

**SHEFFIELD CATHEDRAL CHAPTER**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2018**

# SHEFFIELD CATHEDRAL CHAPTER

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# SHEFFIELD CATHEDRAL CHAPTER

## REFERENCE AND ADMINISTRATIVE INFORMATION

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

### Cathedral Chapter, Cathedral Officers and Council during 2018

#### Members of the Cathedral Chapter

The Very Revd Peter Bradley DL, Chair  
The Revd Canon Christopher Burke  
The Revd Canon Keith Farrow  
Canon John Biggin (appointed by the Bishop)  
Mrs Helen Wragg (Churchwarden, elected by congregation)  
Mr Roy Wheeler (Churchwarden, elected by congregation)  
Dr David Fletcher (appointed by the Bishop)  
Mrs Pam Liversidge OBE, DL (appointed by the Bishop)  
Mr Anthony Vallance-Owen (appointed by the Bishop) *(Resigned in February 2019)*  
The Revd Canon Julie Upton (appointed by the Bishop)

#### Honorary Treasurer:

Canon John Biggin

#### Chief Operating Officer:

Ms Frances Joel

#### Architect:

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

#### Archaeologist:

Ms Liz Humble

#### Director of Music:

Mr Thomas Corns

#### Members of the Fabric Advisory Committee during 2018:

Professor Peter Fawcett, Chair  
Mr Graham Williams  
Mrs Elizabeth Walker  
Professor John Chilton

The Right Reverend Dr Timothy Ellis  
Mrs Emma Paragreen  
Mr Mike Hannon

#### Bankers:

Barclays Bank  
2-12 Pinstone Street  
Sheffield  
S1 2HN

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

#### Solicitors:

Mr Stewart Knox  
Thornton Jones  
30 Cheapside  
Wakefield WF1 2TF

# SHEFFIELD CATHEDRAL CHAPTER

## REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

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**Auditor:**

BHP LLP  
2 Rutland Park  
Sheffield S10 2PD

**Fund Managers:**

CCLA Investment Management Ltd  
80 Cheapside  
London EC2V 6DZ

**Members of the College of Canons during 2018:**

*Visitor*

The Bishop of Sheffield

*Chair*

The Dean of Sheffield

*The Residentiary Canons*

The Reverend Canon Christopher Burke  
The Reverend Canon Keith Farrow

*The Honorary Canons*

The Bishop of Doncaster  
The Bishop of Beverley  
The Bishop of Maidstone  
The Archdeacon of Sheffield and Rotherham  
The Archdeacon of Doncaster

The Right Reverend Peter Burrows  
The Right Reverend Glyn Webster  
The Right Reverend Rod Thomas  
The Venerable Malcolm Chamberlain  
The Venerable Steve Wilcockson

The Reverend Canon Christopher Barley  
The Reverend Canon Helen Bent  
The Reverend Canon David Bliss  
The Reverend Canon Neil Bowler  
The Reverend Canon Mark Cockayne  
Canon Dr Christine Gore (Lay Canon)  
The Reverend Canon Keith Hale  
The Reverend Canon Geoffrey Harbord  
Canon Professor Mike Higton (Lay Canon)  
The Reverend Canon Peter Ingram  
The Reverend Canon Richard Parker  
Canon Peter Rainford (Lay Canon)  
The Reverend Canon Ian Smith  
The Reverend Canon Julie Upton  
The Reverend Canon Mark Wigglesworth  
The Reverend Canon Paul Williams  
The Reverend Canon Mick Woodhead  
The Reverend Canon Lyn Wortley

*(Retired 2018)*

Canon Theologian

*Chaplain to the College of Canons*

The Reverend Captain Mike Reeder CA

*Ecumenical Canon*

Post automatically vacated on the appointment of the new Diocesan Bishop

# SHEFFIELD CATHEDRAL CHAPTER

## REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

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### Members of the Cathedral Council during 2018:

The Bishop of Sheffield	Visitor ( <i>in attendance</i> )
Mr Andrew Coombe	Chairman
The Very Reverend Peter Bradley, DL	Dean of Sheffield
Dr Giles Bloomer, DL	
Mr David Booker	
The Reverend Canon Christopher Burke	
The Reverend Canon Keith Farrow	
Professor Barry Hancock	
The Reverend Canon Geoffrey Harbord	
Mr Derwent Levick	
Dr Nigel Russell	
Mr David Wragg	
Mr David Trickett ( <i>elected at the 2018 APCM</i> )	

### Minor Canons

The Reverend Captain Mike Reeder CA  
The Reverend Captain Ian Maher CA

### Cathedral Curate and Pioneer Minister

The Reverend Dr Beth Keith (*moved on from the Cathedral in September 2018*)

# SHEFFIELD CATHEDRAL CHAPTER

## REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

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### Cathedral Staff

Ms Frances Joel*	Chief Operating Officer
Mr George Boylin	Finance Officer
Mr David Maw	Dean's Verger
Mr Paul Sewell	Canons' Verger
Mr Ben Elliott	Verger
Mr Jonathan Hewitt	Apprentice Verger ( <i>appointed March 2018, until January 2019</i> )
Ms Nicola Burgin	Dean's Administration Officer
Mrs Sarah Beardsmore	Chapter Clerk and Fundraising Officer
Ms Emma Gittins	Events Co-ordinator
Mrs Catherine Bannister	Canon Missioner's Administration Officer ( <i>until December 2018</i> )
Mr David Clark	Canon Precentor's Administration Officer
Mrs Christine Carrington	Volunteers' Manager and Disclosure and Barring Administrator
Ms Beverly O'Brien	Gift Shop Manager
Ms Ruth Maher	Coffee Shop and Events Manager
Mrs Debbie Martin	Coffee Shop and Events Assistant
Mr Thomas Corns*	Director of Music
Mr James Kealey	Interim Assistant Director of Music ( <i>until August 2018</i> )
Mr Joshua Stephens	Assistant Director of Music ( <i>appointed September 2018</i> )

\*Senior management team

### The Lay Clerks

Professor Jeremy Dawson  
Mr Edward Harvey  
Mr Stephen Henthorn  
Dr Nigel Russell  
Mr Tim Peters  
Ms Olivia Shotton

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT

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### 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.

#### 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 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 cooperation 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 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
- 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 he 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 2018, held an awayday elsewhere in the city and attended the APCM.

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 its law clerk, Mr Godfrey Smallman.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Review of Chapter's Priorities in 2018

2018 has been a year of many achievements – but perhaps most notably was the live television broadcast by the BBC on Easter day. This was an exciting occasion for the choirs, servers and all the congregation that took part and was watched by over 1.5 million people. It has been gratifying to receive letters from around the world, particularly from troubled areas such as Iraq, who watched the broadcast and shared in our celebration of Easter.

In September, we welcomed Mr Joshua Stephens back to the Cathedral as Assistant Director of Music. Josh was a chorister and then organ scholar here before taking up a position at Wells Cathedral. It is delightful to have him back at the Cathedral. As the accounts were being prepared, it was announced that Canon Christopher Burke had been preferred as the Archdeacon of Barking in the Diocese of Chelmsford. Chris will be supporting the Church in a very challenging but interesting area. Chapter wish to thank Chris for all that he has done as Canon for Learning and Development and then Precentor and Vice Dean. We wish Chris, Helen, Hannah and Laura well.

The departure of a Precentor seemed by Chapter a good time to step back and take stock of our worship and music. Chapter has decided to commission a review which will be undertaken by two nationally known consultants. This will aid the appointment of a new Precentor and will give us a secure basis for our fundraising for a new organ.

In 2018, the Cathedrals Working Group also published its report. Following the well-advertised financial difficulties and governance problems at two cathedrals in the south of England, the Archbishop of Canterbury commissioned a report into cathedrals. If adopted, the report proposes some significant changes to the governance of cathedrals. Chapter would be restructured and all Chapter appointments would be nominated, not elected, and the Diocesan Bishop would appoint a lay vice chair. The report also recommends the abolition of Cathedral Councils. The report will be debated by General Synod but is unlikely to receive Royal assent until 2021. Chapter has already introduced many small changes as recommended in the report.

As a result of the Working Group report, the Dean has been tasked with redrafting the Constitution and Statutes for cathedrals. He has also established with the Association of English Cathedrals, a peer review programme which will review the governance of every English cathedral.

Care of the Cathedral fabric continues to be a high priority for Chapter. In the year we have completed alterations to the Cathedral Square to remove the steps that had been problematic. This was funded with money from the Gateway Project. The work to renew the Cathedral's Nave and side aisle roofs was also completed in 2018 thanks to a major grant from the Department of Culture, Media and Sport First World War Centenary Cathedrals Repairs Fund. However, during exceptional weather in the autumn, we found that the work had not fixed some of the more persistent problems. The Architect has identified some small modifications which will be carried out in the spring to rectify the recurrent problems. While this work has addressed the most urgent problem areas a further £800,000 of work on other roofs must still be undertaken. Chapter will be seeking other sources of grant funding as opportunities arise to complete these works.

In order to diversify our income, the Chapter have launched a Patrons scheme. Those who participate have an opportunity to learn more about what happens in the Cathedral and engage with the heritage of our historic Cathedral. We have had modest uptake so far but hope to grow the scheme through 2019. At the end of 2018, we heard that we were successful in our application to the Cathedrals Sustainability Fund for a funded three-year Development Manager's post. Recruitment was underway as the accounts were prepared.

In September, The Revd Dr Beth Keith, our pioneer curate, left the Cathedral as her curacy had come to an end. She has recently been installed as Associate Vicar of All Saints Church, Ecclesall. We wish her well in her new ministry. The small community of worship, The Tuesday Gathering, that Beth set up is being supported by the Dean.

In the year Chapter noted with great sadness the passing of two Canon Emeritus; Reverend Canon Professor John Rogerson, former Canon Theologian, and Lay Canon Graham Murray who served the Sheffield Church Burgesses Trust, Diocese and County in many roles. Chapter also noted the death of Mrs Lydia Gladwin, wife of former Provost, now Bishop, John Gladwin.



# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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As ever, Chapter is completely reliant on our skilled staff to deliver our vision for the future. We are also very fortunate in being able to work with a large group of volunteers in every area of the Cathedral's ministry. This vibrant and engaged team enable us to have an impact far beyond what would otherwise be possible. Members of the public regularly comment on the genuine warmth of the welcome they receive in the Cathedral. Chapter would like to record our thanks to both staff and volunteers for all that they give us.

### **Management of risk**

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

- Effective fundraising at a challenging time for charitable organisations
- The loss of key members of staff and their attendant knowledge of the Cathedral
- Significant deterioration of the Cathedral fabric

One way in which Chapter has actively mitigated risk is through developing a good working relationship with the Cathedral's surveyor to ensure that the building is managed and cared for in a sustainable way mitigating the risk to the Cathedral fabric.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Relationships with other organisations

#### Cathedral Archer Project Ltd (CAP)

The Cathedral Archer Project is a separate registered charity that operates within the Cathedral building.

In the last year the challenge of homelessness in Britain has received a lot of attention. The numbers of people sleeping rough, the unknown number of people depending on friends, family or casual acquaintances for shelter (the hidden homeless) has featured in reports and articles and the prevalence of social drugs such as Spice has received a lot of negative press coverage.

All these issues are concerns locally as well as nationally. Most notable for the Cathedral Site has been the anti-social behaviour (ASB) related to Spice use. Spice is a highly potent drug. The ASB is an issue the Cathedral, the Cathedral Archer Project, local businesses and the Neighbourhood Policing Team, amongst others, have worked together on. At one point in 2018 the corner of the Cathedral Site nearest to Lloyds Bank was a constant source of complaints. At the Archer Project we were also concerned at the number of people drawn to the site who were openly selling Spice. The joint work has been effective in reducing the overall incidence of ASB but it hasn't removed it altogether.

The activity around Spice use has had a negative impact on our work at the project. Identifying dealers to try and exclude them from the area, attending to people who have overdosed, usually outside of the project, removing people caught smoking spice around the project are activities we haven't traditionally had to do. It means our focus on positive work with individuals is reduced. Nevertheless, there is a lot of positive news to include.

Our Just Works Programme has completed its second year and has grown greater than we expected. It offers employment opportunities to people who have come through the project or similar other projects. Alongside employment it looks at well-being with the aim that people in the programme lead a balanced life of employment, good social interactions and interests they can do outside of work hours. To date we have employed 23 people through the scheme of which 19 remain in employment. And there is a number of people participating on a voluntary basis. The cathedral has played its part by buying cleaning services from Just Works and we are looking at further ways we can collaborate.

Our Partner Programme is also achieving significant success. Through it people who first came to benefit from the Archer Project start to help us deliver our services. Our kitchen, for instance, is a hive of activity with just one paid member of staff. The rest are volunteers and the core of these are Partner Volunteers. We hope they all go on to employment.

The pathway into volunteering is an equally important stream of participation. Our activities focus on building relationships rather than skills. Over many years we have known that relationships help people to get over the things that led to homelessness in the first place. Trust is an important commodity that is frequently scarce in homeless circles, especially trust in establishments, and this includes charities too.

It is one of the reasons we have slowly embraced a psychologically informed approach. Our service is one where people can steadily change the way they see the rest of the world and where new ways of being can grow. The importance of realising and growing personal strengths has replaced identifying the things people do wrong. Just one example will make the point. We worked with a person who binged on alcohol every few weeks and when he did so he disappeared, and we worried about him. In working with him we asked what he thought his important issues were. He never mentioned alcohol. He was worried about his debts and not being able to pay his bills. So instead of working with alcohol services he worked with Christians Against Poverty. His binges reduced and he's now in paid employment. He felt valued by us. We gave him space to change and he used it.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Review of Activities

#### General

The Outputs of the Cathedral were achieved through incurring the following costs in 2018:

- Ministry - £536,920 (2017: £571,144) (including clergy costs and costs of music and other associated costs of worship)
- Education and Outreach - £89,951 (2017: £110,049)
- Cathedral and Precincts upkeep - £596,491 (2017: £646,076) (including maintenance, repairs, restoration, insurance, utilities and some salaries)
- Support costs included within the above activities £551,971 (2017: £618,544) (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 - £489,206 (2017: £496,896) (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 - £10,528 (2017: £6,300) (funding towards Choral tuition)
- The Church Commissioners - £223,479 (2017: £215,855) (funding for clergy pay and some lay staff costs)
- Congregational collections and giving - £124,375 (2017: £106,952)
- Income generated from, facility fees, investments, legacies, other grants, etc. - £128,997 (2017: £142,758)

The Cathedral business activities for generating funds produced a surplus of £18,327 (2017: £21,330)

#### Public benefit

Although not a requirement in planning their activities, the Chapter has had regard to the Charity Commissioners' 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.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Worship

By Statute the Cathedral celebrates the offices of Morning and Evening Prayer and offers the Eucharist each day. The regular pattern of services is currently:

- Sunday
  - 0800 Holy Communion (Book of Common Prayer 1662)
  - 0945 Morning Prayer
  - 1030 Sung Eucharist with sermon
  - 1600 Choral Evensong in choir term (Book of Common Prayer 1662)  
or Evening Prayer with Hymns (Common Worship)
  
- Monday - Friday
  - 0845 Morning Prayer
  - 1030 Holy Communion [Wednesday] (Book of Common Prayer 1662)
  - 1230 The Eucharist [except Wednesday]
  - 1745 Choral Evensong in choir term [Tuesday - Friday], or
  - 1630 Evening Prayer
  
- Saturday
  - 1000 Morning Prayer
  - 1030 The Eucharist
  - 1500 Evening Prayer

As in previous years the Cathedral has also welcomed the local Russian Orthodox community and the Sheffield German Lutheran congregation for their regular worship.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Congregational Life

Sheffield Cathedral is a community of believers called into worship and discipleship of Jesus Christ and to join the mission of God in service and evangelism.

The work of the Seniors' Group has continued throughout the year and the ever-popular film teas have grown so we now have two showings of each film. The work continues to be led by Captain Mike Collyer, Cathedral Evangelist. The Cathedral Toddler Group continues to attract nearly 50 toddlers and their carers each week during term time and is an opportunity for the young families to experience being part of the Cathedral community. We thank the Toddler Group volunteers for their continued support of this area of our ministry.

Through the year the Cathedral has connected with people from across the Diocese and the Ecumenical Church. In June, we held a beacon event for the national 'Thy Kingdom Come' celebrations at Pentecost. This was a vibrant gathering of people from across the Diocese representing the breadth of the Church of England. The annual safari supper and mince pie giveaway have provided opportunities for the Cathedral to share in fellowship with other city centre churches.

In 2018 we have continued to grow our interaction with a wide audience of people through our online presence. Canon Farrow works with a consultant from Appt to maintain the Cathedral's website and manage our social media profiles on Twitter, Facebook and Instagram. The culmination of the year was the Cathedral's online advent calendar offering thoughts, messages and giveaways to people that connected with it.

The Mission and Ministry Committee have continued to meet and reflect on the opportunities for mission amongst our own congregations. Many more people stay for coffee and cake after our Sunday morning Eucharist and this has grown into occasional congregational lunches which have been well attended.

### Other Events

The Cathedral continues to offer a varied programme of non-liturgical activities. In 2018 we welcomed lots of group visits and schools. We offer two curriculum-based visits for schools; 'Shiny Sheffield', exploring the history of Sheffield through the material heritage in the Cathedral, and the 'St Michael's Visit', using the imagery of angels to explore the Cathedral as a sacred space. Both have been well received. Outside of term time we have continued to engage families and children through our Rufus trails. Young visitors are equipped with a backpack filled with useful items to help them explore the Cathedral and Rufus, our character mouse, guides them on their visit. 2018 saw the launch of a new trail, the Pilgrim Trail, and the release of a range of Rufus merchandise in the gift shop.

We once again held a Heritage Open Day, this time focusing on the 'Extraordinary Women' in the Cathedral and Diocese who have influenced social welfare initiatives in the 20<sup>th</sup> Century. The interesting displays were well received by our heritage visitors. Over the summer, we also exhibited the Cathedral's recently acquired silver – a rare opportunity for our visitors to view ecclesiastical silver of regional and national significance from the Cathedral's collection.

We have continued to work closely with the University of Sheffield's Philosophy department through our lecture series 'God and the Good' bringing some high-profile speakers to the Cathedral. In 2018 our Philosopher in Residence has done some intensive work in the Archer Project and with various Cathedral groups.

A particular highlight of the year was Cathedral's commemoration of centenary of the end of the First World War. At dawn on 11 November a piper played Battles O'er to a crowd gathered outside the Cathedral and the Bishop presided at the Cathedral Eucharist with Requiem Mass. We also held a micro exhibition about Pte Albert Procter VC, the first serviceman to receive the Victoria Cross in the field. The Cathedral also joined with churches across the country in the 'There But Not There' project, featuring a life-sized Tommy silhouette in St George's Chapel, our military chapel. Visitors remarked how poignant it was.

# **SHEFFIELD CATHEDRAL CHAPTER**

## **THE CHAPTER'S ANNUAL REPORT - Continued**

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### **Sheffield Cathedral Enterprises Ltd**

For the Cathedral's trading subsidiary Sheffield Cathedral Enterprises Ltd, which operates 1554 coffee shop, the gift shop and provides catering for the meeting rooms and events, it has been a more challenging year.

In the Gift Shop, we have continued to develop the product range, particularly our selection of Sheffield products from local artisan and craft producers. We have also introduced a range of low-cost small items targeted at children which includes our Rufus merchandise.

The 1554 Coffee Shop had a new website in 2018 and, like the Cathedral, has continued to grow its online presence. Social media provides a useful marketing tool and the Coffee Shop team use its Twitter and Facebook profiles to grow its reach. 1554 also won another Westside Award in 2018, this time for 'Best Light Bite'.

Chapter thanks all of those working and volunteering for the Cathedral Enterprises.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Staff

There were the following staff changes during the year:

- 1 In March 2018, Mr Jonathan Hewitt was appointed as Apprentice Verger, he left the Cathedral in January 2019.
- 2 In August 2018, Mr James Kealey, Interim Assistant Director of Music, left the Cathedral.
- 3 In September 2018, Mr Joshua Stephens took up the post of Assistant Director of Music.
- 4 In December 2018, Mrs Catherine Bannister, Canon Missioner's Administration Officer, left the Cathedral.
- 5 In January 2019, Jonathan Hewitt, Apprentice Verger, left the Cathedral.

Chapter offer a generous provision whereby staff employed by Chapter at the end of December 2015 receive a pension contribution of 8% paid by the Cathedral into a good quality pension fund. Staff employed from January 2016 receive pension contributions of 3% from the Cathedral.

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. We would particularly like to record our thanks to the members of the team who have moved on in 2018.

### Chapter priorities for 2019

Chapter has identified the following priorities for its work in the coming years, 2019-2025:

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
- 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
- Increase 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
- 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
- Develop relationships with potential major donors
- Sustain a long-term legacy campaign

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### 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
- Consistently reporting on the impact of what we do
- 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**

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### **Financial Review**

#### **Reserves Policy**

The chapter policy is to maintain sufficient unrestricted reserves to cover 6 months expenditure. In 2018 we spent £1,160,409 out of Unrestricted Funds equating to £580,204 for a six month period. At 31 December 2018 free reserves totalled £446,289. Free reserves are the unrestricted general fund balance excluding designated funds and fixed assets net of associated loans.

The Chapter is taking action to diversify income streams and to monitor all expenditure in order to reach the required reserve in accordance with the above policy.

#### **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 £8,718 (2017: £8,377) in 2018. During the year there was an increase in value of £1,927 (2017 increase: £12,784).

Investments held in our Endowment Funds produced an income of £4,628 (2017: £3,232) in 2018. During the year there was a decrease in value of £1,747 (2017 increase: £8,636).

Investments held in our Restricted funds produced an income of £68 (2017: £100) in 2018. During the year there was a decrease in value of £29 (2017 decrease: £84).

# 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.

		2014	2015	2016	2017	2018
<b>Statement of Financial Activities</b>		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Total income</b>	Unrestricted Funds	346	426	484	487	486
	Restricted Funds	1,732	784	918	1,109	983
	Endowment	3	3	3	3	5
	<b>Total</b>	<b>2,081</b>	<b>1,213</b>	<b>1,405</b>	<b>1,599</b>	<b>1,474</b>
<b>Total expenditure on generating funds, mission and governance</b>	Unrestricted Funds	340	411	1,132	1,164	1,160
	Restricted Funds	2,110	848	193	428	331
	Endowments	-	-	-	-	-
	<b>Total</b>	<b>2,450</b>	<b>1,259</b>	<b>1,325</b>	<b>1,592</b>	<b>1,491</b>
<b>Net gains / (losses) on investments</b>	Unrestricted Funds	13	7	8	13	2
	Restricted Funds	-	-	-	-	-
	Endowments	4	1	1	9	(2)
	<b>Total</b>	<b>17</b>	<b>8</b>	<b>9</b>	<b>22</b>	<b>-</b>
<b>Net income / (expenditure) after transfers between funds</b>	Unrestricted Funds	19	20	22	6	(5)
	Restricted Funds	(378)	(64)	(62)	14	(11)
	Endowments	7	4	7	9	(1)
	<b>Total</b>	<b>(352)</b>	<b>(40)</b>	<b>91</b>	<b>29</b>	<b>(17)</b>
<b>Other recognised gain/(losses)</b>	Unrestricted Funds	130	55	-	-	155
	Restricted Funds	-	-	-	-	-
	Endowments	-	-	-	-	-
	<b>Total</b>	<b>130</b>	<b>55</b>	<b>-</b>	<b>-</b>	<b>155</b>
<b>Net increase/ (decrease) in funds</b>	Unrestricted Funds	149	75	22	6	150
	Restricted Funds	(378)	(64)	62	14	(11)
	Endowments	7	4	7	9	(1)
	<b>Total</b>	<b>(222)</b>	<b>15</b>	<b>91</b>	<b>29</b>	<b>138</b>
<b>Balance Sheet</b>		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Net Assets</b>	Unrestricted Funds	1,989	2,064	2,085	2,091	2,241
	Restricted Funds	(227)	(292)	(229)	(215)	(226)
	Endowments	99	104	111	120	119
	<b>Total</b>	<b>1,861</b>	<b>1,876</b>	<b>1,967</b>	<b>1,996</b>	<b>2,134</b>

In accordance with policy we have revalued the properties this year, resulting in a total gain of £155,260. The revaluation of investments has resulted in a total loss of £1,747.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### Review of financial performance - continued

Congregational giving and collections generally is a key element of our income and as such is monitored very carefully. Our congregational giving remains very generous and we are pleased to report that the total figure received including general giving and donations at £121k has almost achieved the demanding budget set for the year of £123k. The Stewardship campaign of Autumn 2017 has clearly influenced this result and this together with new donation boxes and the inauguration of the Patrons Scheme have all contributed to this success. The final figure as above represents an increase of 21% over the same figure last year. We were also fortunate to receive legacies of £5k.

Our major donor, The Sheffield Church Burgesses Trust, continues to provide a very generous donation to the Cathedral funds as well as paying for the full cost of insurance.

Overall responsibility for management of the Cathedral is vested in Ms Frances Joel as Chief Operating Officer and she is very ably assisted by the Finance Officer George Boylin. The deputy treasurer Mr Anthony Vallance-Owen has provided much support and advice in respect of all financial issues as well as being a member of Chapter and the Finance Committee and as a Director of Sheffield Cathedral Enterprises Ltd. Anthony resigned these roles in February 2019 following his departure from Sheffield and we owe him many thanks for his significant contribution to the affairs of the Cathedral.

The Cathedral management overall and at individual team level continue to monitor and control all aspects of expenditure to a very positive effect and total general expenditure is well within budget due to controlled cost savings and efficiency. We have continued the relevant training programmes for all staff with a view to extending individual role development as appropriate.

As is essential we continue to identify additional levels of Income in order to support the ever increasing costs of running the Cathedral while emphasising the importance of the mission of the Cathedral and ensuring that it is a place for all people. The net contribution from concerts, banquets, room lettings and school visits has fallen well short of our hopes in 2018 at a minimal level of £4k (budget £16k) compared with the actual figure for 2017 of £30k. Their result for 2018 is accounted for by difficulty in obtaining room lettings and limited use of the Cathedral for banquets and other functions. This matter is being addressed with optimism for major improvements in 2019.

Our wholly subsidiary company, Sheffield Cathedral Enterprises Ltd has had a mixed year:

The Cathedral Shop has now had the benefit of the full year of the new manager. Sales have been consistent although affected by the downturn in retail trade as experienced elsewhere. However, the stock has been rebalanced with the result that the sales in the pre-Christmas period were very buoyant. Lessons have been learnt and we look forward to continuing sales growth in 2019.

Sales in the 1554 Cathedral Café have been very satisfactory with growing customer numbers and increasing weekly sales. Certain direct cost control areas have been addressed and we are confident that sales will maintain the improving trend.

The surplus for the year is £6k compared with the deficit for 2017 of -£9k. We are now confident that this improvement will be extended into 2019 and will continue to attract considerable numbers of visitors to the Cathedral thus supporting its Mission.

The consolidated net surplus in respect of unrestricted funds (i.e. excluding the movement of restricted and endowment funds) is £25k before transferring £34k to restricted funds in respect of funds required to repay the Sheffield Diocesan loan of £32k and £2k in respect of the excess cost over restricted grants received. It should be noted that a similar transfer of £28k will be made annually as relating to the repayment of the Sheffield Diocesan loan referred to above.

In accordance with our accounting policy the properties included in unrestricted funds have been revalued as at 31 December 2018 showing a surplus over book value of £155k. A full valuation will be undertaken every 5 years with note taken of any material change in the interim period as indicated by the appropriate index.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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Later in this report comment is made concerning the main movement in the restricted funds.

With regard to the Consolidated Balance Sheet as at 31 December 2018 the trend continues to show an increase in the total fixed assets of the Cathedral albeit that this increase includes the surplus on revaluation of the properties referred to above.

For 2019 the Cathedral will maintain its high level of control of all its operational expenditure to ensure that a near breakeven budget is achieved. We will endeavour to increase all income streams as within Cathedral activities and also improve the contribution from Sheffield Cathedral Enterprises Ltd. This outcome cannot be achieved without the continuing generosity of all our donors with particular reference to the Sheffield Church Burgesses as referred to above.

As reported last year the general state of the Cathedral fabric as judged by the Cathedral architect is considered to be sound. The Gateway project was completed last year but this year further works have been undertaken to level the entrance steps necessary to avoid accident. The major repair to the roof has been completed with funds from the First World War Repair Fund. The balance brought forward on the Nave Roof fund from 2017 was £61k and for 2018 we have received further grants of £211k and expenditure of £261k leaving a balance of £11k carried forward

Funds held by the Cathedral now total £2,134k. Of this figure £2,241k is held in unrestricted funds. The restricted fund balance is in deficit of £226k made up of:

- (a) A deficit on the Cathedral Development Project of £407k funded by a loan from the Diocese of Sheffield
- (b) The balance being several restricted funds totalling £181k including the Gateway project of £33k, the Sam Hiller Memorial Fund of £57k and the Friends of Sheffield Cathedral of £20k

There are Endowment Funds amounting to £119k.

It should be noted that of the unrestricted funds of £2,241k the sum of £1,759k is invested in properties (net of loans due over 1 year) and plant. £36k of unrestricted funds have been set aside in designated funds. This leaves the sum of £446k of free unrestricted funds which fall well short of the policy whereby we should hold unrestricted funds of not less than 50% of our annual unrestricted expenditure.

The Chapter has affirmed its intention to plan and manage its finances in a responsible way with a view to ensuring that its expenditure incurred in running the Cathedral is matched by Income. Chapter also recognises that within its expenditure provision must be made to repay the annual repayment of the loan from the Diocese of Sheffield at the rate of £27,500 per year for the foreseeable future until the said loan is repaid in full. It is noted that all restricted expenditure must be paid from restricted income.

Chapter management is constantly examining new ideas for generating income whilst always being mindful of the Cathedral Mission.

The Chapter Finance Committee (consisting of the Dean, the Treasurer, the Deputy Treasurer, the Chief Operating Officer and the Finance Officer) meets monthly when all Financial reports are reviewed and variations from Budget are noted and necessary action taken. The Board of Sheffield Cathedral Enterprises Ltd meets quarterly but management accounts of that company are reviewed by the Finance Committee are monthly. Reports prepared following these meetings are submitted to Chapter which meets monthly.

The Cathedral annual Accounts are prepared in accordance with the direction of the 2015 Accounting and Reporting Guidelines as specified by the Church Commissioners, the body established by Parliament to manage the assets of the Church of England.

# SHEFFIELD CATHEDRAL CHAPTER

## THE CHAPTER'S ANNUAL REPORT - Continued

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### 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 the Cathedral is not exposed to undue risk. A new working contract has been agreed 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 accurate monitoring evidence is retained for audit by outside agencies if required.

The Strategic Framework is being used to guide Chapters 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**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER**

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#### **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 2018 which comprise the 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 2018, and of the group's 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 (February 2015) 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 charity 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent entity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **SHEFFIELD CATHEDRAL CHAPTER**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued**

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#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Accounting and Reporting Regulations for English Anglican Cathedrals (February 2015) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Chapters' Annual Report; or
- sufficient accounting records have not been kept; or
- the parent entity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Chapter**

As explained more fully in the Cathedral Chapter's responsibilities statement, the Chapter are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members 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 the members either intend to liquidate the group or the 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**

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

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

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

#### **Use of our report**

This report is made solely to members of Chapter, as a body, in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals (February 2015) 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 the 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 (Senior Statutory Auditor)

For and on behalf of  
BHP LLP

2 Rutland Park  
Sheffield  
S10 2PD

Date:

# SHEFFIELD CATHEDRAL CHAPTER

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Income and endowments from:</b>	(3)					
Donations and legacies		126,053	27,962	-	154,015	153,553
Grants in support of ministry		29,564	948,908	-	978,472	1,127,081
Charges and fees arising in the course of mission		81,019	-	-	81,019	59,844
Trading and fundraising		240,926	6,507	-	247,433	246,170
Investments		8,718	68	4,628	13,414	11,709
Other income		-	28	-	28	490
<b>Total income</b>		<b>486,280</b>	<b>983,473</b>	<b>4,628</b>	<b>1,474,381</b>	<b>1,598,847</b>
<b>Expenditure on:</b>	(4)					
Raising funds		231,520	-	-	231,520	224,840
Ministry		521,505	15,415	-	536,920	571,144
Education and outreach		74,951	15,000	-	89,951	110,049
Cathedral and precincts upkeep		332,433	264,058	-	596,491	646,076
Cathedral building developments		-	36,461	-	36,461	39,415
<b>Expenditure</b>	(5)	<b>1,160,409</b>	<b>330,934</b>	<b>-</b>	<b>1,491,343</b>	<b>1,591,524</b>
<b>Net (expenditure)/income before investment gains</b>		<b>(674,129)</b>	<b>652,539</b>	<b>4,628</b>	<b>(16,962)</b>	<b>7,323</b>
Net gains/(losses) on investments	(7)	1,927	(29)	(1,747)	151	21,336
<b>Net (expenditure)/income</b>		<b>(672,202)</b>	<b>652,510</b>	<b>2,881</b>	<b>(16,811)</b>	<b>28,659</b>
<b>Transfers between funds</b>						
Costs funded by restricted income	(18)	697,685	(697,685)	-	-	-
Costs funded by unrestricted income (14b)		(34,450)	34,450	-	-	-
Costs funded by endowment income (14a)		3,546	-	(3,546)	-	-
		(5,421)	(10,725)	(665)	(16,811)	28,659
<b>Other recognised gains/ (losses)</b>						
Non investment property	(8)	155,260	-	-	155,260	-
Non investment property - Church Commissioners Share	(13)	-	-	-	-	-
<b>Net movement in funds</b>		<b>149,839</b>	<b>(10,725)</b>	<b>(665)</b>	<b>138,449</b>	<b>28,659</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		2,090,855	(214,853)	119,716	1,995,718	1,967,059
<b>Total funds carried forward</b>		<b>2,240,694</b>	<b>(225,578)</b>	<b>119,051</b>	<b>2,134,167</b>	<b>1,995,718</b>

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 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Fixed assets</b>						
<b>Investment assets:</b>						
Investments	(7)	194,726	41,764	97,761	334,251	334,100
<b>Tangible fixed assets</b>						
Non investment property	(8)	1,875,000	-	-	1,875,000	1,719,740
Equipment and plant	(9)	45,894	8,826	-	54,720	66,401
<b>Total fixed assets</b>		<b>2,115,620</b>	<b>50,590</b>	<b>97,761</b>	<b>2,263,971</b>	<b>2,120,241</b>
<b>Current assets</b>						
Stock		38,590	-	-	38,590	18,255
Debtors	(10)	54,934	16,098	-	71,032	191,635
Cash at bank and in hand	(11)	310,658	132,790	21,290	464,738	518,464
<b>Total current assets</b>		<b>404,182</b>	<b>148,888</b>	<b>21,290</b>	<b>574,360</b>	<b>728,354</b>
<b>Liabilities due within one year</b>						
Creditors	(12)	(116,983)	(44,639)	-	(161,622)	(278,252)
<b>Net current assets</b>		<b>287,199</b>	<b>104,249</b>	<b>21,290</b>	<b>412,738</b>	<b>450,102</b>
<b>Total assets less current liabilities</b>		<b>2,402,819</b>	<b>154,839</b>	<b>119,051</b>	<b>2,676,709</b>	<b>2,570,343</b>
<b>Liabilities due after one year</b>						
Loans	(13)	(162,125)	(380,417)	-	(542,542)	(574,625)
<b>Total net assets</b>		<b>2,240,694</b>	<b>(225,578)</b>	<b>119,051</b>	<b>2,134,167</b>	<b>1,995,718</b>
<b>The funds of the Cathedral (14)</b>						
General fund		2,205,058	-	-	2,205,058	2,054,867
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		28,409	-	-	28,409	28,761
Organ fund		-	3,887	-	3,887	3,512
Chester Lecture		-	-	16,459	16,459	16,149
Music endowments		-	-	77,245	77,245	78,584
Cathedral Hall		-	-	25,347	25,347	24,983
Cathedral Development Project		-	(407,330)	-	(407,330)	(439,413)
Cathedral Gateway Project		-	33,213	-	33,213	67,027
Yorks & Lancs Regiment fund		-	7,353	-	7,353	7,983
Choir Tour Fund		-	15,581	-	15,581	7,798
Sing!		-	3,031	-	3,031	(607)
William Rowley Charity		-	2,385	-	2,385	2,346
Cathedral Toddler Group		-	567	-	567	571
Sam Hiller Memorial fund		-	56,967	-	56,967	56,967
Community Covenant		-	1,747	-	1,747	1,747
Choral Tuition		-	10,447	-	10,447	7,161
Bell fund		-	405	-	405	(7,958)
Maundy		-	5,830	-	5,830	5,830
Lighting		-	-	-	-	(2,747)
Nave roof		-	10,816	-	10,816	60,668
Painting Restoration		-	1,500	-	1,500	3,230
CCTV		-	8,826	-	8,826	11,032
HMS Sheffield Flag		-	(586)	-	(586)	-
Friends of Sheffield Cathedral		-	19,783	-	19,783	-
<b>Total Cathedral funds</b>		<b>2,240,694</b>	<b>(225,578)</b>	<b>119,051</b>	<b>2,134,167</b>	<b>1,995,718</b>

## **SHEFFIELD CATHEDRAL CHAPTER**

### **CONSOLIDATED BALANCE SHEET - continued AT 31 DECEMBER 2018**

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The financial statements on pages 25 to 51 were approved by the Cathedral Chapter on \_\_\_\_\_ and are signed on its behalf  
by:-

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**THE VERY REVEREND P BRADLEY**  
Dean of Sheffield

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**CANON J BIGGIN**  
Lay Treasurer

# SHEFFIELD CATHEDRAL CHAPTER

## CHAPTER BALANCE SHEET

AT 31 DECEMBER 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Fixed assets</b>						
<b>Investment assets:</b>						
Investments	(7)	194,726	41,764	97,761	334,251	334,100
<b>Tangible fixed assets</b>						
Non investment property	(8)	1,875,000	-	-	1,875,000	1,719,740
Equipment and plant	(9)	13,941	8,826	-	22,767	30,978
<b>Total fixed assets</b>		<b>2,083,667</b>	<b>50,590</b>	<b>97,761</b>	<b>2,232,018</b>	<b>2,084,818</b>
<b>Current assets</b>						
Stock		1,383	-	-	1,383	1,326
Debtors	(10)	147,035	16,098	-	163,133	273,825
Cash at bank and in hand	(11)	259,845	132,790	21,290	413,925	469,031
<b>Total current assets</b>		<b>408,263</b>	<b>148,888</b>	<b>21,290</b>	<b>578,441</b>	<b>744,182</b>
<b>Liabilities due within one year</b>						
Creditors	(12)	(84,159)	(44,639)	-	(128,798)	(250,066)
<b>Net current assets</b>		<b>324,104</b>	<b>104,249</b>	<b>21,290</b>	<b>449,643</b>	<b>494,116</b>
<b>Total assets less current liabilities</b>		<b>2,407,771</b>	<b>154,839</b>	<b>119,051</b>	<b>2,681,661</b>	<b>2,578,934</b>
<b>Liabilities due after one year</b>						
Loans	(13)	(162,125)	(380,417)	-	(542,542)	(574,625)
<b>Total net assets</b>		<b>2,245,646</b>	<b>(225,578)</b>	<b>119,051</b>	<b>2,139,119</b>	<b>2,004,309</b>
<b>The funds of the Cathedral (14)</b>						
General fund		2,210,010	-	-	2,210,010	2,063,458
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		28,409	-	-	28,409	28,761
Organ fund		-	3,887	-	3,887	3,512
Chester Lecture		-	-	16,459	16,459	16,149
Music endowments		-	-	77,245	77,245	75,584
Cathedral Hall		-	-	25,347	25,347	24,983
Cathedral Development Project		-	(407,330)	-	(407,330)	(439,413)
Cathedral Gateway Project		-	33,213	-	33,213	67,027
Yorks & Lancs Regiment fund		-	7,353	-	7,353	7,983
Choir Tour Fund		-	15,581	-	15,581	7,798
Sing!		-	3,031	-	3,031	(607)
William Rowley Charity		-	2,385	-	2,385	2,346
Cathedral Toddler Group		-	567	-	567	571
Sam Hiller Memorial fund		-	56,967	-	56,967	56,967
Community Covenant		-	1,747	-	1,747	1,747
Choral Tuition		-	10,447	-	10,447	7,161
Bell fund		-	405	-	405	(7,958)
Maundy		-	5,830	-	5,830	5,830
Lighting		-	-	-	-	(2,747)
Nave roof		-	10,816	-	10,816	60,668
Painting Restoration		-	1,500	-	1,500	3,230
CCTV		-	8,826	-	8,826	11,032
HMS Sheffield Flag		-	(586)	-	(586)	-
Friends of Sheffield Cathedral		-	19,783	-	19,783	-
<b>Total Cathedral funds</b>		<b>2,245,646</b>	<b>(225,578)</b>	<b>119,051</b>	<b>2,139,119</b>	<b>2,004,309</b>

# **SHEFFIELD CATHEDRAL CHAPTER**

## **CHAPTER BALANCE SHEET - continued AT 31 DECEMBER 2018**

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The financial statements on pages 25 to 51 were approved by the Cathedral Chapter on \_\_\_\_\_ and are signed on its behalf by:-

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**THE VERY REVEREND P BRADLEY**  
Dean of Sheffield

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**CANON J BIGGIN**  
Lay Treasurer

## SHEFFIELD CATHEDRAL CHAPTER

### CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2018

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	Note	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	(a)	<b>(67,140)</b>	40,475
<b>Cash flows from investing activities:</b>			
Investment income received net of costs		<b>13,414</b>	11,709
Purchase of property, plant and equipment		-	(27,190)
Purchase of investments		-	(40,000)
Net cash (used)/provided by investing activities		<b>13,414</b>	(55,481)
Change in cash and cash equivalents in the reporting period		<b>(53,726)</b>	(15,006)
Cash and cash equivalents at the beginning of the reporting period	(b)	<b>518,464</b>	533,470
Cash and cash equivalents at the end of the reporting period	(b)	<b>464,738</b>	518,464

## SHEFFIELD CATHEDRAL CHAPTER

### CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2018

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

	2018 £	2017 £
Net (expenditure)/income for the reporting period (as per the SOFA)	(16,962)	7,323
<b>Adjustments for:</b>		
Depreciation charges	11,681	8,174
Income from property and investments	(13,414)	(11,709)
(Increase)/decrease in stocks	(20,335)	(3,631)
(Increase)/decrease in debtors	120,603	(98,418)
Increase/(decrease) in creditors	(148,713)	138,736
Net cash provided by operating activities	<u>(67,140)</u>	<u>40,475</u>

(b) Analysis of cash and cash equivalents

Cash in hand	464,738	518,464
Total cash and cash equivalents	<u>464,738</u>	<u>518,464</u>



# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2018

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### 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 February 2015, as specified by the Church Commissioners under section 27 of the Cathedrals Measure 1999 and the Charities SORP ((FRS 102) as updated for Update Bulletin 1.) & 2.

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.

#### (b) 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.

#### (c) 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.

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.

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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### 1. Accounting Policies – continued

#### (c) Income - continued

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.

#### (d) Taxation

The Cathedral is subject to tax on some of its income. Income is stated gross of tax or net of tax as appropriate.

#### (e) 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.

#### (f) Cathedral buildings and the inventory

The Accounting and Reporting Regulations for English Anglican Cathedrals issued in February 2015 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.

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.

#### (g) 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.

#### (h) Tangible fixed assets

Fixed assets other than property are included at cost less depreciation which is calculated to write off fixed assets 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

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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### 1. Accounting Policies – continued

#### (h) Tangible fixed assets - continued

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.

#### (i) 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.

#### (j) 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.

#### (k) Cash and cash equivalents

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

#### (l) 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.

#### (m) 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.

#### (n) 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.

#### (o) Pension costs

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

**NOTES TO THE ACCOUNTS - continued**  
**YEAR ENDED 31 DECEMBER 2018**

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**1. Accounting Policies – continued**

**(p) 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. There are no 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.

**(q) 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 2018

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

	Unrestricted funds £	Restricted funds £	Endowment funds £	2017 Total funds £
<b>Income and Endowments from:</b>				
Donations and legacies	142,357	11,196	-	153,553
Grants in support of ministry	32,459	1,094,622	-	1,127,081
Charges and fees arising in the course of mission	59,844	-	-	59,844
Trading and fundraising	243,167	3,003	-	246,170
Investments	8,377	100	3,232	11,709
Other income	490	-	-	490
<b>Total Income</b>	<b>486,694</b>	<b>1,108,921</b>	<b>3,232</b>	<b>1,598,847</b>
<b>Expenditure on:</b>				
Raising funds	224,840	-	-	224,840
Ministry	512,692	58,452	-	571,144
Education and outreach	108,923	1,126	-	110,049
Cathedral and precincts upkeep	317,142	328,934	-	646,076
Cathedral building developments	-	39,415	-	39,415
<b>Expenditure</b>	<b>1,163,597</b>	<b>427,927</b>	<b>-</b>	<b>1,591,524</b>
<b>Net (expenditure)/income before investment gains</b>	<b>(676,903)</b>	<b>680,994</b>	<b>3,232</b>	<b>7,323</b>
Net gains/(losses) on investments	12,784	(84)	8,636	21,336
<b>Net (expenditure)/income</b>	<b>(664,119)</b>	<b>680,910</b>	<b>11,868</b>	<b>28,659</b>
<b>Transfers between funds</b>				
Costs funded by restricted income	672,751	(672,751)	-	-
Costs funded by unrestricted income	(6,144)	6,144	-	-
Costs funded by endowment income	3,232	-	(3,232)	-
	5,720	14,303	8,636	28,659
<b>Other recognised gains/ (losses)</b>				
Non investment property	-	-	-	-
Non investment property - Church Commissioners Share	-	-	-	-
<b>Net movement in funds</b>	<b>5,720</b>	<b>14,303</b>	<b>8,636</b>	<b>28,659</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	2,085,135	(229,156)	111,080	1,967,059
<b>Total funds carried forward</b>	<b>2,090,855</b>	<b>(214,853)</b>	<b>119,716</b>	<b>1,995,718</b>

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 3. INCOME AND ENDOWMENTS

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Donations and legacies</b>					
Legacies	5,000	-	-	5,000	41,588
Congregational collections and giving (3a)	121,053	3,322	-	124,375	106,952
Income from appeals and fundraising	-	24,640	-	24,640	4,718
Other	-	-	-	-	295
	<b>126,053</b>	<b>27,962</b>	<b>-</b>	<b>154,015</b>	<b>153,553</b>
<b>Grants in support of ministry</b>					
Church Commissioners	-	223,479	-	223,479	215,855
Church Burgesses Trust (15)	-	489,206	-	489,206	496,896
Church Burgesses					
Educational Foundation	-	10,528	-	10,528	6,300
Sheffield Diocesan Board of Finance	7,500	-	-	7,500	7,500
All Churches Trust	22,064	-	-	22,064	22,064
Sheffield City Council	-	4,000	-	4,000	-
Friends of Sheffield Cathedral	-	-	-	-	2,720
Other	-	-	-	-	2,895
Roof Alarm Grant	-	1,250	-	1,250	-
Heritage Lottery Fund	-	3,846	-	3,846	(6)
Roof Grant	-	171,411	-	171,411	308,589
Listed Places of Worship Grant	-	43,608	-	43,608	51,016
Cathedral Conference Grant	-	1,580	-	1,580	0
David Hepher Painting	-	-	-	-	2,220
CCTV Grant	-	-	-	-	11,032
	<b>29,564</b>	<b>948,908</b>	<b>-</b>	<b>978,472</b>	<b>1,127,081</b>
<b>Charges and fees arising in the course of the mission</b>					
Facility and other fees	81,019	-	-	81,019	59,844
	<b>81,019</b>	<b>-</b>	<b>-</b>	<b>81,019</b>	<b>59,844</b>

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS – continued YEAR ENDED 31 DECEMBER 2018

### 3. INCOME AND ENDOWMENTS - continued

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Trading and fundraising</b>					
Events held in the Cathedral	61,145	6,507	-	67,652	67,912
Commercial trading operations	179,781	-	-	179,781	178,258
	<u>240,926</u>	<u>6,507</u>	<u>-</u>	<u>247,433</u>	<u>246,170</u>
<b>Investments</b>					
Investments	8,718	68	4,628	13,414	11,709
	<u>8,718</u>	<u>68</u>	<u>4,628</u>	<u>13,414</u>	<u>11,709</u>
<b>Other income</b>					
Interest receivable on short term deposits	-	-	-	-	-
Other income	-	28	-	28	490
	<u>-</u>	<u>28</u>	<u>-</u>	<u>28</u>	<u>490</u>
<b>3a. Congregational collections and giving</b>					
Collections	12,591	1,518	-	14,109	15,816
Alms boxes	15,270	-	-	15,270	11,714
Donations	2,860	1,000	-	3,860	3,484
Patrons	4,015	-	-	4,015	1,000
Candles	14,661	-	-	14,661	14,461
Planned giving	59,189	804	-	59,993	52,014
Tax recoverable	12,467	-	-	12,467	8,463
	<u>121,053</u>	<u>3,322</u>	<u>-</u>	<u>124,375</u>	<u>106,952</u>

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 4. EXPENDITURE

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>Raising funds</b>					
Events and hospitality	57,249	-	-	57,249	37,990
Commercial trading operations	174,271	-	-	174,271	186,850
	<u>231,520</u>	<u>-</u>	<u>-</u>	<u>231,520</u>	<u>224,840</u>
<b>Ministry</b>					
Clergy stipends and working expenses	149,210	-	-	149,210	148,811
Clergy housing costs	31,112	-	-	31,112	28,165
Services and music	199,553	7,944	-	207,497	211,555
Support costs (5)	141,630	7,471	-	149,101	182,613
	<u>521,505</u>	<u>15,415</u>	<u>-</u>	<u>536,920</u>	<u>571,144</u>
<b>Education and outreach</b>					
Educational activities	189	15,000	-	15,189	4,417
Community Resource Centre	18,110	-	-	18,110	18,654
Charitable and other giving (4a)	-	-	-	-	30,000
Support costs (5)	56,652	-	-	56,652	56,978
	<u>74,951</u>	<u>15,000</u>	<u>-</u>	<u>89,951</u>	<u>110,049</u>
<b>Cathedral and precinct upkeep</b>					
Maintenance and interior upkeep	84,416	647	-	85,063	112,213
Cathedral insurance	77,206	-	-	77,206	74,896
Utilities	42,730	2,000	-	44,730	48,194
Salaries	43,103	-	-	43,103	39,758
Support costs (5)	84,978	261,411	-	346,389	371,015
	<u>332,433</u>	<u>264,058</u>	<u>-</u>	<u>596,491</u>	<u>646,076</u>



# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
<b>4. EXPENDITURE – continued</b>					
<b>Cathedral building developments</b>					
Cathedral gateway project	-	36,632	-	36,632	31,477
Support costs (5)	-	(171)	-	(171)	7,938
	-	36,461	-	36,461	39,415
<b>4a. Charitable and other giving</b>					
Contribution to Diocesan Funds (16)	-	-	-	-	30,000
	-	-	-	-	30,000
<b>4b. Support costs</b>					
Office expenses	61,514	3,685	-	65,199	77,954
Salaries	123,245	-	-	123,245	127,550
Other staff costs	-	-	-	-	13,151
Loan Interest	2,240	-	-	2,240	-
Public Relations	16,125	-	-	16,125	14,019
Legal and professional	18,304	261,240	-	279,544	313,969
Travel and subsistence	6,747	-	-	6,747	6,772
Staff training	14,608	1,580	-	16,188	15,041
Depreciation	6,006	2,206	-	8,212	4,862
IT running costs	23,894	-	-	23,894	33,710
Bank charges	1,027	-	-	1,027	1,082
Audit fees	9,550	-	-	9,550	9,270
Non audit fees	-	-	-	-	1,164
	283,260	268,711	-	551,971	618,544

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 5. Analysis of total expenditure including allocations of support costs

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total 2018 £	Total 2017 £
Raising funds	231,520	-	-	231,520	224,840
Ministry	387,819	-	149,101	536,920	569,085
Education and Outreach	33,299	-	56,652	89,951	110,049
Cathedral and precincts upkeep	250,102	-	346,389	596,491	647,834
Cathedral building developments	36,632	-	(171)	36,461	39,716
	<u>939,372</u>	<u>-</u>	<u>551,971</u>	<u>1,491,343</u>	<u>1,591,524</u>

### 6. Cathedral buildings and the inventory

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

There were no inventory transactions in 2018.

### 7. Investments

#### *Group and chapter*

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
At market value 1 January	192,799	41,793	99,508	334,100
Investments additions	-	-	-	-
Net increase/(decrease) on revaluation	1,927	(29)	(1,747)	151
	<u>194,726</u>	<u>41,764</u>	<u>97,761</u>	<u>334,251</u>

All investments are listed UK securities and comprise:

	£
UK property fund	79,360
UK investment funds	254,891
	<u>334,251</u>

The historical cost of the investments is £199,198 (2017: £199,198).

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 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	1,719,740	-	-	1,719,740
Revaluation	155,260	-	-	<b>155,260</b>
At valuation 31 December	<b>1,875,000</b>	-	-	<b>1,875,000</b>

Unrestricted funds comprise properties held for cathedral clergy housing and are stated at valuation.

The properties are held at current market value. A valuation was carried out by Fowler Sandford, Chartered Surveyors, dated 24 September 2018.

### 9. Equipment & plant

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Cost</b>				
At 1 January	223,498	11,032	-	234,530
Additions	-	-	-	-
At 31 December	<b>223,498</b>	<b>11,032</b>	-	<b>234,530</b>
<b>Depreciation</b>				
At 1 January	168,129	-	-	168,129
Depreciation for year	9,475	2,206	-	<b>11,681</b>
At 31 December	<b>177,604</b>	<b>2,206</b>	-	<b>179,810</b>
<b>Net book value</b>				
At 31 December 2018	<b>45,894</b>	<b>8,826</b>	-	<b>54,720</b>
At 31 December 2017	55,369	11,032	-	66,401

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 9. Equipment & plant - continued

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
<b>Cost</b>				
At 1 January	181,293	11,032	-	192,325
Additions	-	-	-	-
At 31 December	<b>181,293</b>	<b>11,032</b>	-	<b>192,325</b>
<b>Depreciation</b>				
At 1 January	161,347	-	-	161,347
Depreciation for year	6,005	2,206	-	<b>8,211</b>
At 31 December	<b>167,352</b>	<b>2,206</b>	-	<b>169,558</b>
<b>Net book value</b>				
At 31 December 2018	<b>13,941</b>	<b>8,826</b>	-	<b>22,767</b>
At 31 December 2017	19,946	11,032	-	30,978

### 10. Debtors

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Due from Church Burgesses					
Trust including CBEF	-	12,638	-	12,638	7,433
Trade debtors	33,981	2,460	-	36,441	46,899
Prepayments and other debtors	20,953	1,000	-	21,953	137,303
	<b>54,934</b>	<b>16,098</b>	-	<b>71,032</b>	191,635
<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Due from Church Burgesses					
Trust including CBEF	-	12,638	-	12,638	7,433
Trade debtors	22,277	2,460	-	24,737	44,318
Prepayments and other debtors	28,729	1,000	-	29,729	137,303
Amounts due from subsidiary undertakings	96,029	-	-	96,029	84,771
	<b>147,035</b>	<b>16,098</b>	-	<b>163,133</b>	273,825

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 11. Cash

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
CBF Deposit fund	4,208	-	11,255	15,463	15,463
Cash at bank and in hand	306,450	132,790	10,035	449,275	503,001
	<u>310,658</u>	<u>132,790</u>	<u>21,290</u>	<u>464,738</u>	<u>518,464</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
CBF Deposit fund	4,208	-	11,255	15,463	15,463
Cash at bank and in hand	255,637	132,790	10,035	398,462	453,568
	<u>259,845</u>	<u>132,790</u>	<u>21,290</u>	<u>413,925</u>	<u>469,031</u>

### 12. Creditors due within one year

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Accruals	116,983	17,139	-	134,122	250,752
Due to Diocese	-	27,500	-	27,500	27,500
	<u>116,983</u>	<u>44,639</u>	<u>-</u>	<u>161,622</u>	<u>278,252</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Accruals	84,159	17,139	-	101,298	222,566
Due to Diocese	-	27,500	-	27,500	27,500
	<u>84,159</u>	<u>44,639</u>	<u>-</u>	<u>128,798</u>	<u>250,066</u>

## SHEFFIELD CATHEDRAL CHAPTER

### NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

#### 13. Creditors due over one year

<i>Group and Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £	2017 Total funds £
Church Commissioners					
Loan	<b>140,011</b>	-	-	<b>140,011</b>	140,011
Share of revaluation reserve					
Brought forward	<b>22,114</b>	-	-	<b>22,114</b>	22,114
Movement in year	-	-	-	-	-
Carried forward	<b>22,114</b>	-	-	<b>22,114</b>	22,114
Total	<b>162,125</b>	-	-	<b>162,125</b>	162,125
Diocese	-	<b>380,417</b>	-	<b>380,417</b>	412,500
	<b>162,125</b>	<b>380,417</b>	-	<b>542,542</b>	574,625

#### Church Commissioners

There is an Equity Sharing Loan from the Church Commissioners of £142,942 in respect of 49 Broomgrove Road. £162,125 of the above loan is due to the Church Commissioners in respect of their share of the revaluation. Interest is charged on the loan at a rate of 5.20% per annum, to be increased each January in line with the Retail Price Index for the past year.

No capital repayments are to be made until the property is sold or it has ceased to be occupied by a qualifying person.

#### 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 will be 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, including the value linked loans, fall due as follows:

	Diocese £	Church Commissioners £	Total £
Between 1 and 2 years	<b>27,500</b>	-	<b>27,500</b>
Between 2 and 5 years	<b>110,000</b>	-	<b>110,000</b>
After 5 years	<b>242,917</b>	<b>162,125</b>	<b>405,042</b>
	<b>380,417</b>	<b>162,125</b>	<b>542,542</b>

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 14. Statement of funds

#### (a) Endowment funds *Group and Chapter*

	Permanent		Expendable		Total £
	Chester Lecture £	Music Endowments £	Music Endowments £	Cathedral Hall £	
At 1 January	16,149	66,830	11,754	24,983	<b>119,716</b>
Income	497	-	3,546	585	<b>4,628</b>
Expenditure	-	-	-	-	-
Increase/(decrease) in market value of investments	(187)	(839)	(500)	(221)	<b>(1,747)</b>
Transfer to unrestricted funds	-	-	(3,546)	-	<b>(3,546)</b>
At 31 December	<b>16,459</b>	<b>65,991</b>	<b>11,254</b>	<b>25,347</b>	<b>119,051</b>

#### 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.

#### 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.

#### Cathedral Hall Wostenholme Memorial Fund

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

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 14. The funds of the Cathedral - continued

#### (b) Restricted funds

<i>Group and Chapter</i>	At 1 January 2018 £	Income £	Expenditure £	Transfers £	Gains on investments £	At 31 December 2018 £
Church Commissioners (note 18)	-	223,479	-	(223,479)	-	-
Church Burgesses Trust (note 18)	-	474,206	-	(474,206)	-	-
Church Burgesses Trust – Mission	-	15,000	(15,000)	-	-	-
Cathedral Development Project	(439,413)	-	-	32,083	-	(407,330)
Cathedral Gateway Project	67,027	4,636	(38,450)	-	-	33,213
York & Lancaster Regiment	7,983	-	(630)	-	-	7,353
Choir Fund	7,798	8,259	(476)	-	-	15,581
Sing!	(607)	3,711	(73)	-	-	3,031
Choral tuition	7,161	10,528	(7,242)	-	-	10,447
William Rowley Charity	2,346	68	-	-	(29)	2,385
Sam Hiller Memorial fund	56,967	-	-	-	-	56,967
Toddler Group	571	251	(255)	-	-	567
Organ fund	3,512	204	171	-	-	3,887
Community Covenant	1,747	-	-	-	-	1,747
Bell Fund	(7,958)	8,544	(181)	-	-	405
Maundy	5,830	-	-	-	-	5,830
Lighting	(2,747)	1,000	(620)	2,367	-	-
Friends of Sheffield Cathedral	-	19,783	-	-	-	19,783
Painting Restoration	3,230	-	(1,730)	-	-	1,500
Nave roof	60,668	210,974	(260,826)	-	-	10,816
CCTV Grant	11,032	-	(2,206)	-	-	8,826
Cathedral Conference	-	1,580	(1,580)	-	-	-
Roof Alarm	-	1,250	(1,250)	-	-	-
HMS Sheffield Flag	-	-	(586)	-	-	(586)
<b>Total Restricted funds</b>	<b>(214,853)</b>	<b>983,473</b>	<b>(330,934)</b>	<b>(663,235)</b>	<b>(29)</b>	<b>(225,578)</b>

#### (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 2018

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- (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) **Toddler Group**  
Weekly donations from the group are used to fund and equip the weekly group.
- (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) **Bell Fund**  
This fund represents money which has been raised for the purchase of a further bell.
- (15) **Maundy**  
Income from donors to support the costs of the Royal Maundy visit which included the purchase of new chairs, vestments and other items. Donors included the Church Burgesses, AD Laver, All Churches Trust, Hugh Neill Charity, James Neill Trust Fund, Irwin Mitchell, Whitecourt Charity, OSL Group Holdings, Westfield, DLA Piper, Friends of Sheffield Cathedral and a number of anonymous donors.
- (16) **Lighting**  
The lighting fund is for relighting of the crypt and the Chapel of the Holy Spirit.
- (17) **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.
- (18) **Painting Restoration**  
Money raised for the restoration of the David Hopher painting.

## SHEFFIELD CATHEDRAL CHAPTER

### NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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#### 14. The funds of the Cathedral - continued

**(19) Nave Roof**

Centenary of the First World War Cathedral Repair Fund granted £480,000 for the replacement of the nave and side aisle roofs.

**(20) CCTV Grant**

Grant for renewals of the CCTV at the Cathedral.

**(21) Cathedral Conference**

A grant from the AEC for the Cathedral conference in Manchester in September 2018.

**(22) Roof Alarm**

A grant towards the installation of a roof alarm.

**(23) HMS Sheffield Flag**

Funds given by the HMS Sheffield Association to pay for the installation in May 2019 of the Jack Staff and Union Jack from HMS Sheffield into St George's Chapel. Funds will be received in 2019 upon completion of the project.

**(c) Unrestricted funds**

	<b>General fund</b>	<b>Deanery fund</b>	<b>Music fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January	2,054,867	28,761	7,227	2,090,855
Income	486,280	-	-	486,280
Expenditure	(1,160,409)	-	-	(1,160,409)
Gains on investments	1,927	-	-	1,927
Gain on revaluation of property	155,260	-	-	155,260
Transfer from Deanery fund	352	(352)	-	-
Transfer from Endowments	3,546	-	-	3,546
Transfer from restricted funds	697,685	-	-	697,685
Transfer to restricted funds	(34,450)	-	-	(34,450)
At 31 December	<b>2,205,058</b>	<b>28,409</b>	<b>7,227</b>	<b>2,240,694</b>

**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. The transfer during the year is for works carried out on the property.

**Music fund**

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

# SHEFFIELD CATHEDRAL CHAPTER

## NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

### 14. The funds of the Cathedral - continued

#### Summary of unrestricted funds

	At 1 January 2018 £	Income £	Expenditure £	Transfers £	Gains on revaluations £	At 31 December 2018 £
<b>Designated funds</b>						
Deanery Fund	28,761	-	-	(352)	-	28,409
Music Fund	7,227	-	-	-	-	7,227
	<u>35,988</u>	<u>-</u>	<u>-</u>	<u>(352)</u>	<u>-</u>	<u>35,636</u>
<b>General funds</b>						
General funds	2,063,459	306,499	(984,268)	667,133	157,187	2,210,010
Sheffield Cathedral Enterprises	(8,592)	179,781	(176,141)	-	-	(4,952)
	<u>2,054,867</u>	<u>486,280</u>	<u>(1,160,409)</u>	<u>667,133</u>	<u>157,187</u>	<u>2,205,058</u>
<b>Total unrestricted funds</b>	<u>2,090,855</u>	<u>486,280</u>	<u>(1,160,409)</u>	<u>667,781</u>	<u>157,187</u>	<u>2,240,694</u>

### 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:

	2018 £	2017 £
Grant for maintenance, divine worship and administration	474,206	456,896
One off grants	15,000	40,000
Total support	<u>489,206</u>	<u>496,896</u>

## SHEFFIELD CATHEDRAL CHAPTER

### NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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#### 16. Transactions with the Diocese

	2018 £	2017 £
Contributions paid to Diocesan Funds (included as charitable giving in the Statement of Financial Activities)	-	30,000

At the year end there is an interest-bearing loan due to the Diocese of £407,917 (2017: £440,000) (notes 12 and 13).

#### 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 £19,596 (2017: £19,639). No contributions were outstanding at the year end (2017: £Nil). This excludes clergy pension costs paid directly by the Church Commissioners.

#### 18. Transfers between funds - costs funded by restricted income

	2018 £
Clergy stipends and working expenses	149,210
Salaries	160,965
Clergy housing costs	31,112
Church maintenance and interior upkeep	84,415
Church utilities	42,730
Cathedral insurance	77,206
Travel and subsistence	6,747
Staff training	14,608
Public relations	16,125
Information technology	23,894
Office expenses	61,331
Contribution to Diocesan fund	-
Professional fees	18,304
Services and music	11,038
	<u>697,685</u>
<b>Funded by:</b>	
Church Burgesses (note 14b)	474,206
Church Commissioners (note 14b)	223,479
	<u>697,685</u>

## SHEFFIELD CATHEDRAL CHAPTER

### NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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19. Employees	2018 No.	2017 No.
The average number of employees during the year was:-		
Clergy	3	3
Lay and administration	14	13
Lay Clerks and Choral Scholars	9	9
Pensioners	1	1
Casual Workers	1	3
	<hr/> 25	<hr/> 29
	<hr/> <hr/>	<hr/> <hr/>
The total full time equivalent number of employees during the year was:		
	<hr/> 25	<hr/> 29
	<hr/> <hr/>	<hr/> <hr/>
Total staff costs, including clergy stipends, include the following:		
	2018 £	2017 £
Clergy stipends (note 20)	92,413	90,781
Salaries	440,869	434,844
Employer's national insurance	29,342	27,385
Pension contributions	50,342	49,375
Apprenticeship levy	403	292
	<hr/> 613,369	<hr/> 602,677
	<hr/> <hr/>	<hr/> <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.

Key management personnel are deemed to be those having authority and responsibility delegated to them by the trustees for planning, directing and controlling activities of the Chapter.

During 2018 they were:

Chief Operating Officer	Frances Joel
Director of Music	Thomas Corns

## SHEFFIELD CATHEDRAL CHAPTER

### NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2018

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#### 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.

	<b>Stipend</b> £	<b>Pension</b> £
The Very Revd P Bradley	36,549	11,825
The Revd Canon C Burke	27,932	9,460
The Revd Canon Farrow	27,932	9,460
	<hr/> <b>92,413</b> <hr/>	<hr/> <b>30,745</b> <hr/>

The clergy stipends are fully funded by the Church Commissioners. These financial statements show the matching income and expenditure relating to this funding (see note 18).

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 £24,264 which includes travel, subsistence and home office costs (2017: £29,129).

During the year 6 Chapter members donated £5,305 to the Cathedral (2017: 4 members: £3,250).

The total amount of employee benefits received by senior management personnel is £95,362 (2017: £87,028). The Cathedral Chapter considers its senior management team to be as disclosed in the Reference and Administration details on page 5.

#### **Cathedral Archer Project Ltd (CAP)**

Canon John Biggin, the Cathedral Treasurer, has been an observer at CAP Board meetings during 2017. During the year the CAP occupied part of the CRC and the Cathedral is due to receive £37,500 (2017: £17,500) for the lease of the premises and a £12,171 (2017: £13,212) 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.

#### 21. Commitments

The Cathedral Chapter had no capital commitments at the year end (2017: £nil).

## **SHEFFIELD CATHEDRAL CHAPTER**

### **NOTES TO THE ACCOUNTS - continued** **YEAR ENDED 31 DECEMBER 2018**

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#### **22. Contingent liabilities**

The Cathedral Chapter has, both in the current and prior years, 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 period when these conditions should continue to be met runs up to 1 March 2022. In the event that the conditions are not met in the future, then the Cathedral Chapter may be required to repay certain of 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 and that active monitoring exists to be able to demonstrate the ongoing achievement of the outcomes to the funding bodies. 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, which is incorporated in the United Kingdom, pays all its profits to the charity by gift aid.