

SHEFFIELD CATHEDRAL CHAPTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

SHEFFIELD CATHEDRAL CHAPTER

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SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION

Address The Cathedral Church of St Peter and St Paul
Church Street
Sheffield
S1 1HA

Cathedral Chapter, Cathedral Officers and Council during 2022

Members of the Cathedral Chapter

The Very Revd Abigail Thompson, Dean
The Revd Canon Geoffrey Harbord JP, Interim Canon Precentor
The Revd Canon Keith Farrow, Vice Dean & Canon Missioner (*Resigned June 2022*)
Canon John Biggin (appointed by the Bishop)
Mrs Angela Rees (Churchwarden, elected by congregation)
Mrs Sally Holding (Churchwarden, elected by congregation)
Mrs Pam Liversidge, DL, OBE (appointed by the Bishop)
The Revd Canon Julie Upton (appointed by the Bishop)
Canon Jack Cooper (appointed by the Bishop)

Honorary Minor Canons

The Revd Captain Mike Reeder, CA (*Retired March 2023*)
The Revd Captain Ian Maher, CA
The Revd Dr Casey Strine

Honorary Cathedral Evangelist

Captain Michael Collyer, CA

Honorary Cathedral Readers

Professor Peter Ashworth
Ms Eunice Coates

Cathedral Wardens

Mrs Angela Rees (*Elected at APCM, April 2019*)
Mrs Sally Holding (*Elected at APCM May 2021*)

Honorary Treasurer:

Canon John Biggin

Chief Operating Officer:

Mr Des Scott (Interim COO: *Appointed January 2022. Resigned September 2022*)
Mr Jason Carr (*Appointed October 2022*)

Architect:

Mr Clive England BA (Hons), DipArch, RIBA,
Thomas Ford & Partners

Archaeologist:

Ms Liz Humble, MCIfA, IHBC

Director of Music / Master of the Music:

Mr Ian Seddon

Cathedral Safeguarding Advisor:

Ms Sian Checkley (*Diocesan Safeguarding Advisor*)

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the Fabric Advisory Committee during 2022:

Mr Michael Hannon (Interim Chair)
Mr Graham Williams
Mr Richard Taylor

Professor John Chilton
The Right Revd Dr Timothy Ellis
Mrs Emma Paragreen

Bankers:

Barclays Bank
2-12 Pinstone Street
Sheffield
S1 2HN

National Westminster Bank
City Centre Branch
42 High Street
Sheffield
S1 2GE

Accountants and Auditors:

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

Fund Managers:

CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Members of the Cathedral Council during 2022:

The Bishop of Sheffield

Visitor (*in attendance*)

Mr Andrew Coombe CVO CSTJ

Chair

The Revd Canon Geoffrey Harbord JP
Dr Giles Bloomer, OBE
Mr David Booker
The Revd Canon Keith Farrow
Professor Barry Hancock, OBE
Mr Derwent Levick
Mr David Wragg
Mr David Trickett
Canon John Biggin

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the College of Canons during 2022:

<i>Visitor</i>	The Bishop of Sheffield
<i>Chair</i>	The Dean of Sheffield
<i>The Residentiary Canons</i>	
The Revd Canon Keith Farrow The Revd Canon Geoffrey Harbord	<i>(Resigned June 2022)</i>
<i>The Honorary Canons</i>	
The Bishop of Doncaster	The Right Revd Sophie Jelley
The Archdeacon of Sheffield and Rotherham The Archdeacon of Doncaster The Revd Canon Christopher Barley The Reverend Canon Richard Parker The Revd Canon Mark Cockayne Canon Dr Christine Gore (Lay Canon) The Revd Canon Keith Hale Canon Professor Mike Higton (Lay Canon) The Revd Canon Ian Smith The Revd Canon Julie Upton The Revd Canon David Stevens The Revd Canon Mark Wigglesworth The Revd Canon Jan Foden The Revd Canon Andrew Howard Canon Ian Walker (Lay Canon) The Revd Canon Rick Stordy The Revd Canon Amanda Barraclough The Revd Canon Phil Batchford The Revd Canon Karen Cribb The Revd Canon Toby Hole The Revd Canon Mike Reeder, CA The Revd Canon Eleanor Robertshaw	The Venerable Malcolm Chamberlain The Venerable Javid Iqbal <i>(Retired June 2022)</i> Canon Theologian <i>(Retired March 2022))</i> <i>(Installed November 2022)</i> <i>(Installed November 2022)</i> <i>(Installed November 2022)</i> <i>(Installed November 2022)</i>

Chaplain to the College of Canons

The Revd Captain Mike Reeder, CA

Ecumenical Canon

In accordance with the Cathedral statutes, these canonries fell vacant on the appointment of the new Diocesan Bishop in 2017.

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Cathedral Staff

Mr Des Scott	Interim Chief Operating Officer* (<i>Appointed January 2022. Resigned October 2022</i>)
Mr Jason Carr	Chief Operating Officer* (<i>Appointed October 2022</i>)
Mrs Sarah Hardy	Finance Manager *
Mr David Maw	Dean's Verger
Mr Richard Crow	Canons' Verger
Mr Ben Elliott-Hill	Liturgical Verger
Mr Patrick Fitzsimons	Caretaker and Events Facilitator
Miss Nicola Burgin	Dean's Administration Officer
Miss Sally Davies	Chief Operating Officers Administration Officer
Miss Emma Gittins	Operations & Events Manager*
Mr David Clark	Canon Precentor's Administration Officer
Mrs Christine Carrington	Volunteer Manager
Mr Ben Rossi	Development Manager *
Mr Ian Seddon	Interim Director of Music
Miss Amelia Bond	Bookkeeper (<i>Appointed December 2021</i>)
Miss Emily Whalley	Digital Marketing Assistant (<i>Appointed July 2022</i>)
Mrs Katheryn Roberts	Cleaner (<i>Appointed October 2022</i>)
Ms Sian Checkley	Cathedral Safeguarding Advisor (<i>Appointed January 2022</i>)

*Senior Management Team

Lay Clerks

There are currently no lay clerks

Sheffield Cathedral Enterprises Staff

Ms Ruth Maher-Heslip	Enterprise Business Manager
Mrs Sandi Johnson	1554 Gift Shop Supervisor (<i>Appointed July 2022</i>)
Miss Olivia Hallam	1554 Coffee Shop Supervisor (<i>Appointed October 2022</i>)
Mr Matt Poorian	1554 Coffee Shop Supervisor (<i>Appointed January 2023</i>)

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT

Structure, governance, and management

Governing Statutes

The Cathedral is governed by the Constitution and Statutes for Sheffield Cathedral which came into effect on 13th April 2000 and were drawn up under the Cathedrals Measure 1999. There is a new Cathedral Measure, which received Royal assent in 2021. The measure will include a provision so that in part, cathedrals will be regulated by the Charity Commission and the Church Commissioners. The role of Chapter will change and will be supported by a clear and effective committee structure. All of which will be supported by a Nominations Committee that will help to ensure the appropriate range of skills and experience are available for Chapter and its subcommittees. Under the new measure The Cathedral Council will no longer have a statutory governance role under the new measure. A team of staff from the Cathedral have been assisting Chapter on the preparatory work to draft new Constitution and Statutes and complete the application form and due diligence information required for a successful charity registration. This is anticipated to be completed before the end of 2023.

The Cathedral and the Diocese of Sheffield

The Cathedral Church of St Peter and St Paul in Sheffield is the mother church of the Diocese of Sheffield and the seat of the Bishop of Sheffield. It is a centre of worship and mission for the Diocese of Sheffield, and the Parish Church of the City of Sheffield.

The Cathedral Chapter

The Cathedral is currently governed in accordance with the Cathedrals Measure 1999. The Bishop, as Visitor, may give directions to the Chapter, the holder of any office, or to any person employed by the Cathedral which will, in his opinion, better serve the observance of the Constitution and Statutes. The Chapter is the legal body responsible for the administration and governance of the Cathedral. It is the role of the Chapter to ensure that the Cathedral is an effective centre of worship and mission for the Diocese of Sheffield. As a legal entity, the body corporate of the Cathedral consists of the Chapter, the Council, and the College of Canons. It is the duty of the Council, in co-operation with the Dean, to further the work of the Cathedral – spiritual, pastoral, evangelistic, social and ecumenical – reviewing and advising upon the direction and oversight of that work by the Chapter. The College of Canons receives the annual report and audited accounts of the Cathedral, elects the Diocesan Bishop, and discusses any matters concerning the Cathedral, as may be raised by any of its members.

The Chapter consists of:

- the Dean, ex officio;
- up to four Residentiary Canons, ex officio, one of whom may be appointed Vice Dean;
- one lay person appointed by the Bishop, after consultation with the Dean, having particular expertise in financial matters, as Treasurer;
- two lay persons elected by the annual church meeting from those who are, or have been, Churchwardens of the Cathedral; and
- up to three persons appointed by the Bishop, at least one of whom must be lay.

Elected and appointed members serve for terms of three years, which are renewable.

New Chapter members are given copies of the Cathedrals Measure, the Care of Cathedrals Measure, the Cathedral Constitution and Statutes, and the Strategic Vision and associated documents. New Chapter members have extensive conversations with the Dean, in which she briefs them on issues and procedures, and answers their questions. In addition, there is a national training course for new Chapter members, and all new members are offered the opportunity to attend the course. The Chapter met 10 times during 2022. The APCM took place on 15 May 2022.

The Cathedral Chapter is very grateful for the time, effort and support given by all those who serve voluntarily on its statutory bodies, and for all those who so generously support its work and mission, in particular the Church Burgesses Trust and Law Clerk to the Trust, Mr Ian Potter.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of Chapter's Priorities in 2022

Chapter continues to seek to be a place for all people with a major arts programme to engage the Diocese, city, and region in a new way. The programme began in 2019 and continues to develop. Details of some of the highlights of 2022 are shared below.

The Manger (Christmas Lightshow 29th November – 4th December)

Chapter is still working in collaboration with Luxmuralis, and from 29th November to 4th December 2022 Chapter held the light show The Manger. The Cathedral sold approximately 8,500 tickets for this event and it's clear that a light show at Sheffield Cathedral has become a tradition for many people across the city marking the start of the festive period for many people. A further show was initially planned for March 2023, but Chapter took the decision, based on staff and volunteer capacity, and the financial forecast, to postpone this planned event until December 2023.

Feedback on The Manger:

- "Had an amazing visit yesterday. It really was fabulous, and quite emotional at times with the music playing"
- "What a beautiful evening. The Cathedral was awesome. The lights, the trees, and the music"
- "Stunning display. Best yet. Now feeling very festive."
- "What a display. As was our walkabout inside the Cathedral. A very professional display. The tour of the Cathedral inside was so heart-warming and serene"
- "The most fabulous evening. Emotional, and very Christmassy without being in the slightest bit commercial"
- "We loved the whole experience. This is the third of your "lightups" we have been to, and we have loved each one"
- "Boy was it spectacular"

Christmas Tree Festival

This was run through December and again had engagement with 30+ businesses, many of whom offered sponsorship, charities and not for profit community groups. This year's festival brought in a lot of visitors, generated over 5,000 votes for and raised over £1,600 for local good causes.

Poppy Fields of Sheffield

This event had engagement with the congregation, volunteers, and community to create a carpet of poppies across the Cathedral. This is another repeat event, and it continues to grow year on year giving a chance for people to come together in remembrance and creating a dynamic display in the Cathedral. Poppies were made by Cathedral staff, volunteers, members of the congregation and visitors to the Cathedral.

Peace Doves

Peace Doves was a large-scale community art project. Prior to the installation of Peace Doves in Sheffield Cathedral on 23rd and 24th September, visitors to the Cathedral were invited to share a message of hope, peace, and love on a paper dove. All the doves were then collated, more than 3,000 in total. Then the project team, Cathedral staff, chaplains, and volunteers strung the doves together to help form the installation suspended high over the nave of the Cathedral.

- The Cathedral held several special interest talks under the Peace Doves. It also served as a spectacular environment for daily services, recitals and also the time of remembrance.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

UEFA Conference

Sheffield Cathedral hosted a UEFA conference as part of the 2022 UEFA European Women's Football Championship. The event was attended by delegates from across Europe and showcased the Cathedral's versatility and professionalism in successfully hosting such a high-profile event.

As well as the large scale events that have taken place in 2022 the Cathedral has continued to welcome community groups for regular meetings, hosted a regular programme of craft and vintage markets and has a regular program of musical and theatrical shows being performed in the wonderful, historic setting.

Staff

Chapter would like to record its thanks to all members of staff at the Cathedral for their continued hard work and dedication to the Cathedral, particularly through what has been a challenging year due to the pandemic. We would also like to record our thanks to the members of the team who have moved on in 2022. A special thanks goes to Des Scott, who was interim COO through January to October 2022.

Worship

By Statute the Cathedral celebrates the offices of Morning and Evening Prayer and offers the Eucharist each day.

During Holy Week - The normal Holy week pattern of services were held.

1st January – 18th September

Sunday – BCP Holy Communion at 8:00am, Morning Prayer at 9:00am, Eucharist at 10:30am, Evensong at 4.00pm

Monday to Saturday as follows:

Monday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Tuesday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Wednesday

0845 Morning Prayer
1030 Holy Communion (Book of Common Prayer)
1600 Evening Prayer

Thursday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Friday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Saturday

1000 Morning Prayer
1030 The Eucharist
1500 Evening Prayer

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Worship – continued

19th September – 31st December

Sunday – BCP Holy Communion at 8:00am, Morning Prayer at 9:00am, Eucharist at 10:30am, Evensong at 4pm

Monday to Saturday as follows:

Monday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Tuesday

0845 Morning Prayer
1230 The Eucharist
1745 Choral Evensong

Wednesday

0845 Morning Prayer
1030 Holy Communion (Book of Common Prayer)
1600 Evening Prayer

Thursday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Friday

0845 Morning Prayer
1230 The Eucharist
1600 Evening Prayer

Saturday

1000 Morning Prayer
1030 The Eucharist
1500 Evening Prayer

Congregational Life

2022 was a very different kind of year to 2021. Having experienced a small upturn in Covid cases towards the end of 2021, 2022 felt like we were finally free of restrictions and able to gather together again without the fearfulness of the previous few years. As a consequence, 2022 saw the return of the Common Cup at Communion and growing numbers of people attending Sunday services. The funeral of Queen Elizabeth II and the period of mourning that led up to it brought enormous numbers of people to the Cathedral to pray and sign books of condolences. Our Chaplaincy team reported a huge number of people wanting conversations about bereavement and other spiritual matters that the death of the Queen seemed to have brought to the surface. It was moving to see such large numbers at the Cathedral for the livestreamed funeral service – all standing for hymns and joining in with well-known prayers. I suspect we will never see the like again.

The Peace Doves exhibition which was prominent in the centre of the Nave from September to November drew us into the season of Remembrance, and it was great to see this installation enhancing various liturgical occasions (including the South Yorkshire Police Memorial Service and our own All Souls Memorial Service) as well as drawing a string of young people seeking the perfect selfie! The Light Show saw huge numbers of visitors, and the volunteer team did a wonderful job of handing out leaflets about our Christmas services which appeared to have an astonishing effect on numbers attending services at the end of the year. New in 2022 was a Christingle service which was attended by 300 people (including 100 children) and a New Year's Eve Watchnight Mass which was attended by a smaller number of people, but nevertheless an incredibly youthful congregation – several of whom gave moving testimonies during the service about their faith and their hopes for the new year. The Christmas Eve Carol Service saw the largest attendance with just short of 1,000 people coming to sing carols – as far as we can see this is as large as the Christmas Eve Carol Service has ever been.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Worship – continued

It was good to welcome the Revd Dr Casey Strine as our Minor Canon Theologian at Easter – he has proved to be an excellent colleague, and a wonderful presence at the Cathedral. He has notably begun to organise Theological lectures at the Cathedral and also lead our young Adults Group with support from the Ministry Experience Scheme Interns. The Revds Ann and Richard Walton have been wonderfully supportive especially in preparing people for confirmation, and the Revd Ian Owers has worked with Ann to develop our Chaplaincy team. MES Interns Niall Murray-Sharpe and Anjali Jacob have done a brilliant job getting to know new members of the congregation and encouraging new volunteers. They have been instrumental in developing our Diddy Disciples programme, as well as being faithful members of the serving and welcome team. During the week they have provided excellent support for our staff team. A highlight for them was the running of a children's section of the Light Show which gave children the opportunity to dress up as Nativity characters in the Crypt which was made to feel like the stable in Bethlehem. Minor Canons the Revds Ian Maher and Mike Reeder continued to be wonderfully supportive, kind and pastoral priests caring faithfully for congregation and visitors throughout the year.

Music for every possible kind of service was ably provided by our Interim Director of Music, Ian Seddon who has been a wonderful, hard-working presence throughout the starkest days of Covid and into the dizzying heights of 'standing room only' at the Christmas Carol Service. 2022 saw two musical innovations – the beginning of a midweek toddler music group run by soprano Beth Winter from our choir and the launch of a Community Choir run by tenor, Chris Why. Both have proved enormously popular and it great to see music becoming accessible to a much wider range of people.

Cathedral Wardens Angela Rees and Sally Houlding have been incredibly supportive, both in the enthusiastic welcome they give to all Sunday by Sunday and in their generous provision of wonderful cakes and other tasty refreshments after major services. Their joyful presence sums up a lot of what this Cathedral is all about. The Cathedral Chapter have met monthly, and it was great to welcome Bishop Pete to our December meeting where we outlined to him the work that had been undertaken during the previous twelve months to address the particular issues raised in his Determination of 2021. He was warm in his acknowledgement of the thoroughness of Chapter's approach to this work, and a statement from him drawing a line under the Determination and looking forward to the continuing flourishing of the Cathedral can be found on our website.

Of course, so much work is done behind the scenes by our superb and hard-working staff team. In September we had to say farewell to Des Scott who provided us with excellent interim support as Chief Operating Officer. In October we were thrilled to welcome a permanent Chief Operating Officer, Jason Carr, who is already proving to be an excellent fit with a superb sense of humour, a large dose of kindness and patience and a rapid ability to understand the sometimes-bewildering workings of Cathedrals.

Around the Feast of Pentecost, we lost a dear and faithful servant of the Cathedral, Jim Shore, who had been Head Server for twenty years. His funeral was a celebration of a wonderful person who lived faithfully and generously, and it was good to welcome people from across decades of Cathedral life to honour him and recognise his great contribution to our community. May he rest in perfect peace.

I still feel as if I am a very new Dean, but I rejoice at what I see at the Cathedral. Without doubt there is new life and new hope, and it is a pleasure to worship amongst faithful people from all over the world who have gathered in our great city of Sheffield. I am never happier than standing at the altar looking out at the people who have gathered to worship week by week. May God bless each of you and fill you with light and love that overflows into our streets.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Chapter priorities for 2022

Significant for the Chapter in 2022 has been preparing for the work that will be needed in restructuring our Governance in light of the New Cathedrals Measure which will see us taking on full charitable status with all the benefits and responsibilities that brings.

Once this work has been done and other key appointments have been made, Chapter intend to review their strategy and vision.

Chapter has identified the following priorities for its work in the coming years to 2025:

We affirmed our calling “to be a place for all people,” echoing the words of Jesus about the Temple in Jerusalem, “It is written: My house shall be a house of prayer for all peoples.” There are four key elements in our strategy:

1 **To be a house of prayer and praise to God**

We will do this by;

- deepening our congregational life, renewing lay leadership, and resourcing a diverse community of children and adults;
- offering new styles of worship;
- engaging the Bishop’s vision that we become a people of sustained prayer;
- serving our changing Diocese, City, and region in worship;
- funding and installing a world-class pipe organ; and
- seeking new support for our music foundation.

2 **To be a place of imaginative mission and discovery**

We will do this by:

- continuing our investment in communications, and become the lead Cathedral for effective digital communication;
- increasing our annual visitor numbers to 350,000 by 2025;
- developing our volunteering programme;
- engaging our visitors more deeply in the story of faith;
- seeking new partnerships to promote justice; and
- offering a programme of imaginative events, which seek to make a significant impact on visitors.

3 **To seek long-term financial security for the Cathedral**

We will do this by:

- maintaining and developing our buildings fully;
- maximising our income from trusts, visitors and patrons;
- developing relationships with potential major donors;
- sustaining a long-term legacy campaign; and
- setting up a new Cathedral endowment fund, to provide for our needs in the long-term.

4 **To fulfil our governance and safeguarding responsibilities**

We will do this by:

- continuing our investment in safeguarding, fully implementing any findings from the forthcoming independent review of our provision;
- responding imaginatively to the Cathedrals’ Working Group Report, by putting in place a new governance and delivery structure to meet our changing needs, with a new Constitution and Statutes;
- reporting in a timely way to stakeholders, and consistently seeking their perspectives on our work;
- maintaining accurate and up to date reporting, including to the Charity Commission; and
- involving clergy, staff, volunteers, and congregations in a structured approach to developing and delivering annual work plans.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of Activities

General

The Outputs of the Cathedral were achieved through incurring the following costs in 2022:

- Ministry - £527,717 (2021: £468,396) (including clergy costs, music costs, and other associated costs of worship)
- Education and Outreach - £100,025 (2021: £114,039)
- Cathedral and Precincts upkeep - £375,457 (2021: £419,024) (including maintenance, repairs, restoration, insurance, utilities, and some salaries)
- Support costs included within the above activities - £405,161 (2021: £511,957) (including travel and subsistence, training, public relations, legal and professional costs, office accommodation, salaries, and office expenses)

Income to meet these costs depended upon financial support from several key areas, principally:

- Grants from the Sheffield Church Burgesses Trust - £469,272 (2021: £475,245) (funding towards the running costs and maintenance of the church, support of worship and administration, and one-off grants)
- Grants from the Church Burgess Educational Foundation - £5,000 (2021: £Nil) (funding towards Education & Outreach)
- The Church Commissioners - £243,944 (2021: £169,508) (funding for clergy pay and some lay staff costs)
- Congregational collections and giving - £108,761 (2021: £86,344)
- Income generated from facility fees, investments, legacies, other grants etc. - £180,795 (2022: £211,418)

The Cathedral business activities for generating funds produced a surplus of £28,175 (2021: deficit £26,092).

Public benefit

Although not a requirement in planning their activities, the Chapter has had regard to the Charity Commission guidance on public benefit, particularly their specialist guidance for faith-based charities. It is Chapter's clear understanding that the Cathedral's engagement and service of the whole community abundantly fulfils the criteria.

Pay policy for Senior Management Team

The level of pay of the Senior Management Team was decided upon on recruitment at Chapter level and is based on the individual's role and responsibilities.

Management of risk

Risk management is fundamental to Chapter's approach to all its activity. Chapter achieves this through regular review of a risk management framework. Risks are considered and reviewed regularly and Chapter is responsible for ensuring that actions necessary to mitigate these risks are properly carried out. Key risks include:

- financial control during a challenging time for all charitable organisations;
- the loss of key members of staff and their attendant knowledge of the Cathedral;
- significant deterioration of the Cathedral fabric; and
- loss of public trust.

Chapter works closely with the Cathedral Architect, the Cathedral Surveyor, appointed by the Church Burgesses Trust, and our social media company APPT, to mitigate these risks.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Sheffield Cathedral Enterprises Ltd

The Cathedral's wholly owned subsidiary company Sheffield Cathedral Enterprises Ltd operates the 1554 Coffee and Gift Shop, both within the Cathedral. The Company's trading results are consolidated in the unrestricted funds and are subject to a comment within the financial report for 2022.

1554 Coffee Shop and Gift Shop began 2022 with a budget that was set to show a slow recovery to its pre pandemic levels. Trading in the first half of 2022 was static showing no real growth, however during the last half of the year trading improved and even with the increases in inflation and the cost-of-living crisis ended the year with a trading surplus of £8k, after writing off £10k of slow moving stock the Enterprise business finished the year with a small deficit of £2k.

The main purpose of the Company is to support the Mission of the Cathedral and to achieve a trading surplus in financial support to the Cathedral. Both these objects have been well achieved and thanks go to all those working and volunteering in a result which is not only very satisfactory for 2022 but which provides an excellent base for the future.

Relationships with other organisations

Cathedral Archer Project (CAP)

Tim Renshaw, BEM, CEO:

The post pandemic, Putin influenced world is presenting new issues for charities just as it is for the rest of the economy.

One of the most obvious challenges is the increased cost of food. In 2022, with fears of reduced donations, we had to consider how we continued to provide two meals per day and tea and coffee through the day. As an example, we get through 32 pints of milk every weekday for breakfast cereal, cooking and teas and coffees. Numbers wanting our support are increasing so we are spending over £100 per week on milk. The equivalent price at the beginning of 2022 was £64 per week. Our increase is due to inflation and to higher numbers using the project. To make budgets stretch we have had to economise on things like eggs and bacon, reducing the number of days we serve them at breakfast and cooking cheaper lunch time meals.

Our work to get formerly homeless people into employment also faced a number of problems last year. We increased sales through our Printed By Us shop (please check us out in Orchard Square) but our production costs increased too. We set up a new board of directors to focus on the issues of running social enterprises to provide paid work and through it, helping people achieve much more stable lifestyles with the chance of leaving homelessness behind for good.

In spite of these challenges, by the end of the year we had been successful in meeting our unrestricted fundraising target due to a string of events in the last quarter of the year. That means we continue to deliver services which form a pathway from street homelessness to employment.

One of those events to raise funds was the 14 Night Sleep Out which started on 2nd October in the morning service at the Cathedral. The Sleep Out helped us to have a public conversation about homelessness through daily blogs. The blogs are still available through our website if you wish to read them. Changing the popular narrative of homelessness is something we've worked at for a few years, putting aside the notion that homelessness can be easily overcome by making better decisions. The daily blogs helped us to speak about the real experiences of people who are homeless and look at the complexity of reasons that leads people to the street and, in some cases, keeps them there for years.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Cathedral Archer Project (CAP) – continued

The 'Handle with Care' exhibition in the Cathedral in September was another way of telling the story of homelessness in the words of those who have lived it. The exhibition featured stories of childhood trauma. All the stories were real and experienced by people who have used or worked at the project.

The collaboration or partnership with the Cathedral is one we are proud of and want to develop more in 2023. When I joined the project in 2005 we still had a few volunteers from the Cathedral coming to serve breakfasts or as trustees. They were people who had been involved in the project's earliest years when it first reached out to people using the Cathedral for shelter. Currently, we don't have any volunteers from the Cathedral congregations. We'll be doing some work on this to find out what the future partnership will look like.

Financial Review

Reserves Policy

The Chapter policy is to maintain sufficient unrestricted reserves to cover 6 months normal expenditure, so would expect unrestricted reserves to be approximately £563,000. In 2022 we spent £1,164,953 out of unrestricted funds. On 31 December 2022 free reserves amount to £526,503. Free reserves are the unrestricted general fund balance excluding designated funds, revaluation reserve and tangible fixed assets. The free reserves fall slightly short of our target of 50% of normal expenditure, however we are satisfied that this is not an issue at the present time.

Investment Powers, Policy, and Performance

The Cathedral's investments are currently managed by CCLA Investment Management Limited. The Chapter's policy has been to use our investments ethically, in accordance with the expectations for ethical investment set by the General Synod of the Church of England Ethical Investment Advisory Group.

Investments held in our Unrestricted Funds produced an income of £8,093 (2021: £7,883). During the year there was a decrease in value of £29,538 (2021 increase: £31,413).

Investments held in our Endowment Funds produced an income of £4,166 (2021: £5,059). During the year there was a decrease in value of £26,674 (2021 increase: £24,956).

Investments held in our Restricted funds produced an income of £1,575 (2021: £75). During the year there was an increase in value of £2,855 (2021: increase £368).

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance

Below is detailed a summary of figures for the Cathedral over the last 5 years.

		2018	2019	2020	2021	2022
Statement of Financial Activities		£'000	£'000	£'000	£'000	£'000
Total income	Unrestricted Funds	486	607	465	427	629
	Restricted Funds	983	775	932	759	928
	Endowment	5	4	5	5	4
	Total	1,599	1,386	1,402	1,191	1,561
Total expenditure on generating funds, mission and governance	Unrestricted Funds	1,160	1,308	1,041	1,025	1,164
	Restricted Funds	331	99	121	173	156
	Endowments	-	-	-	-	-
	Total	1,491	1,407	1,162	1,198	1,320
Net gains / (losses) on investments	Unrestricted Funds	2	19	6	32	(30)
	Restricted Funds	-	8	-	-	3
	Endowments	(2)	18	11	25	(27)
	Total	-	45	17	57	(54)
Net income / (expenditure) after transfers between funds	Unrestricted Funds	(5)	(26)	80	11	90
	Restricted Funds	(11)	31	162	10	119
	Endowments	(1)	19	16	30	(23)
	Total	(17)	24	258	51	186
Other recognised gain/(losses)	Unrestricted Funds	155	-	-	111	(91)
	Restricted Funds	-	-	-	-	-
	Endowments	-	-	-	-	-
	Total				111	(91)
Net increase/ (decrease) in funds	Unrestricted Funds	155	-	-	122	-
	Restricted Funds	150	(26)	80	10	119
	Endowments	(11)	31	162	30	(23)
	Total	(1)	19	17	162	96
Balance Sheet		2018	2019	2020	2021	2022
		£'000	£'000	£'000	£'000	£'000
Net Assets	Unrestricted Funds	2,241	2,214	2,294	2,416	2,415
	Restricted Funds	(226)	(194)	(32)	(22)	97
	Endowments	119	138	154	184	162
	Total	2,134	2,158	2,416	2,578	2,674

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

The Consolidated Statement of Financial Activities states that the total net movement of Cathedral funds for 2022 amounts to a £96k surplus, however, this is after taking account of the reduction in the value of investments of £53k and of the value of investment properties of £91k therefore the underlying cash funds generated for the year are £240k. (The value of properties and investments are reviewed each year and any variance in value is included as above. This variance follows the relevant market indices).

From the above figure of £240k, £4k relates to income from our Endowment funds which specifically provide support to Cathedral Music. £117k relates to the net surplus on Restricted Funds received in the year, which can only be used for the specific Cathedral expenditure for which the funds have been granted and the balance of £119k is the net surplus on Unrestricted Funds which have been generated from Cathedral operations and is the subject of the following report.

The Budget for 2022 in respect of Unrestricted Funds as prepared in October 2021 took into account the gradual improvement in the restoration to normality following over 2 years of the devastating pandemic and indicated a minor consolidated deficit of £40k.

Included in the £119k Surplus of Unrestricted Funds before the reduction in the value of investments and property is the sum of £78k. This is the final settlement of the insurance claim relating to the fire in the Domino Hall which is in part of the building that is currently leased from the Cathedral Chapter by the Cathedral Archer Project (CAP). This sum has been transferred to the CAP in 2023 and therefore is treated as a designated fund and is not available to support Cathedral operations. The net adjusted surplus of unrestricted funds is therefore £41k which gives a positive variance of £81k compared with the budget deficit of £40k. The main reason for this variance is partly due to an additional one off receipt from the Church Commissioners of £15k in respect of a small trust that they held in the Cathedral's name which was realised in 2022, the recovery of cost of the yet to be employed Canon Missioner of £24k, and the Benefact Trust (formally All Churches Trust) recurring grant of £25k which this year was used to support the cost of Cathedral Music and the balance is variations in income and costs as compared with budget.

Congregational and visitor giving is a key element of our income and as such is monitored very carefully. It is pleasing that this has increased during 2022 to £109k compared with the same figure for 2021 of £86k. Whilst this figure is very generous it still falls short of the pre pandemic figure by approximately £18k. The increase in giving is now a key area for detailed consideration.

Our major donor, The Sheffield Church Burgesses Trust, continued to provide very generous financial support to the Cathedral despite its own difficulties in generating income.

The Church Commissioners have also continued their annual grant to the Cathedral which they agreed to pay up front therefore assisting in short term cash flow. In addition to their annual grant the Cathedral has again benefited from the Cathedrals Sustainability Fund. In 2022 we received £89k from the fund which was granted to assist the cathedral in rebuilding their position post pandemic. This funding will continue in 2023 but will reduce to £46k. The Commissioners made a further grants in 2022 of £39k referred to above.

It is the policy of Chapter to develop additional funds by using the facilities of the Cathedral, whilst always maintaining the requirement of the Cathedral to be a place for all people. A demanding budget was set for 2022 which took into account the potential return to a more normal level of activity following the pandemic. It is encouraging to report that this budget was achieved resulting in a contribution of funding of £21k. A successful Light Show and Christmas Tree Festival was also held in December 2022 when we welcomed over 9,000 visitors generating net income of £13k.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

Generally during this year when we experienced the gradual return to normality, the expenditure incurred by the Cathedral has been very well controlled and our thanks go to all staff who have as ever demonstrated real responsibility in this respect. It must be noted that towards the end of 2022 the significant increase in inflation and cost of living is bound to impact on the level of income and expenditure as we consider the immediate financial future.

Our wholly owned subsidiary company, Sheffield Cathedral Enterprises Ltd, consists of the 1554 Coffee Shop and Gift Shop. This company is well managed and during 2022 the trading has significantly increased with combined sales of £203k which is well above the budget £178k and a trading surplus of £8k. As a special item a decision has been taken to reduce the value of the gift shop stock by £10k to take into account very slow-moving stock. Our thanks go to all involved in achieving this result.

The above sets out the main components affecting our unrestricted income and expenditure for the year under review and the net trading result which are considered to be very satisfactory. It must be emphasised that the result takes into account the special income we have received during this year.

The consolidated net surplus in respect of unrestricted reserves as referred to above takes into account the requirement to repay the loan from the Diocese of Sheffield in the amount of £27.5k per year. The balance of this loan as at 31 December 2022 is £298k.

Following the sale of the Canon Precentors House in 2021 we now hold £420k in cash which will be used for the purchase of a new house in due course. This sum is identified as designated and specifically not available to support future trading.

With regard to the Consolidated Balance Sheet. On 31 December 2022 the total net assets of the Cathedral amount to £2,674k, compared with £2,578k in 2021. This continues the trend to show an increase in assets year on year. Of this total figure £2,415k is held in unrestricted net assets, but it should be noted that included in this figure the sum of £532k is related to designated funds which cannot support the general operational activity of the Cathedral including properties and investments.

The unrestricted, consolidated cash balance as of 31 December 2022 is £865k of which £532k is designated leaving £333k cash balance to support the activity of the Cathedral in 2023 and beyond.

The restricted funds balance as of 31 December 2022 is £96k, this is made up of:

- (a) The deficit on the Cathedral Development Project of £298k funded by the loan from the Diocese of Sheffield
- (b) The balances of several other restricted funds totalling £394k

There are endowment funds amounting to £162k.

Included in the unrestricted funds of £2,415k is the sum of £532k which has been set aside as designated funds and £1,357k is invested in properties and plant. This leaves a total of £526k free unrestricted funds which almost falls in line with the policy whereby we should hold unrestricted funds of not less than 50% of normal annual unrestricted expenditure.

The Chapter Finance Committee meets 10 times a year and is attended by, the Dean, the Treasurer, the Chief Operating Officer, and Finance Manager. At those meetings financial reports are reviewed and any variations from the budget are carefully noted and any necessary actions arising are taken and updated forecasts prepared. Such reports are submitted to Chapter.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

The Cathedral annual accounts are prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018), specified by the Church Commissioners, the body established by Parliament to manage the assets of the Church of England.

The general state of the Cathedral Fabric is considered, by the Cathedral Architect, as being sound. The report did not identify any immediate work over the next 3 years. Routine requirements will be incorporated within the relevant budget.

Statement Confirming Review of Major Risks

The Chapter has carefully assessed the major risks to which the Cathedral is exposed, in particular those related to the operations and finances of the Chapter and is satisfied that systems are in place to mitigate the Cathedral's exposure to major risks.

The Cathedral Community Resource Centre and the maintenance of the Cathedral Archer Project are monitored closely to ensure that they are sustainable concerns, and that the Cathedral is not exposed to undue risk. A new lease is in the final stages of agreement with the Cathedral Archer Project, which is mutually beneficial, while further reducing the level of risk to the Cathedral.

The Finance Committee monitor all financial and associated risks. The outcomes sought by funding bodies are kept under regular review by the Finance Committee and Senior Management Team, and accurate monitoring evidence is retained, for audit by outside agencies if required.

The Strategic Framework is being used to guide Chapter's priorities and decision-making processes.

The risk register is reviewed regularly by the Residentiary Chapter, the Finance Committee and the Chapter. The register is carefully reviewed and updated, prior to each Chapter meeting. Particular attention is given to emerging risks. Mitigations for each risk area are documented, and Chapter focus their monitoring on the residual risks.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

The Chapter's Responsibilities Statement

The Chapter is responsible under requirements laid down by the Church Commissioners under powers given 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 the guidelines on the subject prepared by the Association of English Cathedrals or describing which recommendations 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
- safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Chapter are appointed by the Bishop of Sheffield, in accordance with the Cathedrals Measure, and in consultation with the Dean. The work of the Dean, and the strategic work of the Chapter, is reviewed by the Cathedral Council, established under the Cathedrals Measure.

All new members of the Chapter are offered an induction into their role as trustees and into the Chapter's legal responsibilities. National training for Chapter members is available, and members are encouraged to attend this in addition.

Signed on behalf of the Cathedral Chapter on May 24, 2023

AL Thompson

AL Thompson (May 24, 2023 15:22 GMT+1)

The Very Revd Abigail Thompson
Dean of Sheffield

CA John Biggin

CA John Biggin (May 24, 2023 22:40 GMT+1)

Canon J Biggin
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER

Opinion

We have audited the financial statements of Sheffield Cathedral Chapter (the 'parent entity') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Chapter balance sheet, the consolidated statement of cash flows and 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 group's and parent entity's affairs as at 31 December 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under 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 group and parent entity 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 group's or parent entity'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.

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

Other information

The other information comprises the information included in the Chapter's Annual Report, other than the financial statements and our auditor's report thereon. Chapter are responsible for the other information contained within the Chapter's Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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

In light of our knowledge and understanding of the group and parent entity and its environment obtained in the course of the audit, we have not identified material misstatements in the Chapters' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999 require us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent entity, or returns adequate for our audit have not been received from branches not visited by us: or
- the group and parent entity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Chapter Member's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Chapter

As explained more fully in the Cathedral Chapter's responsibilities statement, Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 are responsible for assessing the group's and parent entity'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 intend to liquidate the group or parent entity or to cease operations, or have no realistic alternative but to do so.

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent entity through discussions with Chapter and other management, and from our knowledge and experience of the Cathedral sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent entity, including the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018), safeguarding legislation, health and safety requirements including fire safety and data protection laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing legal expenses; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group and parent entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

Auditor's responsibilities for the audit of the financial statements - continued

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standardsand-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilitiesfor-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to Chapter's members, as a body, in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the members of 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 members of Chapter as a body, for our audit work, for this report, or for the opinions we have formed.



[Jane Marshall \(May 25, 2023 18:20 GMT+1\)](#)

Jane Marshall (Senior Statutory Auditor)
For and on behalf of BHP LLP, Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

Date: May 25, 2023

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Income and endowments from:	(3)					
Donations and legacies		112,301	10,200	-	122,501	86,544
Grants in support of ministry		9,480	916,108	-	925,588	766,544
Charges and fees arising in the course of mission		72,993	-	-	72,993	69,298
Trading and fundraising		346,079	-	-	346,079	170,442
Investments		8,093	1,575	4,166	13,834	13,017
Other income		80,270	-	-	80,270	85,834
Total income		629,216	927,883	4,166	1,561,265	1,191,679
Expenditure on:	(4)					
Raising funds		317,554	350	-	317,904	196,534
Ministry		446,912	80,805	-	527,717	468,369
Education and outreach		73,027	26,998	-	100,025	114,039
Cathedral and precincts upkeep		327,460	47,997	-	375,457	419,024
Expenditure	(5)	1,164,953	156,150	-	1,321,103	1,197,966
Net (expenditure)/income before investment (losses)/gains		(535,737)	771,733	4,166	240,162	(6,287)
Net (losses)/gains on investments	(7)	(29,538)	2,855	(26,674)	(53,357)	56,736
Net (expenditure)/income		(565,275)	774,588	(22,508)	186,805	50,449
Transfers between funds						
Costs funded by restricted income	(18)	683,216	(683,216)	-	-	-
Costs funded by unrestricted income (14b)		(27,500)	27,500	-	-	-
		90,441	118,872	(22,508)	186,805	50,449
Other recognised (losses)/gains						
Non investment property	(8)	(90,806)	-	-	(90,806)	111,377
Net movement in funds		(365)	118,872	(22,508)	95,999	161,826
Reconciliation of funds:						
Total funds brought forward		2,415,784	(22,337)	184,421	2,577,868	2,416,042
Total funds carried forward		2,415,419	96,535	161,913	2,673,867	2,577,868

The Cathedral has neither discontinued any of its operations nor acquired new ones.

The statement of financial activities includes all gains and losses recognised in the year.

SHEFFIELD CATHEDRAL CHAPTER
CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	221,672	52,964	125,553	400,189	453,546
Tangible fixed assets						
Non investment property	(8)	1,325,000	-	-	1,325,000	1,415,806
Equipment and plant	(9)	31,992	-	-	31,992	36,804
Total fixed assets		1,578,664	52,964	125,553	1,757,181	1,906,156
Current assets						
Stock		22,078	-	-	22,078	31,071
Debtors	(10)	102,708	-	-	102,708	148,142
Cash at bank and in hand	(11)	865,702	341,488	36,360	1,243,550	967,587
Total current assets		990,488	341,488	36,360	1,368,336	1,146,800
Liabilities due within one year						
Creditors	(12)	(143,733)	(27,500)	-	(171,233)	(163,171)
Net current assets		846,755	313,988	36,360	1,197,103	983,629
Total assets less current liabilities		2,425,419	366,952	161,913	2,954,284	2,889,785
Liabilities due after one year						
Loans	(13)	(10,000)	(270,417)	-	(280,417)	(311,917)
Total net assets		2,415,419	96,535	161,913	2,673,867	2,577,868
The funds of the Cathedral (14)						
General fund		1,883,495	-	-	1,883,495	2,266,910
Revaluation reserve		-	-	-	-	111,377
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		27,002	-	-	27,002	27,002
- Houses		420,000	-	-	420,000	3,268
- CAP fund		77,695	-	-	77,695	-
Chester Lecture		-	-	22,723	22,723	24,680
Music endowments		-	-	106,618	106,618	124,863
Cathedral Hall		-	-	32,572	32,572	34,878
Church Burgesses		-	3,315	-	3,315	3,315
Cathedral Development Project		-	(297,915)	-	(297,915)	(325,415)
Cathedral Gateway Project		-	25,564	-	25,564	25,364
Yorks & Lancs Regiment fund		-	101,153	-	101,153	91,153
Choir Tour Fund		-	20,140	-	20,140	20,140
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	14,926	-	14,926	15,736
William Rowley Charity		-	10,678	-	10,678	10,947
Sam Hiller Memorial fund		-	62,606	-	62,606	57,907
Organ fund		-	9,456	-	9,456	9,456
Community Covenant		-	1,747	-	1,747	1,747
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hepher Painting Restoration		-	1,500	-	1,500	1,500
CCTV		-	-	-	-	2,208
HMS Sheffield Flag		-	791	-	791	791
Tony Elvis Legacy		-	15,000	-	15,000	15,000
Allchurches Trust		-	25,000	-	25,000	25,000
Ministry Experience Scheme		-	1,760	-	1,760	-
Benefact Trust Transformational Grant		-	78,000	-	78,000	-
Total Cathedral funds		2,415,419	96,535	161,913	2,673,867	2,577,868

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED BALANCE SHEET - continued AT 31 DECEMBER 2022

The financial statements on pages 24 to 55 were approved by the Cathedral Chapter on May 24, 2023 and are signed on its behalf by:-

AL Thompson

AL Thompson (May 24, 2023 15:22 GMT+1)

The Very Revd Abigail Thompson
Dean of Sheffield

CA John Biggin

CA John Biggin (May 24, 2023 22:40 GMT+1)

Canon J Biggin
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER
CHAPTER BALANCE SHEET
AT 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	221,672	52,964	125,553	400,189	453,546
Tangible fixed assets						
Non investment property	(8)	1,325,000	-	-	1,325,000	1,415,806
Equipment and plant	(9)	4,800	-	-	4,800	5,841
Total fixed assets		1,551,472	52,964	125,553	1,729,989	1,875,193
Current assets						
Stock		166	-	-	166	340
Debtors	(10)	101,295	-	-	101,295	147,390
Cash at bank and in hand	(11)	828,038	341,488	36,360	1,205,886	942,646
Total current assets		929,499	341,488	36,360	1,307,347	1,090,376
Liabilities due within one year						
Creditors	(12)	(113,873)	(27,500)	-	(141,373)	(140,441)
Net current assets		815,626	313,988	36,360	1,165,974	949,935
Total assets less current liabilities		2,367,098	366,952	161,913	2,895,963	2,825,128
Liabilities due after one year						
Loans	(13)	-	(270,417)	-	(270,417)	(297,917)
Total net assets		2,367,098	96,535	161,913	2,625,546	2,527,211
The funds of the Cathedral						
General fund	(14)	1,835,174	-	-	1,835,174	2,216,253
Revaluation reserve		-	-	-	-	111,377
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		27,002	-	-	27,002	27,002
- Houses		420,000	-	-	420,000	3,268
- Chester Lecture		-	-	22,723	22,723	24,680
- CAP fund		77,695	-	-	77,695	-
Music endowments		-	-	106,618	106,618	124,863
Cathedral Hall		-	-	32,572	32,572	34,878
Church Burgesses		-	3,315	-	3,315	3,315
Cathedral Development Project		-	(297,915)	-	(297,915)	(325,415)
Cathedral Gateway Project		-	25,564	-	25,564	25,364
Yorks & Lancs Regiment fund		-	101,153	-	101,153	91,153
Choir Tour Fund		-	20,140	-	20,140	20,140
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	14,926	-	14,926	15,736
William Rowley Charity		-	10,678	-	10,678	10,947
Sam Hiller Memorial fund		-	62,606	-	62,606	57,907
Organ fund		-	9,456	-	9,456	9,456
Community Covenant		-	1,747	-	1,747	1,747
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hepher Painting Restoration		-	1,500	-	1,500	1,500
CCTV		-	-	-	-	2,208
HMS Sheffield Flag		-	791	-	791	791
Tony Elvis Legacy		-	15,000	-	15,000	15,000
Allchurches Trust		-	25,000	-	25,000	25,000
Ministry Experience Scheme		-	1,760	-	1,760	-
Benefact Trust Transformational Grant		-	78,000	-	78,000	-
Total Cathedral funds		2,367,098	96,535	161,913	2,625,546	2,527,211

SHEFFIELD CATHEDRAL CHAPTER

CHAPTER BALANCE SHEET - continued AT 31 DECEMBER 2022

The financial statements on pages 24 to 55 were approved by the Cathedral Chapter on May 24, 2023 and are signed on its behalf by:-

AL Thompson

AL Thompson (May 24, 2023 15:22 GMT+1)

The Very Revd Abigail Thompson
Dean of Sheffield

CA John Biggin

CA John Biggin (May 24, 2023 22:40 GMT+1)

Canon J Biggin
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	(as restated) 2021 £
Cash flows from operating activities:			
Net cash provided by/ (used in) operating activities	(a)	298,429	(80,434)
Cash flows from investing activities:			
Investment income received net of costs		13,834	13,017
Purchase of tangible fixed assets		(4,800)	(721,000)
Proceeds from disposal of tangible fixed assets		-	1,316,810
Net cash provided by investing activities		9,034	608,827
Cash flows from financing activities			
Repayment of loans		(31,500)	(191,625)
Net cash (used in) investing activities		(31,500)	(191,625)
Change in cash and cash equivalents in the reporting period		275,963	336,768
Cash and cash equivalents at the beginning of the reporting period	(b)	967,587	630,819
Cash and cash equivalents at the end of the reporting period	(b)	1,243,550	967,587

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2022

(a) Reconciliation of net income to net cash flow from operating activities

		(as restated)
	2022	2021
	£	£
Net income for the reporting period (as per the SOFA)	186,805	50,449
Adjustments for:		
Depreciation charges	(9) 9,612	11,255
Income from property and investments	(13,834)	(13,017)
Losses/(gains) on investments	53,357	(56,736)
Decrease in stocks	8,993	3,907
Decrease/(increase) in debtors	45,434	(85,944)
Increase in creditors	8,062	9,652
	<u>298,429</u>	<u>(80,434)</u>
Net cash (provided by)/used in operating activities		

(b) Analysis of cash and cash equivalents

Cash in hand	1,243,550	967,587
Total cash and cash equivalents	<u>1,243,550</u>	<u>967,587</u>

(c) Analysis of change in net debt

	As at 1 January 2022	Cash flows	As at 31 Dec 2022
	£	£	£
Cash in hand	967,587	275,963	1,243,550
Debt due within one year	(31,500)	-	(31,500)
Debt due after one year	(311,917)	31,500	(280,417)
	<u>624,170</u>	<u>307,463</u>	<u>931,633</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies

(a) Basis of preparation

The Cathedral Chapter prepares its annual financial statements on the basis of historical cost adjusted for the revaluation of land and buildings and the carrying of investments at market value.

The financial statements have been prepared, in accordance with applicable accounting standards, the 'Guidelines on Accounting and Reporting Regulations by English Anglican Cathedrals' issued December 2018, as specified by the Church Commissioners under section 27 of the Cathedrals Measure 1999.

The consolidated financial statements comprise those of Sheffield Cathedral Chapter and Sheffield Cathedral Enterprises Limited, a wholly owned subsidiary. The results of the subsidiary are consolidated on a line by line basis.

The financial statements are prepared in £ sterling which is the functional currency of the Cathedral and rounded to the nearest pound.

(b) Going concern

Chapter have considered the ongoing impact of the current economic climate on the entity's income and operating cost base. They have prepared forecasts of income and expenditure and cash flow for the period to 30 April 2024 which shows that they have sufficient reserves and cash to be able to continue for the foreseeable future. These forecasts have been prepared on a prudent expectation that future plans to generate income are successful.

Chapter recognise the uncertainty around future income generation and the inherent risk regarding the success and sustainability of future plans. However, Chapter have concluded that the entity remains a going concern whilst forecasts predict sufficient reserves and cash to continue in operation. Chapter therefore continue to adopt the going concern basis of preparation for these financial statements.

(c) Fund accounting

Balances are split between unrestricted, restricted and endowment funds.

Unrestricted funds are expendable at the discretion of the Cathedral Chapter in furtherance of the objects of the charity. Unrestricted funds earmarked for particular projects are designated as separate funds.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds are those where the capital must be retained and cannot be used as if it were income. Expendable endowment funds are those where the capital is usually retained but where it may apply the income.

For an explanation and analysis of each fund see note 14.

Trusts where the Cathedral Chapter acts as trustee and controls the management and use of the funds are included in the financial statements.

(d) Income

Income is included in the Statement of Financial Activities (SOFA) when the Cathedral Chapter 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.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies – continued

(d) Income - continued

For donations 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 donation 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.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

CJRS income is recognised in the period to which to claim relates.

(e) Taxation

The Cathedral is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable entity for UK corporation tax purposes. Accordingly, the Cathedral is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(f) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

The allocation of expenditure on mainstream Cathedral activities is shown gross in the Statement of Financial Activities under the "Unrestricted fund" column. To the extent that the related funding for this expenditure is from sources where the use of those funds is restricted to specific items of Cathedral expenditure, a re-allocation to the "Restricted" heading is shown as a deduction from the gross amounts shown. An analysis of the Cathedral expenditure funded by "Restricted" funds is shown in note 18.

Whilst this disclosure of expenditure is not strictly in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities, the Chapter believe that it does provide a more accurate view of the ongoing running costs at the Cathedral.

Where costs cannot be directly attributed to particular headings they have been allocated or apportioned to activities on a basis consistent with the use of resources. Central support costs are apportioned on the basis of estimated usage of resources at the Cathedral.

(g) Cathedral buildings and the inventory

The Accounting and Reporting Regulations for English Anglican Cathedrals issued in December 2018 do not consider that the Cathedral building is a heritage asset. Accordingly, no value is attributed in the balance sheet to the cathedral and its ancillary buildings.

Similarly, the regulations consider that no value should be attributed to items included in the inventory prepared under S42(1) of the Care of Cathedrals Measure 2011 as being of architectural, archaeological, artistic or historic interest.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies – continued

(g) Cathedral buildings and the inventory - continued

Material enhancements to the Cathedral, its ancillary buildings and the inventory are written off to the SOFA in the year incurred, in accordance with current best practice, as are the repairs, restoration and maintenance of the Cathedral.

(h) Property

Property is included in the balance sheet at open market value. The increase or decrease in the value of properties at the year end is taken to the SOFA.

(i) Tangible fixed assets

Fixed assets other than property are included at cost less depreciation which is calculated to write off the cost of fixed assets, less their residual value, over their expected lives as follows:

Musical instruments and sound equipment	- 10 years straight line
Fixtures and fittings	- 5 years straight line
Plant and equipment	- 5 years straight line
Computer equipment	- 3 years straight line

Depreciation is not provided on freehold properties as it is the Cathedral Chapter's policy to maintain the property in good repair. In accordance with FRS102, the members have performed an impairment review, and it is their opinion that the carrying values of the freehold properties are not higher than the recoverable amount.

It is the Cathedral Chapter's policy not to capitalise items costing less than £1,000. The effect of this policy is not considered material to the accounts.

It is the Cathedral Chapter's policy not to depreciate capital items in the year of addition.

(j) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

(k) Debtors

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

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand.

(m) Creditors and provisions

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

(n) Financial instruments

The Cathedral only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(o) Investments

Investments are included in the balance sheet at market value. The increase or decrease in the value of investments at the year end is taken to the SOFA.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

1. Accounting Policies – continued

(p) Pension costs

The pension costs charged in the financial statements represent contributions payable by the Cathedral Chapter during the year.

(q) Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Cathedral makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Non-investment property is included in the balance sheet at market value. This market value is subject to judgements made by an expert and by Chapter including, but not limited to, the state of repair of the properties, local knowledge and market conditions.

Support costs are allocated between funds on the basis of resource use. Any allocation to restricted funds must be in line with the terms of the funding and misallocation could materially affect the fund balances.

(r) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

2. Prior year Statement of Financial Activities for purposes of comparison

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £
Income and endowments from:	(3)				
Donations and legacies		86,344	200	-	86,544
Grants in support of ministry		7,500	759,044	-	766,544
Charges and fees arising in the course of mission		69,298	-	-	69,298
Trading and fundraising		170,442	-	-	170,442
Investments		7,883	75	5,059	13,017
Other income		85,834	-	-	85,834
Total income		427,301	759,319	5,059	1,191,679
Expenditure on:	(4)				
Raising funds		194,956	1,578	-	196,534
Ministry		410,509	57,860	-	468,369
Education and outreach		91,965	22,074	-	114,039
Cathedral and precincts upkeep		327,943	91,081	-	419,024
Cathedral building developments		-	-	-	-
Expenditure	(5)	1,025,373	172,593	-	1,197,966
Net (expenditure)/income before investment gains		(598,072)	586,726	5,059	(6,287)
Net gains/(losses) on investments		31,413	368	24,955	56,736
Net (expenditure)/income		(566,659)	587,094	30,014	50,449
Transfers between funds					
Costs funded by restricted income (18)		604,753	(604,753)	-	-
Costs funded by unrestricted income (14b)		(27,500)	27,500	-	-
		10,594	9,841	30,014	50,449
Other recognised gains/ (losses)					
Non investment property		111,377	-	-	111,377
Net movement in funds		121,971	9,841	30,014	161,826
Reconciliation of funds:					
Total funds brought forward		2,293,813	(32,178)	154,407	2,416,042
Total funds carried forward		2,415,784	(22,337)	184,421	2,577,868

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

3. INCOME AND ENDOWMENTS

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Donations and legacies					
Legacies	3,498	-	-	3,498	-
Congregational collections and giving (3a)	108,761	-	-	108,761	86,344
Income from appeals and fundraising	16	10,200	-	10,216	200
Other	26	-	-	26	-
	<u>112,301</u>	<u>10,200</u>	<u>-</u>	<u>122,501</u>	<u>86,544</u>
Grants in support of ministry					
Church Commissioners	-	243,944	-	243,944	169,508
Church Burgesses Trust (15)	-	469,272	-	469,272	475,245
Church Burgesses Educational Foundation	-	5,000	-	5,000	-
Church Commissioners Sustainability Fund	-	89,732	-	89,732	67,331
Sheffield Diocesan Board of Finance	7,500	-	-	7,500	7,500
Allchurches Trust	-	25,000	-	25,000	25,000
HLF Culture Recovery Fund	-	-	-	-	21,960
Benefact Trust	-	78,000	-	78,000	-
Ministry Experience Scheme	-	5,160	-	5,160	-
Other	1,980	-	-	1,980	-
	<u>9,480</u>	<u>916,108</u>	<u>-</u>	<u>925,588</u>	<u>766,544</u>
Charges and fees arising in the course of the mission					
Facility and other fees	72,993	-	-	72,993	69,298
	<u>72,993</u>	<u>-</u>	<u>-</u>	<u>72,993</u>	<u>69,298</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS – continued YEAR ENDED 31 DECEMBER 2022

3. INCOME AND ENDOWMENTS - continued

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Trading and fundraising					
Events held in the Cathedral	143,173	-	-	143,173	81,169
Commercial trading operations	202,906	-	-	202,906	89,273
	<u>346,079</u>	<u>-</u>	<u>-</u>	<u>346,079</u>	<u>170,442</u>
Investments					
Investments	8,093	1,575	4,166	13,834	13,017
	<u>8,093</u>	<u>1,575</u>	<u>4,166</u>	<u>13,834</u>	<u>13,017</u>
Other income					
Insurance claim	80,270	-	-	80,270	2,135
CJRS income	-	-	-	-	39,509
Gains on disposal of fixed assets	-	-	-	-	44,190
	<u>80,270</u>	<u>-</u>	<u>-</u>	<u>80,270</u>	<u>85,834</u>
3a. Congregational collections and giving					
Collections	27,550	-	-	27,550	12,090
Alms boxes	20,247	-	-	20,247	15,520
Donations	2,148	-	-	2,148	3,916
Patrons	3,120	-	-	3,120	5,475
Candles	15,148	-	-	15,148	7,857
Planned giving	29,662	-	-	29,662	33,498
Tax recoverable	10,886	-	-	10,886	7,988
	<u>108,761</u>	<u>-</u>	<u>-</u>	<u>108,761</u>	<u>86,344</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

4. EXPENDITURE

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Raising funds					
Events and hospitality	112,312	350	-	112,662	85,362
Commercial trading operations	205,242	-	-	205,242	111,172
	<u>317,554</u>	<u>350</u>	<u>-</u>	<u>317,904</u>	<u>196,534</u>
Ministry					
Clergy stipends and working expenses	117,958	-	-	117,958	63,431
Clergy housing costs	34,732	-	-	34,732	27,910
Services and music	146,636	25,810	-	172,446	121,049
Support costs (4a)	147,586	54,995	-	202,581	255,979
	<u>446,912</u>	<u>80,805</u>	<u>-</u>	<u>527,717</u>	<u>468,369</u>
Education and outreach					
Educational activities	157	5,000	-	5,157	-
Community Resource Centre	13,836	-	-	13,836	11,648
Support costs (4a)	59,034	21,998	-	81,032	102,391
	<u>73,027</u>	<u>26,998</u>	<u>-</u>	<u>100,025</u>	<u>114,039</u>
Cathedral and precinct upkeep					
Maintenance and interior upkeep	75,060	15,000	-	90,060	131,753
Cathedral insurance	47,549	-	-	47,549	43,245
Utilities	61,898	-	-	61,898	47,375
Salaries	54,402	-	-	54,402	43,064
Support costs (4a)	88,551	32,997	-	121,548	153,587
	<u>327,460</u>	<u>47,997</u>	<u>-</u>	<u>375,457</u>	<u>419,024</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
4. EXPENDITURE – continued					
4a. Support costs					
Office expenses	47,181	15,170	-	62,351	61,225
Salaries	101,264	91,907	-	193,171	223,844
Other staff costs	-	-	-	-	2,461
Staff recruitment	4,365	-	-	4,365	977
Loan Interest	4,324	-	-	4,324	22,629
Public relations	14,124	-	-	14,124	2,260
Legal and professional	52,835	-	-	52,835	114,975
Travel and subsistence	7,419	30	-	7,449	8,060
Staff training	9,463	675	-	10,138	13,775
Depreciation	3,633	2,208	-	5,841	6,541
IT running costs	34,186	-	-	34,186	39,594
Bank charges	712	-	-	712	646
Audit fees	15,665	-	-	15,665	11,570
Non audit fees	-	-	-	-	3,400
	<u>295,171</u>	<u>109,990</u>	<u>-</u>	<u>405,161</u>	<u>511,957</u>
Total 2021	<u>401,587</u>	<u>110,370</u>	<u>-</u>	<u>511,957</u>	
5. Analysis of total expenditure including allocations of support costs					
	Activities undertaken directly £	Grant funding activities £	Support costs £	Total 2022 £	Total 2021 £
Raising funds	317,904	-	-	317,904	196,534
Ministry	325,136	-	202,581	527,717	468,369
Education and Outreach	18,993	-	81,032	100,025	114,039
Cathedral and precincts upkeep	253,909	-	121,548	375,457	419,024
Cathedral building developments	-	-	-	-	-
	<u>915,942</u>	<u>-</u>	<u>405,161</u>	<u>1,321,103</u>	<u>1,197,966</u>
Total 2021	<u>686,009</u>	<u>-</u>	<u>511,957</u>	<u>1,197,966</u>	

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

6. Cathedral buildings and the inventory

The Cathedral is a 900 year old, grade 1 listed building.

There were no inventory transactions in either year.

7. Investments

Group and chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
At market value 1 January	251,210	50,109	152,227	453,546
Investments additions	-	-	-	-
Net increase on revaluation	(29,538)	2,855	(26,674)	(53,357)
At market value 31 December	221,672	52,964	125,553	400,189

All investments are listed UK securities and comprise:

	£
UK property fund	74,066
UK investment funds	326,123
	400,189

The historical cost of the investments is £264,287 (2021: £264,287).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

8. Non investment property

<i>Group and Chapter</i>	Freehold land and buildings			Total funds £
	Unrestricted funds £	Restricted funds £	Endowment funds £	
At valuation 1 January	1,415,806	-	-	1,415,806
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluation	(90,806)	-	-	(90,806)
At cost/valuation 31 December	1,325,000	-	-	1,325,000

Unrestricted funds comprise 2 properties held for cathedral clergy housing.

One property is held at current market value based on a valuation carried out by Fowler Standford, Chartered Surveyors on 24 November 2022. The other property which was purchased in October 2021 has been re valued due to a down turn in market conditions at the end of 2022. The property is now held at current market value based on a valuation from Blundells Estate Agents on 11 May 2023. Chapter have assessed these valuations and, based on the conditions at the end of the year do not believe that there is a material misstatement in value at 31 December 2022.

The historical cost of these properties is £818,142 (2021: £818,142).

9. Equipment & plant

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	243,322	11,032	-	254,354
Additions	4,800	-	-	4,800
At 31 December	248,122	11,032	-	259,154
Depreciation				
At 1 January	208,726	8,824	-	217,550
Depreciation for year	7,404	2,208	-	9,612
At 31 December	216,130	11,032	-	227,162
Net book value				
At 31 December 2022	31,992	-	-	31,992
At 31 December 2021	34,596	2,208	-	36,804

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

9. Equipment & plant - continued

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	190,360	11,032	-	201,392
Additions	4,800	-	-	4,800
At 31 December	195,160	11,032	-	206,192
Depreciation				
At 1 January	186,727	8,824	-	195,551
Depreciation for year	3,633	2,208	-	5,841
At 31 December	190,360	11,032	-	201,392
Net book value				
At 31 December 2022	4,800	-	-	4,800
At 31 December 2021	3,633	2,208	-	5,841

10. Debtors

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Trade debtors	58,467	-	-	58,467	92,512
Prepayments and other debtors	44,241	-	-	44,241	55,630
	102,708	-	-	102,708	148,142
 <i>Chapter</i>					
Trade debtors	58,467	-	-	58,467	93,021
Prepayments and other debtors	42,828	-	-	42,828	54,029
Amounts due from subsidiary undertakings	-	-	-	-	340
	101,295	-	-	101,295	147,390

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

11. Cash

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
CBF Deposit fund	4,209	-	11,686	15,895	15,463
Cash at bank and in hand	861,493	341,488	24,674	1,227,655	952,124
	<u>865,702</u>	<u>341,488</u>	<u>36,360</u>	<u>1,243,550</u>	<u>967,587</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
CBF Deposit fund	4,209	-	11,686	15,895	15,463
Cash at bank and in hand	823,829	341,488	24,674	1,189,991	927,183
	<u>828,038</u>	<u>341,488</u>	<u>36,360</u>	<u>1,205,886</u>	<u>942,646</u>

12. Creditors due within one year

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Trade creditors	50,009	-	-	50,009	87,205
Accruals and other creditors	89,724	-	-	89,724	44,466
Due to the Diocese	-	27,500	-	27,500	27,500
Bank bounceback loan	4,000	-	-	4,000	4,000
	<u>143,733</u>	<u>27,500</u>	<u>-</u>	<u>171,233</u>	<u>163,171</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Trade creditors	42,803	-	-	42,803	77,815
Accruals and other creditors	71,070	-	-	71,070	35,126
Due to the Diocese	-	27,500	-	27,500	27,500
	<u>113,873</u>	<u>27,500</u>	<u>-</u>	<u>141,373</u>	<u>140,441</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

13. Creditors due over one year

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Share of revaluation reserve					
Brought forward	-	-	-	-	22,114
Movement in year	-	-	-	-	(22,114)
Carried forward	-	-	-	-	-
Total	-	-	-	-	-
Diocese	-	270,417	-	270,417	297,917
Chapter	-	270,417	-	270,417	297,917
Bank bounceback loan	10,000	-	-	10,000	14,000
Group	10,000	270,417	-	280,417	311,917

Diocese

The Diocese have made a loan to the Cathedral for £550,000 for the purpose of the Development Project.

The loan term is 25 years and repayments have been made annually commencing 2018. Interest is charged on the balance at the rate equivalent to the Central Board of Finance Deposit Fund Rate. The Cathedral was given a holiday in the repayment of this loan in 2017 and no payment was made in 2016.

Loans due in more than one year fall due as follows:

	Bank £	Diocese £	Church Commissioners £	Total £
Between 1 and 2 years	4,000	27,500	-	31,500
Between 2 and 5 years	6,000	110,000	-	116,000
After 5 years	-	132,917	-	132,917
	10,000	270,417	-	280,417

Included within creditors is a Coronavirus bounceback loan of £14,000 (2021: £18,000) which is secured by way of government guarantee, with £4,000 (2021: £4,000) due within one year and £10,000 (2021: £14,000) due over one year.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. Statement of funds

(a) Endowment funds – current year *Group and Chapter*

	Permanent		Expendable		Total £
	Chester Lecture	Music Endowments	Music Endowments	Cathedral Hall	
	£	£	£	£	
At 1 January	24,680	109,866	14,997	34,878	184,421
Income	562	2,511	432	661	4,166
Expenditure (Decrease)	-	-	-	-	-
in market value of investments	(2,520)	(21,188)	-	(2,966)	(26,674)
Transfer to unrestricted funds	-	-	-	-	-
At 31 December	22,722	91,189	15,429	32,573	161,913

Endowment funds – prior year *Group and Chapter*

	Permanent		Expendable		Total £
	Chester Lecture	Music Endowments	Music Endowments	Cathedral Hall	
	£	£	£	£	
At 1 January	21,458	86,867	14,997	31,085	154,407
Income	543	3,877	-	639	5,059
Expenditure	-	-	-	-	-
Increase in market value of investments	2,679	19,122	-	3,154	24,955
Transfer to unrestricted funds	-	-	-	-	-
At 31 December	24,680	109,866	14,997	34,878	184,421

Chester Lecture Fund

Income from this fund is restricted to being used to fund an annual lecture. The capital within this fund is not available to the Cathedral.

Music endowments

Income from this fund is restricted to being used to defray the expenses of the choristers and choir facilities. The capital within this fund is not available to the Cathedral.

Cathedral Hall Wostenholme Memorial Fund

Income and capital from this fund is restricted to being used for the upkeep of the Cathedral Hall.

Endowment funds include unrealised gains of £49,129 (2021: £75,803).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

(b) Restricted funds – current year

<i>Group and Chapter</i>	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains on investments £	At 31 December 2022 £
Church Commissioners (note 18)	-	243,944	-	(243,944)	-	-
Church Burgesses Trust (note 18)	-	469,272	(30,000)	(439,272)	-	-
Church Burgesses Trust – Education	3,315	5,000	(5,000)	-	-	3,315
Cathedral Development Project	(325,415)	-	-	27,500	-	(297,915)
Cathedral Gateway Project	25,364	200	-	-	-	25,564
York & Lancaster Regiment	91,153	10,000	-	-	-	101,153
Choir Fund	20,140	-	-	-	-	20,140
Sing!	3,031	-	-	-	-	3,031
Choral tuition	15,736	-	(810)	-	-	14,926
William Rowley Charity	10,947	77	-	-	(346)	10,678
Sam Hiller Memorial fund	57,907	1,498	-	-	3,201	62,606
Organ fund	9,456	-	-	-	-	9,456
Community Covenant	1,747	-	-	-	-	1,747
Friends of Sheffield Cathedral	19,783	-	-	-	-	19,783
Painting Restoration	1,500	-	-	-	-	1,500
Sustainability fund	-	51,340	(51,340)	-	-	-
Fundraiser	-	34,425	(34,425)	-	-	-
CCTV Grant	2,208	-	(2,208)	-	-	-
HMS Sheffield Flag	791	-	-	-	-	791
Tony Elwis Legacy	15,000	-	-	-	-	15,000
Allchurches Trust	25,000	25,000	(25,000)	-	-	25,000
Ministry Experience Scheme	-	5,160	(3,400)	-	-	1,760
Benefact Trust	-	78,000	-	-	-	78,000
CSF-Policy Officer	-	3,967	(3,967)	-	-	-
Total Restricted funds	(22,337)	927,883	(156,150)	(655,716)	2,855	96,535

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

Restricted funds – prior year <i>Group and Chapter</i>						At	
	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains on investments £	31 December 2021 £	
Church Commissioners (note 18)	-	169,508	-	(169,508)	-	-	
Church Burgesses Trust (note 18)	-	475,245	(40,000)	(435,245)	-	-	
Church Burgesses Trust – Education	3,315	-	-	-	-	3,315	
Cathedral Development Project	(352,915)	-	-	27,500	-	(325,415)	
Cathedral Gateway Project	25,164	200	-	-	-	25,364	
York & Lancaster Regiment	91,153	-	-	-	-	91,153	
Choir Fund	20,140	-	-	-	-	20,140	
Sing!	3,031	-	-	-	-	3,031	
Choral tuition	15,736	-	-	-	-	15,736	
William Rowley Charity	10,504	75	-	-	368	10,947	
Sam Hiller Memorial fund	57,907	-	-	-	-	57,907	
HLF Culture Recovery Fund	28,596	21,960	(50,556)	-	-	-	
Organ fund	9,456	-	-	-	-	9,456	
Community Covenant	1,747	-	-	-	-	1,747	
Friends of Sheffield Cathedral	19,783	-	-	-	-	19,783	
Painting Restoration	1,500	-	-	-	-	1,500	
Sustainability fund	-	67,331	(67,331)	-	-	-	
CCTV Grant	4,414	-	(2,206)	-	-	2,208	
HMS Sheffield Flag	791	-	-	-	-	791	
Tony Elwis Legacy	15,000	-	-	-	-	15,000	
Allchurches Trust	-	25,000	-	-	-	25,000	
Preservation of the fabric of the building	12,500	-	(12,500)	-	-	-	
Total Restricted funds	(32,178)	759,319	(172,593)	(577,253)	368	(22,337)	

(1) Church Commissioners

Income from the Church Commissioners is restricted to being used to pay stipends, salaries and other emoluments of persons employed in connection with the Cathedral Church.

(2) Church Burgesses Trust

Income from the Church Burgesses Trust is restricted to being used to pay certain salaries and items of expenditure.

(3) Cathedral Development Project

The Development Project raised funds for the now completed Community Resources Centre. The fund is currently in deficit as expenditure on the project has exceeded income received. This deficit is funded by a loan from the Diocese as referred to in note 13.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

(4) Cathedral Gateway Project

The Cathedral Gateway Project is raising funds for the reordering of the Cathedral.

(5) York & Lancaster Regiment

Funds provided towards the maintenance and upkeep of St George's Chapel (the regimental chapel of the York & Lancaster Regiment) and the provision of flowers.

(6) Choir fund

This fund relates to monies raised by the choir and spent on choir activities.

(7) Sing!

The Sing! projects aim is to make singing central to every primary school aged child's life at home, at school and in the wider community. This is funded by the participating schools and the music hub.

(8) Choral tuition

Money to be spent on choral tuition.

(9) William Rowley Charity

This fund is to be used for the repair and maintenance of the Rowley Window.

(10) Sam Hiller Memorial Fund

The Ousley Trust granted money for a choral scholarship dedicated to Sam Hiller, an endowment was granted by the Friends of Cathedral Music to supplement this fund.

(11) HLF Culture Recovery Fund

Funding towards recovery from the impact of Covid-19.

(12) Organ Fund

This fund represents money which has been raised for the purchase of an organ.

(13) Community Covenant

Income from the ministry of defence is used to engage children in their heritage and acknowledge the armed forces in the centenary year of WW1.

(14) Friends of Sheffield Cathedral

Funds provided on closure of the Friends to continue their work supporting the preservation, maintenance and enhancement of the Cathedral and its ministry.

(15) Painting Restoration

Money raised for the restoration of the David Hephher painting.

(16) Sustainability Fund

Annual grant to fund the Development Manager role.

(17) Fundraiser

Fund to cover the employment costs of the new Fundraiser role, funded by the Church Commissioners.

(18) CCTV Grant

Grant for renewals of the CCTV at the Cathedral.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

(19) HMS Sheffield Flag

Funds given by the HMS Sheffield Association to pay for the installation of the Jack Staff and Union Jack from HMS Sheffield into St George's Chapel.

(20) Tony Elvis legacy

A gift for the purchase of Cathedral vestments.

(21) Allchurches Trust

Funding towards music activities.

(22) Ministry Experience Scheme

Development Grant from the Archbishops Council to Fund 2 Ministry Interns at the Cathedral for 1 year placement.

(23) Benefact Trust – Transformational Grant

Funding from the Benefact Trust to provide live streaming services throughout the whole of the cathedral, reimagining of the Heritage Area & the provision of an Education Officer.

(24) CSF-Policy Officer

Sustainability Funding for a Policy Officer to assist with the preparation of Documents for the new Cathedrals Measure.

(25) Preservation of the Fabric of the Building

Funding towards fabric preservation.

Restricted funds include unrealised gains of £11,395 (2021: £8,540).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

(c) Unrestricted funds – current year

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	(Losses)/ gains on revaluations £	At 31 December 2022 £
Designated funds						
Deanery Fund	27,002	-	-	-	-	27,002
Music Fund	7,227	-	-	-	-	7,227
Houses Fund	3,268	-	-	416,732	-	420,000
CAP fund	-	-	-	77,695	-	77,695
	<u>37,497</u>	<u>-</u>	<u>-</u>	<u>494,427</u>	<u>-</u>	<u>531,924</u>
General funds						
General funds	2,389,956	363,984	(959,711)	161,289	(120,344)	1,835,174
Sheffield Cathedral Enterprises	(11,669)	265,232	(205,242)	-	-	48,321
	<u>2,378,287</u>	<u>629,216</u>	<u>(1,164,953)</u>	<u>161,289</u>	<u>(120,344)</u>	<u>1,883,495</u>
Total unrestricted funds	<u>2,415,784</u>	<u>629,216</u>	<u>(1,164,953)</u>	<u>655,716</u>	<u>(120,344)</u>	<u>2,415,419</u>

Unrestricted funds – prior year

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	(Losses)/ gains on revaluations £	At 31 December 2021 £
Designated funds						
Deanery Fund	27,705	-	(703)	-	-	27,002
Music Fund	7,227	-	-	-	-	7,227
Houses Fund	-	44,190	(40,922)	-	-	3,268
	<u>34,932</u>	<u>44,190</u>	<u>(41,625)</u>	<u>-</u>	<u>-</u>	<u>37,497</u>
General funds						
General funds	2,273,322	269,167	(872,576)	577,253	142,790	2,389,956
Sheffield Cathedral Enterprises	(14,441)	113,944	(111,172)	-	-	(11,669)
	<u>2,258,881</u>	<u>383,111</u>	<u>(983,748)</u>	<u>577,253</u>	<u>142,790</u>	<u>2,378,287</u>
Total unrestricted funds	<u>2,293,813</u>	<u>427,301</u>	<u>(1,025,373)</u>	<u>577,253</u>	<u>142,790</u>	<u>2,415,784</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

14. The funds of the Cathedral - continued

Deanery fund

This fund represents the balance of the sale of the Dean's former house and is set aside for future works to the Deanery. Transfers are made from the deanery fund to the general fund for works carried out on the property.

Music fund

This fund represents money set aside for supporting music within the Cathedral.

Houses fund

This fund represents the surplus of the sale of the Dean & Precentors houses to be used to for the purchase of a new property.

CAP fund

This fund represents insurance money set aside for the Cathedral Archer Project for the rebuild and design of the project after the 2020 fire in the domino hall.

Unrestricted funds include unrealised gains of £628,236 (2021: £702,580).

15. Church Burgesses Trust

The Church Burgesses Trust provides substantial support for the maintenance and insuring of the fabric of the Cathedral, the costs of divine worship and for administration.

In addition the Cathedral Chapter can apply to the Church Burgesses Trust for one off grants towards major repairs and improvements from time to time.

Details of income received from the Church Burgesses Trust is as follows:

	Note	2022 £	2021 £
Grant for maintenance, divine worship and administration		439,272	435,245
One off grants		30,000	40,000
Total support	(3)	<u>469,272</u>	<u>475,245</u>

16. Transactions with the Diocese

	2022 £	2021 £
Contributions paid to Diocesan Funds (included as charitable giving in the Statement of Financial Activities)	-	-

At the year end there is an interest-bearing loan due to the Diocese of £297,917 (2021: £325,417) (notes 12 and 13).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

17. Pension costs

The Chapter contributes to staff pensions in line with the auto enrolment rate. For staff who were employed before auto enrolment was implemented the Cathedral contributes 8%. Clergy pensions are paid by the Church Commissioners and so their pension arrangements are not relevant for disclosure in these accounts.

Pension contributions paid by the Cathedral Chapter amounted to £17,552 (2021: £20,660). No contributions were outstanding at the year end (2021: £Nil). This excludes clergy pension costs paid directly by the Church Commissioners.

18. Transfers between funds

Costs funded by restricted income

	2022	2021
	£	£
Clergy stipends and working expenses	117,958	63,431
Salaries	17,824	57,671
Clergy housing costs	34,732	27,910
Church maintenance and interior upkeep	75,060	73,783
Church utilities	61,898	47,375
Cathedral insurance	47,549	43,245
Travel and subsistence	7,419	7,990
Staff training	9,463	13,675
Public relations	14,124	2,260
Information technology	34,186	39,594
Office expenses	47,181	45,381
Professional fees	52,835	114,975
Services and music	162,987	67,463
	<u>683,216</u>	<u>604,753</u>
Funded by:		
Church Burgesses (note 14b)	439,272	435,245
Church Commissioners (note 14b)	243,944	169,508
	<u>683,216</u>	<u>604,753</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

19. Employees	2022	2021
	No.	No.
The average number of employees during the year was:-		
Clergy	3	2
Lay and administration	21	14
Songmen	7	4
	<hr/> 31 <hr/>	<hr/> 20 <hr/>
The total full time equivalent number of employees during the year was:	<hr/> 27 <hr/>	<hr/> 20 <hr/>
Total staff costs, including clergy stipends, include the following:		
	2022	2021
	£	£
Clergy stipends (note 20)	82,047	34,586
Salaries	457,575	397,877
Employer's national insurance	34,258	25,937
Pension contributions	42,940	33,157
Apprenticeship levy	362	160
	<hr/> 617,182 <hr/>	<hr/> 491,717 <hr/>

No employee earned more than £60,000 per annum in either year.

Although clergy are classified above as employees for analysis purposes, they have self-employed status for tax purposes.

The total amount of employee benefits received by senior management personnel is £129,833 (2021: £132,460) which includes gross pay, employers' national insurance and employers' pension contributions. The Cathedral Chapter considers its senior management team to be the Dean, Canons and Chief Operating Officer.

Total redundancy/termination payments made during the year amounted to £nil (2021: £36,347) and related to staff redundancies including pay in lieu of notice.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

20. Related party transactions

The remuneration and pension costs of the full time Residentiary clergy who are members of the Cathedral Chapter are given below. They are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board.

	2022	2022
	Stipend	Pension
	£	£
The Revd Canon A Thompson	37,955	11,677
The Revd Canon Farrow	13,203	4,369
The Revd Canon G Harbord	30,889	9,342
	<u>82,047</u>	<u>25,388</u>
	<u><u>82,047</u></u>	<u><u>25,388</u></u>
	2021	2021
	Stipend	Pension
	£	£
The Revd Canon A Thompson	5,756	1,918
The Revd Canon Farrow	28,830	10,031
The Revd Canon G Harbord	-	548
	<u>34,586</u>	<u>12,497</u>
	<u><u>34,586</u></u>	<u><u>12,497</u></u>

The clergy stipends are fully funded by the Church Commissioners. These financial statements show the matching income and expenditure relating to this funding.

The above members lived in houses owned by the Cathedral Chapter during the year. Out of pocket expenses reimbursed to the above members during the year amounted to £3,103 which includes travel, subsistence and home office costs (2021: £1,979).

During the year 4 Chapter members donated £1,027 to the Cathedral (2021: 6 members: £2,250)

Cathedral Archer Project Ltd (CAP)

During the year the CAP occupied part of the CRC and the Cathedral received £37,500 (2021: £37,500) for the lease of the premises and a £10,350 (2021: £9,308) contribution towards the utilities cost. These charges are subsidised by the Cathedral and the amount representing a gift in kind from the Cathedral to the Project is estimated at £60,000.

Sheffield Cathedral Enterprises Limited

During the year the Cathedral made a grant to its subsidiary of £nil (2021: £13,480) and the Chapter wrote off the loans owed by the subsidiary amounting to £62,326 which were already provided for in the Cathedral's financial statements. At the year end a balance was owed to the Cathedral from its subsidiary of £nil (2021: £340).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2022

21. Commitments

The Cathedral Chapter had no capital commitments at the year end (2021: £nil).

22. Contingent liabilities

The Cathedral Chapter has received funding towards the capital and other costs of the Community Resource Centre. The terms of the agreement, with respect to certain funds received, state that there may be a claw back, if certain conditions are not met in the future. Such conditions include the ongoing use of the Centre for those facilities provided by Cathedral Archer Project, visitor numbers, the employment of staff and so on. The Cathedral Chapter believes that the liability ended in March 2022 and therefore there is no longer a risk that they may need to repay these funds.

The Gateway project has received funding from HLF. In accordance with the related agreements there are conditions in respect of the continuing use of the Cathedral Heritage Centre. Any change in that use could give rise to a possible claw back which will apply up to the year 2039.

The Cathedral Chapter has adopted strategies to ensure that the conditions will be met. In the opinion of the Chapter repayment of these funds will not be required and, accordingly, no liability for these amounts has been provided in these financial statements.

23. Principal subsidiaries

The wholly owned subsidiary, Sheffield Cathedral Enterprises Limited (company registration no: 09481073), which is incorporated in the United Kingdom, pays all its taxable profits to the charity by gift aid. A summary of its results and assets and liabilities are shown below:

	2022 £	2021 £
Income	265,232	113,944
Expenses	(205,242)	(111,172)
Profit	<u>59,990</u>	<u>2,772</u>
Fixed assets	27,192	30,963
Current assets	60,989	57,273
Current liabilities	(29,860)	(19,579)
Long term liabilities	(10,000)	(80,326)
Net assets	<u>48,321</u>	<u>(11,669)</u>
Represented by:		
Share capital	-	-
Reserves	48,321	(11,669)
	<u>48,321</u>	<u>(11,669)</u>