulations may be read in the reception area of the Cathedral Office.

A simplified version of the accounts is again 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 2020

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#### 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.

2020 marked the beginning of Portsmouth Cathedral's new ten year Vision and Strategy leading up to its centenary in 2027 and achieving carbon-net zero by 2030. The new Vision and Strategy emphasizes that we are a community always open to God's will, affirming the good things of past and present, while also seeking further growth and development. We are grateful to all who have contributed; we have greatly benefitted from feedback at a number of consultations, and from engaging with the strategy of the diocese we are proud to serve.

The new Vision and Strategy comprises six separate but interdependent Strategic Objectives 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, 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

**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 **Specific, Measurable, Achievable, Realistic and Time-bound (SMART targets)**.

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

**MISSION AND REVIEW OF ACTIVITIES**

As the year started the Cathedral began to implement plans for 2020, including finalising the new Vision and Strategy. As news stories emerged of the Covid-19 virus, we began to plan our response.

Over the subsequent months of 2020, the Cathedral and its staff adapted to the changes in pandemic restrictions, often at very short notice, as we sought to serve our communities through the challenges and difficulties we faced collectively. These included: starting to broadcast three services a day, supporting online congregations from our parish, Diocese and around the country; opening the Cathedral for individual private prayer and public worship whenever possible; providing pastoral support; making necessary repairs to the Cathedral; and taking concerted steps to reduce the planned deficit to half that planned for 2020 while innovating within year and for the future.

While the nature of this unstable and unpredictable year means it is challenging to report against specific targets, we achieved much against the six strategic objectives of the new Vision and Strategy, and we start 2021 in a stronger position than we did 2020.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

##### WORSHIP AND MUSIC.

This strategic objective continued to flourish during 2020 despite the challenges of the Covid-19 pandemic. We recognised early in the pandemic that providing a rich and varied pattern of worship during a time of crisis was a key way in which we could support our communities near and far.

During the first national lockdown, Portsmouth Cathedral was closed entirely, in common with cathedrals and churches throughout the country. Our Ministry Team began broadcasting daily Morning Prayer and Evening Prayer and weekly Sunday Eucharists from their homes. From April 2020, we also offered daily sung Compline at the end of day and introduced a popular monthly Toddlers' service on Wednesday afternoons. As lockdown restrictions began to ease, we were delighted to be able to return to the Cathedral itself to broadcast services and later welcome congregation and musicians back to worship together in person.

Our pattern of worship continues with a combination of in person and online worship. The advent of broadcasting has enabled people near and far to join our worshipping community.

*Holy Week and Easter.* For the first time in our history as a Cathedral, the Cathedral community marked Holy Week and Easter in their homes. We were delighted that Dean Anthony was our Holy Week preacher, leading us through a series of addresses and sermons. We were able to broadcast a full Holy Week and Easter pattern of services, including an Easter Day Festival Eucharist led by Bishop Christopher and our popular Festal Evensong which this year was pre-recorded and broadcast on YouTube.

*Special Services.* Many of our regular special services from ordinations to the important feast days such as Pentecost and Trinity Sunday were unable to take place in the same manner this year. But the restrictions of the pandemic did open up opportunities to reimagine our services and include people in ways that would not be possible under more usual circumstances. In May we shared a pre-recorded service to commemorate the 75<sup>th</sup> Anniversary of VE Day which brought together contributions from senior serving members of the Royal Navy based in Washington and Singapore, local civic figures including the Lord Mayor of Portsmouth and Her Majesty's Lord-Lieutenant of Hampshire, members of our Cathedral community sharing their memories of VE Day, music from our Cathedral Choirs and contributions from Dean Anthony, the Armed Forces Champion for the Diocese of Portsmouth the Rev'd Amanda Collinson, and Bishop Christopher. This varied service was especially designed for our online worshipping community.

*In November* we live-streamed an interactive journey of contemplation and prayer around Portsmouth Cathedral to help everyone find hope in these strange times. "Hope in the Darkness" visited a number of prayer stations around the building, offering time for reflection and space to encounter God in the darkness.

*Christmas* was once again a very busy time of year. The social distancing rules in place significantly reduced our capacity at services and we responded by adding extra services to enable as many people as possible to attend. We held seven carol services, two family crib services, Midnight Mass and three Christmas Day Eucharists.

*Pompey Heroes.* Working in partnership with the Portsmouth News and Blake Morgan LLP, we launched Pompey Heroes, a special carol service for those who had gone over and above what was expected to help people in need during the pandemic. Members of the public were encouraged to nominate their local lockdown heroes. We received 25 submissions nominating local key workers, people supporting those experiencing homelessness, and those who have supported people's mental health and well-being through singing and fitness classes.

*Choirs and Music.* Portsmouth Cathedral's musical life has thrived despite the challenges of 2020. Our three choirs comprise 24 girl choristers, 24 boy choristers, five Choral Scholars, six Lay Clerks and 25 voluntary adult singers drawn from around Portsmouth and the surrounding areas. They are led by Organist and Master of Choristers Dr David Price and Sub-Organist Sachin Gunga, supported by the Michael James Organ Scholars Sam Jones (until July 2020) and Adam Field (from Sept 2020).



# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

Training the next generation of singers is a core part of our musical life. Portsmouth Cathedral's Chorister programme continues to flourish with 7 new starters in September 2020.

The Choral and Organ Scholar programme offers young adults a year-long placement to develop their singing and playing. The scheme is delivered in partnership with The Portsmouth Grammar School which offers teaching experience to each Scholar. We bade farewell to seven scholars in July 2020 and welcomed six scholars in September 2020.

Singing has been very disrupted during the Covid-19 pandemic, and our choirs have adapted to changing rules and regulations. We have continued chorister training online during periods when in-person rehearsals were not possible, and our choirs have recorded virtual pieces which have enriched online services for Portsmouth Cathedral and other organisations. Sadly, we were not able to welcome the many visiting choirs who normally sing services during our choir's holidays, but we look forward to their visits in 2021.

#### Growing and Learning

In early 2020 we trialled Pop-up Cathedral, our innovative new engagement and participation project working in schools across the Diocese of Portsmouth. Conceived and developed by our Learning team, the project takes our popular Schools Workshops into the playground making it an ideal learning opportunity for schools that are further away from Portsmouth Cathedral or who cannot afford the costs of coach hire. The project was trialled at Liss Junior and Infant Schools where pupils were thrilled to visit the Pop-up (a large gazebo designed to mimic Portsmouth Cathedral) and took part in a range of creative learning activities. The roll out of Pop-up Cathedral was put on hold during the pandemic, and we plan to launch the project during 2021.

Even in a year of multiple lockdowns exhibitions continued providing a space for local and national artists to display their works and interact with worshippers and visitors alike when Covid-restrictions permitted. In January 2020, we hosted *Tear and Repair*, an exhibition created by Nicola Moody who worked in collaboration with Azalea, a charity that works with women caught in commercial sexual exploitation. From a series of workshops with the women, Nicola created five woven hangings that used textiles to express the remarkable personal histories of five of the women. The textiles acted as a metaphor for their stories, showing unravelling, fraying, knotting, the appearance of holes, and different methods of repair.

During Lent we were delighted to host Nicholas Mynheer's evocative series of paintings *The Sarum Cycle* which chart the journey of Jesus through the events of Holy Week and Easter. Due to the restrictions of the first national lockdown, Mynheer's works stayed on display in the Ambulatory much longer than anticipated, enabling more people to enjoy and be inspired by his paintings when restrictions eased.

During Advent and Christmas, we hosted a retrospective of the work of sculptor Vincent Gray. *Leap of Faith* included a diverse range of work ranging from smaller maquettes through to life-size statues. Much of the work included in the exhibition was cast bronze, with the artist bringing together a number of techniques and skills to achieve a wide variety of finishes, showcasing the versatility of the medium. Sadly, the exhibition had to close early due to Covid-19 restrictions. An online virtual tour with Vincent Gray enabled people to explore the exhibition from their homes.

To increase public knowledge of the Cathedral and its history we launched a new weekly 'Did you know' series, sharing stories from our 800 year+ history. From the death of St Thomas of Canterbury to the devastating impact of the Portsmouth Blitz on the local area, the blog enabled those who were not able to visit the Cathedral during the pandemic to learn more about our heritage.

Over Christmas the Head Verger and volunteer Head Guide featured in new videos exploring our archive and some of the hidden areas of the building.

Volunteers are a crucial and valued part of the Portsmouth Cathedral team, supporting clergy and staff across a wide range of our work. During 2020 there were many volunteers.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

The events of the pandemic meant that many were unable to volunteer with us in the usual way as activities such as our Schools Workshops and Cathedral Shop were paused or greatly reduced.

New volunteering opportunities emerged, particularly in the new role of 'Prayer Steward', welcoming all those who were visiting the Cathedral for private prayer and helping us to comply with the various Covid-19 safety regulations. We were delighted that some of our existing volunteers were able to offer their time and expertise as Prayer Stewards, and very pleased that new volunteers were recruited. Many of these new volunteers were younger people who were former members of the Cathedral's choirs.

We marked National Volunteers' Week with a special online Volunteers' Tea, and stayed in regular contact with our volunteers during what was a very difficult year.

#### Diocese and Community

Portsmouth Cathedral is a Parish Church Cathedral. As the Mother Church to the Diocese of Portsmouth, the Cathedral plays an important role in the life of the Church of England in our region. As a Parish Church, we have a particular responsibility to care for and serve the community in our immediate neighbourhood.

During 2020 we continued to work closely with our Diocesan colleagues hosting services and events both in person and online. Members of the Cathedral Ministry Team preached at churches around the Diocese over the course of the year when that was permitted, as well as taking part in Diocesan events such as 'The Devil's Storyteller'.

We continued our pioneer work with Choir Church, including plans for a second project, as well as members of the music department supporting the work of the Royal School of Church Music in the local area.

As a Parish Church we continue to serve those on our doorstep. Our Ministry Team and Lay Pastoral Assistants made an estimated 2,460 pastoral calls in 2020 from the beginning of the first national lockdown, supporting those in need. In addition to our weekly online newsletter, we sent a fortnightly postal mailing to our most isolated community members who do not have internet access. This pastoral care has been greatly appreciated by those who have not been able to engage with the wealth of services and events we have been offering online.

#### Building and Heritage

We undertook several important projects to conserve the fabric of our Grade I listed Cathedral building. Alongside this, our proactive programme of preventative maintenance and small conservation projects aimed to raise the day-to-day standard of care for our buildings and heritage and minimise the need for more intrusive and costly fabric interventions in the future.

To support our online worshipping community, we invested in new broadcasting equipment to improve the quality of the sound and visuals of our broadcasts, as well as their reliability. Due to the severe pressure on our finances, we were only able to make a modest investment, supplemented by a donation from a member of the Cathedral community. An application for funding has been submitted to enable us to install a permanent broadcasting solution during 2021.

We were also very grateful to receive a new icon of St Thomas Becket written by the Reverend Dr Ruth Tuschling, the Diocesan Spirituality Advisor until 2019 and a Cathedral Honorary Chaplain.

**Quinquennial Repair Plan.** With the last inspection having taken place in 2016 plans are progressing for the 2021 Quinquennial. In 2020 we were able to complete or start work on many of the outstanding items from the 2016 inspection including:

*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 have been damaged by the salt-laden rainwater and were in urgent need of repair and conservation. The project will be concluded in early 2021.



# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

- *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.
- *South-West doors.* In autumn 2020 we conserved and refurbished the exterior and interior South-West doors using traditional building methods. The project was supported by a crowdfunding campaign to mark the installation of Canon Kathryn Percival as Canon Chancellor and Vice-Dean.
- *Environmental monitors.* New data loggers, UV film for the windows and thermal curtains were installed in the two archive rooms in the West towers helping to preserve the contents for future generations. This has been possible through funding provided by the Religious Archives Group and a generous gift in memory of Emeritus Professor Michael Purvis, former Churchwarden and FAC member.

We also continued to invest in Cathedral House. Improvements, most of which will help to decrease the Cathedral's carbon footprint, included:

- New energy-efficient boilers and LED lights and the removal of the air-conditioning system following an IT upgrade; all of these actions will decrease both the Cathedral's carbon footprint and our utility bills.
- Repairs were made to the Song School entrance, part of which had collapsed, as well as planned preventative maintenance to other lintels and railings thanks to an anonymous donation.

Investment was made in 32 Woodville Drive and 29 Penny Street as the buildings were brought up to commercial standard. The Cathedral was very pleased that St. Jude's Church was able to rent 32 Woodville Drive in late 2020 and into 2021 for use by its new vicar until the vicarage became available.

#### Partnership and Engagement

In September we were awarded a grant from the Government's Culture Recovery Fund for Heritage. Around half of this emergency funding was directed towards meeting our core running costs and safeguarding jobs. Just under half supported a six-month programme of research and business planning to increase engagement with our heritage and improve our long-term financial sustainability.

Research is currently underway to explore the composition of our current audiences and find out whom we underserve. We are looking at barriers to participation and scoping how we can overcome them and widen engagement through new types of events and activities, better marketing and more partnerships.

We are very grateful for the Government's support, without which we would not be able to undertake this vital work which will provide the foundation for the successful delivery of the new Cathedral Vision and Strategy.

*Supporting the common good in Portsmouth and beyond.* The Cathedral and our community support a range of charities and causes that enable people to live full and satisfying lives.

During 2020 we committed to financially supporting five causes from the Cathedral's main budget for the next three years, continuing our long tradition of outward giving. These charities are The Roberts Centre, Stop Domestic Abuse, Solent Mind, Toilet Twinning and the Sunyani Partnership Link.

Portsmouth Cathedral hosts a foodbank collection point, with donations being regularly taken to the HIVE Portsmouth<sup>1</sup> for distribution to those in need in Portsmouth. In September we worked with other local churches on the 'With Thankful Hearts' campaign, collecting Harvest donations for the HIVE.

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<sup>1</sup> HIVE Portsmouth is a strategic partnership in Portsmouth consisting of a representative group of the voluntary and community sector, NHS Portsmouth Clinical Commissioning Group and Portsmouth City Council.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

Portsmouth Cathedral also partners with local and national projects that support our communities. In May we participated in the Big Picnic for Hope, a national campaign from over 20 cathedrals encouraging people to have a picnic in their homes and gardens to celebrate VE Day and raise money for their local foodbank. Our Cathedral community raised over £650 for The Roberts Centre.

Dean Anthony once again hopped on his bike to support Ride and Stride, fundraising for the Hampshire and the Islands Historic Churches Trust. This year he cycled between several churches on the Isle of Wight, raising over £650 for this important cause.

#### Finance and Sustainability

A detailed report on the financial activities of the Cathedral during 2020 can be found in the Independent Auditor's Report in the section entitled: Statement of Financial Activities.

#### Staff and Volunteers

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

Over this past year, above all other years, their work and commitment has enabled the Cathedral not just to carry on with a limited version of what it was able to do prior to 23 March 2020, but also to innovate and expand its activities.

Our volunteers enabled the Cathedral to be open for private prayer when otherwise it would not have been able to do so.

Our paid staff have also been through an incredibly difficult and challenging year.

In very early April Chapter took the difficult decision to furlough 85% of staff to ensure we were in the best financial position to carry on into 2021 and beyond. These committed staff took this in good grace, and we will always be grateful to them as being furloughed had its own pressures and uncertainty.

Additionally, as we responded to Covid-19 we froze recruitment to vacant posts and unfortunately one post was made redundant.

In early April, now with a skeleton staff, the Cathedral started to manage its way through the first lockdown uncertain of when or how it would end. The Chapter is most grateful for all that these staff did to ensure a strong and vibrant Cathedral emerged from the first lockdown. Then post-June with more of the staff team returning from furlough, we remained agile and nimble in the face of constant and lastminute changes in Government policy and regulation.

All staff, whether furloughed or un-furloughed, made a major contribution in ensuring that the Cathedral was in a stronger pastoral and financial position as 2020 drew to a close than it was at the start of the year. The Dean, Chapter and Chief Operating Officer have acknowledged this throughout 2020 and it is important for it to be noted here in the Annual Report.

During the pandemic even with limited staff resources, we created online worship offering possibly more options than anywhere else in England, we sent bi-weekly newsletters to members of the wider Cathedral community without internet access, we won every major funding bid we submitted (losing only a couple of very small bids) and the Cathedral remained open every day that we were legally permitted to, to welcome individuals to worship collectively or in private prayer.

*Staff changes.* In early 2020 our Education Officer, Sarah Page moved on to new challenges, but not before she had created the national Cathedral Passport scheme with colleagues from other cathedrals and had done the hard work of setting up Pop-up Cathedral and leading the first event. Graham Kidd, part-time verger left the Cathedral in June 2020 and Eve Davenport, our Pop-up Cathedral Assistant, left the Cathedral in the early autumn

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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

for a new life in Cornwall. Lay Clerk, Tim Burt, left during the summer of 2020 after many years of service and was replaced by former Choral Scholar Jeremy Fisher in September 2020. We also welcomed a new cleaner, Christine Ratsey and bid a fond farewell to Tina Cartwright who had been a cleaner here for many years. We thank them all for their service and welcome Jeremy and Christine to their new roles.

We also welcomed additional new members of staff including Sophie Henstridge-Brown in February 2020 as our new Head of Fundraising and Events and Joseph Keele-Toms in October as our first Digital Marketing Manager. Both posts are being funded for three years by the Cathedral Sustainability Fund (CSF). We are most grateful to the CSF for its support without which these successful recruitments could not have happened.

*Updating salary scales.* Chapter considered and approved a review of salary scales which is undertaken bi-annually. This limited updating exercise from the one completed two years ago benchmarked salary scales against those of other similar sized cathedrals.

*Investment in IT.* In late 2019 and early 2020, we upgraded both hardware and software. Over the course of the year the Cathedral migrated from an in-house server to a cloud-based solution. The upgrade of hardware proved very timely as laptops replaced desktops in January 2020 enabling a smoother transition to home working as national lockdowns were imposed.

#### 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. 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.

#### Energy Carbon Footprint

2020, which marked the end of our first carbon footprint reduction target period 2013-20, was a year impacted by stay-at-home restrictions and reduced visitor numbers and events. In 2019 we had already provisionally met our 2020 target of a 20% reduction in weather adjusted emissions, and the final outcome in 2020 was a 30% reduction. We also continued to meet our Eco Church pledge of a 5% year-on-year actual emissions reduction since joining in late 2016.

Energy carbon footprint and energy spend 2013-2020: Cathedral and Cathedral House					
	2020	2019	2018	2017	2013
Scope 1 – Gas consumption tCO <sub>2</sub> e	78.02	92.51	101.24	101.54	120.87
Scope 2/3 – Purchased electricity tCO <sub>2</sub> e	12.23	16.72	21.40	32.83	46.68
Total energy GHG emissions tCO <sub>2</sub> e	90.26	109.23	122.64	134.38	167.55
Actual change v 2013 base year	-46.13%				
Total weather adjusted GHG emissions tCO <sub>2</sub> e	105.51	119.46	130.81	140.11	151.30
Weather adjusted change v 2013 base year	-30.26%				
Onsite low carbon electricity generation kWh	17,274	18,679	13,696	7,854	0
Purchased energy expenditure gross	£23,069	£27,352	£27,741	£28,217	£37,868
FIT income from onsite electricity generation	£2,653	£2,668	£2,178	£2,151	£0
Energy expenditure net of FIT income	£20,416	£24,684	£25,563	£26,066	£37,868

# **PORTSMOUTH CATHEDRAL**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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

Highlights from 2020:

- 50% of electricity in Cathedral House generated onsite (solar panels and fuel cell mCHP)
- A record year for solar generation with May exceeding the normal peak month of July.
- LED lighting rolled out to the administration offices in Cathedral House.
- Power hungry IT related equipment removed from the Cathedral Offices
- Good housekeeping continued to play a key role in reducing emissions and costs.
- Participation in the CofE consultation on NetZero2030
- Renegotiation of energy contracts for 2020/21 with a forecast 15% saving v 2019/20

We continued in 2020 to recycle 100% of energy bill savings and feed-in tariff (FIT) income into further energy efficiency projects. We do not currently offset CO<sub>2</sub> emissions via tree-planting schemes etc, instead preferring to prioritise reducing our own direct impact on the environment through additional energy efficiency projects in the Cathedral and Cathedral House.

We continue to work towards A Rocha's Eco Church silver award status.

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

## **FINANCE**

*Revising the 2020 budget in light of the Covid-19 pandemic.* 2020 was an extraordinary year in all aspects of the life of the Cathedral, including its finances.

In late April, as the pandemic took hold, Chapter approved, and Cathedral Council received a revised 2020 budget. Chapter also approved, at this time, a policy of delegated financial authority that required the prior agreement of the Dean or Chief Operating Officer before any staff member or volunteer could commit to spend above £100.

The 2020 budget, set in December 2019, had a revenue target of £772,548 and a planned expenditure of £1,092,423 with a projected deficit of £319,875 (prior to unrealised gain or loss on investments and capitalisation and depreciation of assets). This budget had been predicated on increasing expenditure on work that would increase revenue to support Mission. The pandemic meant that a refocus on cost containment and income maximisation was required.

The revised 2020 budget reduced revenue targets to £584,669 and similarly reduced planned expenditure to £801,730 for a projected budget deficit of £217,042 (prior to unrealised gain or loss on investments and capitalisation and depreciation of assets being applied). Further, to enable Cathedral staff to plan, Chapter approved and Cathedral Council received a provisional budget for 2021 of planned revenue of £543,586 with expenditure at 2011 levels of £677,500 for a projected budget deficit of £133,914. It was important to plan in April 2020 not just for the remainder of the 2020 financial year, but also to set a course through to the end of 2021.

As Covid-19 related grant funding increased during the year both expenditure and income rose accordingly. The overall goal to reduce the deficit to the greatest extent possible to ensure medium to long term viability of the Cathedral as a going concern remains.

It is important to remember here that the above figures are those of the Management Accounts that are used to manage the operations of the organisation over each year. The Statutory Accounts contained in this document show a year end surplus of £42,037 for 2020 after spending on buildings was capitalised, depreciation of assets was taken into account and unrealised gains on investment were added.

*Increasing revenues and fundraising.* As well as cost containment there was also a sustained focus throughout 2020 on accessing Covid-19 related funding. These efforts were designed to assist the Cathedral, not only to survive the impact of the pandemic, but also to emerge from it in a stronger position.

In early autumn 2020, the Cathedral was grateful to receive from the Culture Recovery Fund for Heritage a £266,500 grant, covering the six-month period to 31 March 2021, half of which was received in the 2020 financial year. This grant funding assisted in the underwriting of core operating and staff costs for six months until 31 March 2021, but also provided funding to underpin a transformation in our activities. This transformation work included:

- a review and reimagining of the Cathedral Shop including the development of a new on-line shop and a bespoke collection of gifts (The Cathedral Collection);
- a review of our Events business;
- a spatial review of property assets to look to maximise income for mission;
- the development of multi-year budget plans to assist the Cathedral to plan well into the future.

The outcome of these reviews is due during the first quarter of 2021.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### FINANCE (continued)

The Chapter is also very grateful to the Church Commissioners for their ongoing as well as Covid-19 related financial support. The Commissioners' funding assisted the Cathedral to meet salary costs from July through September 2020 and in late August their decision to fund lay clerks and choral scholars from 1 September through to 31 December 2020 was of immense help amounting to £91,600.

As noted in the Staffing section above, we are also grateful to the Cathedral Sustainability Fund (CSF) for its 90% funding of the post of Head of Fundraising and Events with Sophie Henstridge-Brown taking up post in February 2020. In addition, CSF support of £143,000 over three years has enabled the recruitment of a Digital Marketing Manager with Joseph Keele-Toms starting in the autumn of 2020. Without their financial support, hiring these two staff members would not have been possible and they are both already paying dividends in terms of what the Cathedral is able to deliver in these two areas.

Further, the CSF granted the Cathedral support for a one-year Records Manager post to help in our preparations for the implementation of the Cathedrals Measure 2021. Recruitment of this post will begin in 2021 as the country emerges from lockdown.

As the year ended, we received news that the Cathedral Choirs Emergency Fund had given the Cathedral a grant of £36,500 to help to cover the costs of the Music Department during 2021. Earlier in the year a grant of £3,000 was received from the Edington Trust to assist with the funding of vocal coaching over the 2020/2021 academic year. The Chapter is most grateful to both organisations for their support of music at Portsmouth Cathedral.

*Increased Revenue – Congregational giving.* Complementing efforts to continue to improve the management of Cathedral finances, a sustained soft ask to the Congregation helped to increase planned giving by 14% in 2020. This increase is hugely welcome and should be seen in the light of many other cathedrals where there has been a drop in congregational giving during 2020. However, despite the increase, this still leaves the Cathedral in the lower quartile of Planned Giving across English cathedrals.

In terms of the care and repair of the Cathedral fabric, we received 100% grant funding of just under £25,000 from the Heritage England Covid-19 Emergency Response Fund to repair the South Tower Transept window. Similarly, through the Cultural Recovery Capital Works Fund, the Cathedral received just under £100,000 to cover 80% of the repair costs to the North Quire Roof and the Western Wall of the Cathedral. These works were listed as necessary repairs in the 2016 Quinquennial inspection.

We are also very thankful for support from Portsmouth City Council, which granted us £8,940 towards the cost of business rates and Council Tax.

Our income, therefore, has increased significantly from what it was in 2019, rising from £846,730 to £1,059,020. This is the result almost completely of Covid-related funding alongside the 14% increase in planned giving.

*Decreasing our expenditure.* Conversely, our expenditure has reduced from £1,202,977 in 2019 to £1,064,596 in 2020. The decision by Chapter in April 2020 to reduce funding on core activities and therefore start to address the structural operating deficit accounts for this reduction in spending. The reduction is even more stark when one considers that expenditure includes the circa £125,000 on capital works to the South Tower Transept Window, North Quire Roof and West end of the Cathedral.

A continued focus on containing expenditure while increasing revenue wherever possible to support Mission is the focus of Chapter as the Cathedral moves toward a balanced budget by 2023 before unrealised gain or loss on investments. Chapter is cognisant that the deficit of £5,576 before unrealised gain on investment was a result of one-off Covid-related funding combined with a cutting of expenditure.

Chapter has started work on a multi-year budget up to 2030 which will be in place by the end of the second quarter of 2021, enabling it to plan effectively over multiple years. The deficit will decrease marginally in 2021, but



## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2020

##### FINANCE (continued)

with some current grant funding expiring in the coming years, it will rise again in 2022 and 2023 on a steady state basis. However, the Cathedral is taking active steps to increase revenues and participation. In 2021 this will include: a focused effort to increase regular financial giving through the Season of Generosity campaign which was launched in April 2021; a new Support a Chorister campaign launching summer 2021; a legacy campaign launching autumn 2021; growing retail income through new merchandise and an online shop in March 2021; enhancing the visitor experience through a Cathedral App hosting new virtual tours and an augmented reality experience showing the unrealised 1960s design for the Cathedral Nave launching spring 2021; and a new Sunday service to attract a wider range of people into the life of the Cathedral. We are also actively engaging with the wider community including the tourism industry to attract more of the nine million people who visit Portsmouth each year to also visit the Cathedral and significantly grow pre-pandemic visitor numbers of circa 20,000 visitors per annum. This will, in turn, support growth in retail and visitor donations. A Spatial Review of property assets will be delivered before July 2021, outlining ways to increase revenue from our property.

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.

Revenue and Expenditure						
	2015	2016	2017	2018	2019	2020
Income	£1,265,204	£1,190,737	£1,001,479	£ 963,511	£846,730	£1,059,020
Expenditure	£1,526,077	£1,529,563	£1,421,709	£1,365,584	£1,202,977	£1,064,596
Loss	-£ 260,873	-£ 338,826	-£ 420,230	-£ 402,073	-£356,247	-£5,576
Gain on investments	£42,56	£151,171	£181,887	£62,125	£190,004	£47,613
Profit/Loss	-£218,307	-£187,655	-£238,343	-£399,948	-£166,243	£42,037

##### Balance Sheet

The investment property figure of £375,000 is the value of 84 Penny Street, which is let commercially, as an investment property. Our other investments are valued, as of 31 December, at £1,305,114 (£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 £3.2million 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 under £5 million. Adding net current assets (stock, debtors and cash less creditor), total Cathedral funds amount to just over £5.1 million.

##### General

There was legacy income of £6,000 (as shown in note 2) 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 £44,355, nearly £14,000 less than the previous year, the results of capital reduction of our total investments following the drawdown of £137,500 in 2020 and the performance of the portfolio over the year.

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 £10,000 compared to the 2018 valuation previously adopted. The same review 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.

**FINANCE (continued)**

**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.

As the 2021 budget projects an operating deficit, drawdowns from reserves will be required in year. The Finance and Investment Committee and ultimately Chapter will need to review its investment policy in light of these drawdowns as work continues towards a balanced budget.

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 £37,613 as at 31 December 2020. Income from these investments was £44,355 in 2020 (£57,245 in 2019). Responsibility for the management of this policy rests with Chapter, but it is advised by its FIC to which Chapter has delegated decision-making on certain investment matters.

**Reserves Policy**

Reserves are needed both to maintain the level of the Cathedral's current activities and to enable the completion of long-term projects. Maintaining general and designated reserves protects the Cathedral against a sudden deterioration in its financial results caused by, for example, a significant drop in income or a major repair project. It also provides a resource in the event of long-term planning or restructuring. Chapter has designated those reserves represented by investments, identified in these accounts as 'Investment Property' and 'Other Investments' and as of 31 December 2020 valued at £375,000 and £1.3 million, in the following manner:

- to retain until such time as needed a reserve of at least six months of ordinary activity (£500,000) to protect the Cathedral's operations.
- to allocate the remaining reserve (£1.2million) in line with the new Vision and Strategy – *Portsmouth Cathedral: a beacon and safe haven, anchored in Jesus Christ*. It is Chapter policy to retain the capital, unless there are exceptional reasons to use it, and to invest the designated reserves for the longer term to generate income to support the valuable work of the new Strategy and Vision that otherwise would not be possible.
  - 20% for Worship and Music
  - 20% for Growing and Learning
  - 20% for Diocese and Community
  - 20% for Partnership and Engagement
  - 20% for Building and Heritage including fabric works.

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 £19,588 given that the designated fund holds in excess of £1.2 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.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### FINANCE (continued)

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.
- *Failure to achieve balanced budget* – Chapter is committed to seeking ways to generate new income and reduce spending and to increase current income. During the first quarter of 2021 a multi-year financial plan will be developed and will be used to guide the Cathedral through to its centenary. Post Covid-19 crisis, this process has been accelerated.
- *Failure to manage risk* – The Finance and Investment Committee has begun the process of reviewing its current mandate and responsibilities in advance of the Cathedral's adoption of new governance arrangements under the new Cathedrals Measure.
- *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

During 2020 Chapter developed a new Vision and Strategy for the Cathedral. The result of operating for much of 2020 in a pandemic situation has necessarily delayed the development of the various projects that will drive the vision forward as resource was deployed to respond successfully to the challenges presented since 23 March 2020.

As planning begins toward the Cathedral's centenary in 2027 the Cathedral is undertaking a spatial review of all its property assets to review the best way they may be deployed to support the work and mission of the Cathedral. Further work has begun on a multi-year budget which will help the Cathedral plan and forecast up to 2030.

## PORTSMOUTH CATHEDRAL

### ANNUAL REPORT OF THE CHAPTER continued

#### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 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 in particular, 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, scheduled to be 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 the preparation for the Measure we were scheduled for a SCIE Safeguarding Audit in June 2020 and then a Peer Review later in the year – successful completion of both is required before a cathedral is transitioned over to the provision of the new measure. However, both were postponed because of the pandemic with the SCIE audit now scheduled for June 2021 and the Peer Review for February 2022. We look forward to both reviews as external scrutiny of our operations is the cornerstone of continuous improvement and the sign of a healthy and open organisation.

# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 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 25.

A list of Chapter members is shown on page 21.

#### 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 21.

#### 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 21.

#### 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 22.

#### 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 22.

## **PORTSMOUTH CATHEDRAL**

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

#### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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##### **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.

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

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 22.



# PORTSMOUTH CATHEDRAL

## ANNUAL REPORT OF THE CHAPTER continued

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### LEGAL AND ADMINISTRATIVE DETAILS

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

The Very Reverend Dr Anthony Cane *Dean of Portsmouth*  
The Reverend Canon Kathryn Percival, Canon Chancellor and Vice Dean  
The Reverend Canon Dr Joanna Spreadbury, *Canon Precentor*  
The Reverend Canon Nicholas Ralph,  
*Head of Mission and Social Transformation, Diocese of Portsmouth*  
The Reverend Canon Dr Anthony Rustell,  
*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 (*from 22 January 2020*)  
The Very Reverend Dr. Anthony Cane  
Mr Paul Mitchell  
Mrs Georgianna Rustell  
Mrs Caroline Hewitt

##### *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 2020

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#### LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)

##### Members of the Cathedral Council

Miss Kate Branigan QC, (*Chair*)  
The Dean  
Canon David Bennison  
Councillor Chris Atwell  
The Reverend Canon Bob White  
Canon Lucy Docherty  
Canon Stuart Forster  
Mrs Shirley Grayson-Smith  
Dr David Price (from 9 May 2020)  
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	Canon Lucy Docherty
The Venerable Peter Leonard	Canon Stuart Forster
The Venerable Jenny Rowley	Canon Margaret Chappell
	Canon Neil Pugmire
The Revd Canon Bob White	Canon John Gwynn
The Revd Canon Will Hughes	Canon Graham Salter
The Revd Canon Karina Green	Canon Sir David Normington
The Revd Canon Peter Sutton	Canon Sarah McCarthy-Fry
The Revd Canon Peter Hall	Canon David Bennison
The Revd Canon Tom Kennar	Canon Adrian Jordan
The Revd Canon Julie Price	Canon Sue Ward
The Revd Canon Kevin Arkell (until May 2020)	Canon Sheila Picton
The Revd Canon John Owen	Canon Robert Solomon
The Revd Canon Hugh Wright	Canon Bradley Albuery
The Revd Canon Judith Bee	

##### 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

# **PORTSMOUTH CATHEDRAL**

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

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)**

##### **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

##### **Bankers**

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

##### **Investment Managers**

CCLA  
Senator House  
85 Queen Victoria Street  
London  
EC4V 4ET

##### **Archaeological Consultant**

Vacant (from 10 November 2020)

Mr Richard Whinney (to 10 November 2020)  
9 Pinegrove Road  
Sholing  
Southampton  
Hampshire  
SO9 2PD

##### **Solicitors**

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

##### **Auditor**

Haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

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

Nigel Atkinson Esq – Chairman  
The Dean (ex officio)  
Mrs Susan Sheldon  
Mr John Matthews  
Mr Thomas Morton

## **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 28 April 2021 and signed as authorised on its behalf by:



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

**28 April 2021**

# PORTSMOUTH CATHEDRAL

## INDEPENDENT AUDITOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Opinion

We have audited the financial statements of Portsmouth Cathedral for the year ended 31 December 2020 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 2020 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 2020

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#### **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:

- Inspecting correspondence with tax authorities;
- 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 2020

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#### 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

11 May 2021

10 Queen Street Place  
London EC4R 1AG

# PORTSMOUTH CATHEDRAL

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Fund £	Total 2020 £	Total 2019 £
<b>Income and endowments from</b>							
Donations and legacies	2	159,246	-	26,468	-	185,714	173,186
Grants receivable in support of mission	3	59,157	-	667,353	-	726,510	413,346
Charitable activity income	4	13,729	-	-	-	13,729	31,019
Trading and fundraising	5	81,364	-	-	-	81,364	171,514
Investments	6	42,055	-	2,300	-	44,355	57,245
Other Income	7	7,348	-	-	-	7,348	420
<b>Total income</b>		<u>362,899</u>	<u>-</u>	<u>696,121</u>	<u>-</u>	<u>1,059,020</u>	<u>846,730</u>
<b>Expenditure on:</b>							
Raising funds	8	33,237	-	112,493	-	145,730	114,833
Ministry	9	158,162	-	342,192	-	500,354	578,197
Cathedral and precincts upkeep	10	119,672	-	99,467	-	219,139	266,264
Education and outreach	11	14,639	-	55,319	-	69,958	106,992
Community, parish and congregation	12	108,763	-	20,652	-	129,415	136,691
<b>Total Expenditure</b>		<u>434,473</u>	<u>-</u>	<u>630,123</u>	<u>-</u>	<u>1,064,596</u>	<u>1,202,977</u>
<b>Net (expenditure)/income before net investment gains</b>		(71,574)	-	65,998	-	(5,576)	(356,247)
Investment property gain		-	10,000	-	-	10,000	-
Net gains on investments	15	-	32,320	2,221	3,072	37,613	190,004
<b>Net income /(expenditure)</b>		<u>(71,574)</u>	<u>42,320</u>	<u>68,219</u>	<u>3,072</u>	<u>42,037</u>	<u>(166,243)</u>
<b>Transfers between funds</b>		<u>(3,171,552)</u>	<u>3,183,368</u>	<u>(11,816)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(3,243,126)</u>	<u>3,225,688</u>	<u>56,403</u>	<u>3,072</u>	<u>42,037</u>	<u>(166,243)</u>
<b>Reconciliation of funds</b>							
Total funds brought forward	20	3,262,346	1,693,338	65,097	44,493	5,065,274	5,231,517
<b>Total funds carried forward</b>	20	<u>19,220</u>	<u>4,919,026</u>	<u>121,500</u>	<u>47,565</u>	<u>5,107,311</u>	<u>5,065,274</u>

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

# PORTSMOUTH CATHEDRAL

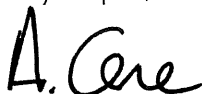
## BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
<b>FIXED ASSETS</b>							
<b>Investment assets</b>							
Investment property	15	-	375,000	-	-	375,000	365,000
Other investments	15	-	1,238,651	18,898	47,565	1,305,114	1,405,001
<b>Tangible fixed assets</b>							
Property	16	-	3,203,274	-	-	3,203,274	3,079,620
Fixtures, fittings and equipment	17	-	102,101	-	-	102,101	108,690
<b>TOTAL FIXED ASSETS</b>		-	4,919,026	18,898	47,565	4,985,489	4,958,311
<b>CURRENT ASSETS</b>							
Stocks		21,198	-	-	-	21,198	21,590
Debtors	18	14,017	-	67,420	-	81,437	109,841
Cash at bank and in hand		109,639	-	76,832	-	186,471	43,034
<b>TOTAL CURRENT ASSETS</b>		144,854	-	144,252	-	289,106	174,465
<b>LIABILITIES DUE WITHIN ONE YEAR</b>							
Creditors: amounts falling due Within one year	19	(125,634)	-	(41,650)	-	(167,284)	(67,502)
<b>NET CURRENT ASSETS</b>		19,220	-	102,602	-	121,822	106,963
<b>TOTAL NET ASSETS</b>		19,220	4,919,026	121,500	47,565	5,107,311	5,065,274
<b>FUNDS</b>							
Endowment funds	20	-	-	-	47,565	47,565	44,493
Restricted funds	20	-	-	121,500	-	121,500	65,097
Designated fund	20	-	4,919,026	-	-	4,919,026	1,693,338
General fund	20	19,220	-	-	-	19,220	3,262,346
<b>TOTAL CATHEDRAL FUNDS</b>		19,220	4,919,026	121,500	47,565	5,107,311	5,065,274

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

Approved by Chapter, and authorised for issue on 28 April 2021



Anthony Cane – Dean



Mary Makin – Chair of Finance and Investments Committee

**PORTSMOUTH CATHEDRAL**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</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	120,430	(408,081)
<b>Cash flows from investing activities</b>		
Investment income received	44,355	57,245
Purchase of tangible fixed assets	(158,848)	(24,989)
Purchase of investments	-	-
Proceeds from sale of investments	137,500	400,000
Net cash provided by investing activities	23,007	432,256
<b>Change in cash and cash equivalents in year</b>	143,437	24,175
Cash and cash equivalents at the beginning of the year	43,034	18,859
<b>Cash and cash equivalents at the end of the year</b>	186,471	43,034

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 2020

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#### 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 2019 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 FRS 102.

##### **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 2020

### 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	33⅓%

#### Investments

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

#### 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 2020

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### 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 uncertainty 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 2020**

**2. DONATIONS AND LEGACIES**

				<b>2020</b>
<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Fund £</b>	<b>Total Funds £</b>
Congregational collections and giving	79,005	-	-	79,005
Donations	51,190	22,610	-	73,800
Tax recoverable under Gift Aid	23,051	3,858	-	26,909
Legacies	6,000	-	-	6,000
<b>Total</b>	<b>159,246</b>	<b>26,468</b>	<b>-</b>	<b>185,714</b>
<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2019 Total Funds £</b>
Congregational collections and giving	115,595	-	-	115,595
Donations	26,249	8,224	-	34,473
Tax recoverable under Gift Aid	23,118	-	-	23,118
<b>Total</b>	<b>164,962</b>	<b>8,224</b>	<b>-</b>	<b>173,186</b>

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

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

Other revenue grants include £33,465 receivable under the government Job Retention Scheme.

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 3. GRANTS RECEIVABLE IN THE COURSE OF MISSION (CONTINUED)

2019	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total Funds £
Church Commissioners grants	-	279,634	-	279,634
Diocesan grants	16,163	-	-	16,163
Other revenue and capital grants	30,335	87,214	-	117,549
	<u>46,498</u>	<u>366,848</u>	<u>-</u>	<u>413,346</u>

### 4. CHARITABLE ACTIVITY INCOME

	2020 Total Funds £	2019 Total Funds £
Fees and charges arising in the course of Mission	<u>13,729</u>	<u>31,019</u>

All funds are unrestricted in the current and preceding year.

### 5. TRADING AND FUNDRAISING

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

2019	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total Funds £
Income from fundraising events and appeals	55,563	-	-	55,563
Gross income from shop and other trading activities	60,163	-	-	60,163
Income from lettings of Cathedral and other buildings	55,788	-	-	55,788
	<u>171,514</u>	<u>-</u>	<u>-</u>	<u>171,514</u>

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6. INVESTMENT INCOME

2020	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
Income from investments	42,055	2,300	-	44,355
2019	Unrestricted Fund £	Restricted Funds £	Endowment Funds £	2019 Total Funds £
Income from investments	54,487	2,758	-	57,245

### 7. OTHER INCOME

	2020 Total Funds £	2019 Total Funds £
Other income	7,348	420

All funds are unrestricted in the current and preceding year.

### 8. RAISING FUNDS

2020	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
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
Total	33,237	112,493	-	145,730
2019	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2019 Total Funds £
Gross costs of shop and other trading activities	34,856	-	-	34,856
Costs of other income generation	43,011	-	-	43,011
Maintenance of and repairs to other buildings	9,801	-	-	9,801
Investment management costs	822	-	-	822
Support costs	-	26,343	-	26,343
Total	88,490	26,343	-	114,833

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**9 MINISTRY**

<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2020 Total 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>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2019 Total Funds £</b>
Clergy stipends and working expenses	-	99,496	-	99,496
Clergy housing costs	19,907	8,000	-	27,907
Clergy support costs	59,532	4,523	-	64,055
Services and music	256,769	77,287	-	334,056
Support costs	-	52,683	-	52,683
	<u>336,208</u>	<u>241,989</u>	<u>-</u>	<u>578,197</u>

**10. CATHEDRAL AND PRECINCTS UPKEEP**

<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2020 Total Funds £</b>
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>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**10. CATHEDRAL AND PRECINCTS UPKEEP (CONTINUED)**

<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2019 Total Funds £</b>
<i>Major repairs and restoration</i>	41,039	10,160	-	51,199
<i>Maintenance and interior upkeep</i>	53,648	-	-	53,648
<i>Cathedral insurance</i>	26,834	-	-	26,834
<i>Other costs</i>	90,679	-	-	90,679
<i>Support costs</i>	-	43,904	-	43,904
	<u>212,200</u>	<u>54,064</u>	<u>-</u>	<u>266,264</u>

**11. EDUCATION AND OUTREACH**

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

<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2019 Total Funds £</b>
<i>Educational activities</i>	19,543	9,259	-	28,802
<i>Charitable and other giving</i>	19,335	4,850	-	24,185
<i>Other costs</i>	18,882	-	-	18,882
<i>Support costs</i>	-	35,123	-	35,123
	<u>57,760</u>	<u>49,232</u>	<u>-</u>	<u>106,992</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**12. COMMUNITY, PARISH AND CONGREGATION**

	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
Direct activity costs	108,763	119,129
Support costs	20,652	17,562
	<u>129,415</u>	<u>136,691</u>

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

**13. SUPPORT COSTS**

<b>2020</b>	<b>Raising Funds £</b>	<b>Ministry £</b>	<b>Cathedral and Precincts £</b>	<b>Education and Outreach £</b>	<b>Community, Parish and Congregation £</b>	<b>2020 Total Funds £</b>
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.

<b>2019</b>	<b>Raising Funds £</b>	<b>Ministry £</b>	<b>Cathedral and Precincts £</b>	<b>Education and Outreach £</b>	<b>Community, Parish and Congregation £</b>	<b>2019 Total Funds £</b>
Salaries, recruitment and training costs	7,773	15,545	12,955	10,364	5,182	51,819
Administration	15,655	31,309	26,091	20,873	10,437	104,365
IT	2,915	5,829	4,858	3,886	1,943	19,431
	<u>26,343</u>	<u>52,683</u>	<u>43,904</u>	<u>35,123</u>	<u>17,562</u>	<u>175,615</u>

Included within support costs above is auditor's remuneration of £9,700 plus VAT.

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 14. STAFF COSTS

	2020 £	2019 £
<b>Salary costs were as follows:</b>		
Salary costs	344,764	360,792
Social security costs	26,316	24,052
Pension costs	18,798	16,536
	<u>389,878</u>	<u>401,380</u>

No employee had emoluments above £60,000 in 2020 or 2019.

	Stipend £	Levy £	NIC £	Pension £	2020 Total £
<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>
	Stipend £	Levy £	NIC £	Pension £	2019 Total £
<b>Stipends</b>					
The Very Reverend Anthony Cane	29,255	130	2,646	9,188	41,219
The Reverend Canon Peter Leonard	10,926	53	1,017	3,625	15,621
The Reverend Canon Joanna Spreadbury	29,061	111	1,920	9,640	40,732
The Reverend Canon Kathryn Percival	1,335	7	135	448	1,925
	<u>70,577</u>	<u>301</u>	<u>5,718</u>	<u>22,901</u>	<u>99,497</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 £809 (2019 -£2,401) were reimbursed to members of Chapter.

There was an average of 11 (2019: 11) full time and 9 (2019:11) 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 2020 was 14 (2019: 15).

The aggregate remuneration of Key Management Personnel in 2020, including all benefits, was £191,794 (2019: £146,812). 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 (2019: none).



**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**15. INVESTMENTS**

	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
<b>Investment Property</b>		
Fair value brought forward	365,000	365,000
Revaluation	10,000	-
	<u>375,000</u>	<u>365,000</u>

The investment property was revalued by Chapter in 2020 based on external advice obtained from local Estate Agents.

	<b>2020 Total Funds £</b>	<b>2019 Total Funds £</b>
<b>Other investments</b>		
Fair value brought forward	1,405,001	1,614,997
Additions at cost	-	-
Disposals at proceeds	(137,500)	(400,000)
Gain on revaluation	37,613	190,004
	<u>1,305,114</u>	<u>1,405,001</u>
<b>Total investments</b>	<u>1,680,114</u>	<u>1,770,001</u>

Split of investments between funds:

	<b>2020 £</b>	<b>2019 £</b>
Endowment - Friends of Cathedral Music	47,565	44,493
Restricted – Ritchie bequest	18,898	32,169
Designated – Groves legacy	1,613,651	1,693,339
	<u>1,680,114</u>	<u>1,770,001</u>

Investments are held in pooled managed funds as follows:

	<b>2020 £</b>	<b>2019 £</b>
Property (directly owned)	375,000	365,000
CBF CoE Investment Fund Income Shares	1,055,612	1,142,457
CBF CoE Property Fund Income Shares	249,502	262,544
	<u>1,680,114</u>	<u>1,770,001</u>

**PORTSMOUTH CATHEDRAL**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**16. PROPERTY**

	<b>Unrestricted Funds £</b>	<b>2020 Total Funds £</b>
<b>Cost</b>		
At 1 January 2020	3,103,501	3,103,501
Reclassification		
Additions	137,726	137,726
	<u>3,241,227</u>	<u>3,241,227</u>
At 31 December 2020		
<b>Depreciation</b>		
Accumulated at 1 January 2020	23,881	23,881
Charge for the year	14,072	14,072
	<u>37,953</u>	<u>37,953</u>
At 31 December 2020		
<b>Net Book Value</b>		
At 31 December 2020	<u>3,203,274</u>	<u>3,203,274</u>
At 31 December 2019	<u>3,079,620</u>	<u>3,079,620</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 £4,850,000. Assets acquired subsequently have been added at their actual cost.

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 17. FIXTURES, FITTING AND EQUIPMENT

	Fixtures & fittings £	Office Equipment £	Other Equipment £	Total £
<b>Cost</b>				
At 1 January 2020	156,754	49,884	136,053	342,691
Additions	-	21,122	-	21,122
Disposals	-	(49,884)	-	(49,884)
At 31 December 2020	<u>156,754</u>	<u>21,122</u>	<u>136,053</u>	<u>313,929</u>
<b>Depreciation</b>				
Accumulated at 1 January 2020	145,713	49,884	38,404	234,001
Charge for the year	8,385	4,869	14,457	27,711
On disposals	-	(49,884)	-	(49,884)
At 31 December 2020	<u>154,098</u>	<u>4,869</u>	<u>52,861</u>	<u>211,828</u>
<b>Net Book Value</b>				
At 31 December 2020	<u>2,656</u>	<u>16,253</u>	<u>83,192</u>	<u>102,101</u>
At 31 December 2019	<u>11,041</u>	<u>-</u>	<u>97,649</u>	<u>108,690</u>

#### 18. DEBTORS

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>
<b>2019</b>				<b>2019</b>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds £</b>
Invoiced debtors	27,384	-	-	27,384
Prepayments	20,821	-	-	20,821
Accrued income	54,701	6,935	-	61,636
	<u>102,906</u>	<u>6,935</u>	<u>-</u>	<u>109,841</u>

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 19. CREDITORS: amounts falling due within one year

2020	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020 Total Funds £
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>
 2019	 Unrestricted Funds £	 Restricted Funds £	 Endowment Funds £	 2019 Total Funds £
Trade creditors	31,805	-	-	31,805
Social security and other taxes	6,671	-	-	6,671
Other creditors	29,026	-	-	29,026
	<u>67,502</u>	<u>-</u>	<u>-</u>	<u>67,502</u>

# PORTSMOUTH CATHEDRAL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### 20. ANALYSIS OF NET MOVEMENTS IN FUNDS

2020	Total funds 1.1.20 £	Income £	Expenditure £	Gains £	Transfers £	Total funds 31.12.20 £
<b>Endowment fund</b>						
FoCM – Choir Scholarship	44,493	-	-	3,072	-	47,565
<b>Restricted funds</b>						
<u>Church Commissioners</u>						
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)	-	-	-
<u>Fabric</u>						
Major Fabric Work	-	55,943	(41,638)	-	-	14,305
South West Doors - crowdfunding	2,380	14,425	(3,186)	-	-	13,619
<u>Music</u>						
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
<u>Education and Outreach</u>						
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
<u>Other funds</u>						
Culture Recovery Fund for Heritage	-	133,250	(89,939)	-	-	43,311
QARNNS – Chapel of Healing and Reconciliation	6,151	-	-	-	-	6,151
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>

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 2020

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

2019

	Total funds 1.1.19 £	Income £	Expenditure £	Gains £	Transfers £	Total funds 31.12.19 £
<i>Endowment funds</i>						
Friends of Cathedral Music						
Choir Scholarship	37,476	-	-	7,017	-	44,493
<i>Restricted funds</i>						
<u>Church Commissioners</u>						
Church Commissioners - stipends	-	99,496	(99,496)	-	-	-
Church Commissioners - other	8,000	180,138	(188,138)	-	-	-
<u>Fabric</u>						
Major Fabric Work	-	10,160	(10,160)	-	-	-
South West Doors - crowdfunding	-	2,380	-	-	-	2,380
<u>Music</u>						
Ritchie bequest	39,761	1,420	(16,457)	7,445	-	32,169
Organ Scholarship (Michael James Trust)	-	2,000	(2,000)	-	-	-
FoCM – Choir Scholarship	-	1,338	(1,338)	-	-	-
Church Choir project	-	43,524	(43,524)	-	-	-
Cathedral Sing	-	17,250	(11,968)	-	-	5,282
Chorister support income	3,800	-	(2,000)	-	-	1,800
Organ Stop	1,624	-	-	-	(1,624)	-
<u>Education and Outreach</u>						
Pop-Up Cathedral	-	11,800	(5,774)	-	-	6,026
Friends Support For Education	-	1,000	(1,000)	-	-	-
Development plan grant income (Artist in Residence)	1,005	1,480	(2,485)	-	-	-
Monks project	1,000	-	-	-	-	1,000
Let the Building Speak	4,082	-	-	-	-	4,082
<u>Other funds</u>						
QARNNS – Chapel of Healing and Reconciliation	5,692	459	-	-	-	6,151
Sunyani	-	5,125	(4,850)	-	-	275
Memorial garden	899	-	-	-	-	899
Grant towards Volition costs	4,000	-	-	-	-	4,000
Other restricted funds	1,133	260	-	-	(360)	1,033
<b>Total restricted funds</b>	<b>70,996</b>	<b>377,830</b>	<b>(389,190)</b>	<b>7,445</b>	<b>(1,984)</b>	<b>65,097</b>
<i>General funds</i>						
Designated fund - William Groves legacy	3,220,285	468,900	(813,787)	-	386,948	3,262,346
	1,902,760	-	-	175,542	(384,964)	1,693,338
<b>Total unrestricted funds</b>	<b>5,123,045</b>	<b>468,900</b>	<b>(813,787)</b>	<b>175,542</b>	<b>1,984</b>	<b>4,955,684</b>
<b>Total funds</b>	<b>5,231,517</b>	<b>846,730</b>	<b>(1,202,977)</b>	<b>190,004</b>	<b>-</b>	<b>5,065,274</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 2020

#### 21. TRANSFERS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>2020</b>			
Expenditure repaid to unrestricted funds	11,816	(11,816)	-
<b>2019</b>			
Net transfer to restricted funds to cover repairs and works from unrestricted funds	1,984	(1,984)	-

#### 22. DESCRIPTION OF FUNDS

##### Endowment funds

Friends of Cathedral Music This is 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.

South West Doors - crowdfunding Funds solicited towards the named project

Organ Stop Funds solicited towards the named project

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

Friends of Cathedral Music – Choral Scholarship Restricted income fund arising from the related endowment. The income is to be spent on providing a Choral Scholarship.

Church Choir project Funds solicited towards the named project

Cathedral Sing project Funds solicited towards the named project

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.

QARNNS – Chapel of Healing and Reconciliation This fund represents monies raised to fund improvements and enhancements to the chapel of healing and reconciliation.

Sunyani These funds, raised from events and congregational giving, are used to support the St. Anselm's Cathedral and Diocese of Sunyani, Ghana.

Memorial Garden Funds to be spent on the memorial garden.

Volition Costs Grant received towards volition costs

Development Plan Grant Income Funds solicited towards the Artist in Residence project.

##### 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 2020

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#### 23. CAPITAL COMMITMENTS

There were no material amounts contracted for but not provided for at 31 December 2020 or 31 December 2019.

#### 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	2020	2019
	Total Funds £	Total Funds £
Net (expenditure) excluding investment gains and losses	(5,576)	(356,247)
Investment income	(44,355)	(57,245)
	<hr/>	<hr/>
<b>Operating (deficit)</b>	<b>(49,931)</b>	<b>(413,492)</b>
Depreciation charges	41,783	40,690
Decrease/(increase) in stocks	392	(3,320)
Decrease/(increase) in debtors	28,404	(48,447)
Increase in creditors	99,782	16,488
	<hr/>	<hr/>
<b>Net cash inflow/(outflow) from operations</b>	<b>120,430</b>	<b>(408,081)</b>
	<hr/>	<hr/>