

SHEFFIELD CATHEDRAL CHAPTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

SHEFFIELD CATHEDRAL CHAPTER

CONTENTS

	Page
Reference and administrative information	2 - 5
Chapter's annual report	6 - 20
Independent auditor's report	20 – 22
Statement of financial activities	23
Consolidated balance sheet	24 – 25
Chapter balance sheet	26 – 27
Consolidated statement of cash flows	28 – 29
Notes to the accounts	30 – 55

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION

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

Cathedral Chapter, Cathedral Officers and Council during 2019

Members of the Cathedral Chapter

The Very Revd Peter Bradley DL, Dean
The Revd Canon Christopher Burke, Vice Dean *(Resigned, May 2019)*
The Revd Canon Keith Farrow, Vice Dean *(Appointed, December 2019)*
Canon John Biggin (appointed by the Bishop)
Mrs Helen Wragg (Churchwarden, elected by congregation) *(Term of office ended, April 2019)*
Mrs Angela Rees (Churchwarden, elected by congregation) *(Elected at APCM, April 2019)*
Mr Roy Wheeler (Churchwarden, elected by congregation)
Dr David Fletcher (appointed by the Bishop)
Mrs Pam Liversidge, DL, OBE (appointed by the Bishop)
Mr Anthony Vallance-Owen (appointed by the Bishop) *(Resigned, February 2019)*
The Revd Canon Julie Upton (appointed by the Bishop)
Canon Jack Cooper (appointed by the Bishop) *(Appointed April 2019)*

Honorary Minor Canons

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

Honorary Cathedral Evangelist

Captain Michael Collyer, CA

Honorary Cathedral Readers

Professor Peter Ashworth
Ms Eunice Coates

Cathedral Wardens

Mrs Helen Wragg *(Term of office ended, April 2019)*
Mrs Angela Rees *(Elected at APCM, April 2019)*
Mr Roy Wheeler *(First elected 2014)*

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, MCIfA, IHBC

Director of Music / Master of the Music:

Mr Thomas Corns *(Resigned as Director, October 2019)*
Mr Joshua Stephens *(Appointed as Master, March 2020)*

Cathedral Safeguarding Adviser:

Ms Cherryl Henry-Leach

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the Fabric Advisory Committee during 2019:

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

Accountants and Auditors:

BHP LLP
Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

Fund Managers:

CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Members of the Cathedral Council during 2019:

The Bishop of Sheffield

Visitor (*in attendance*)

The Lord Lieutenant

Chair

The Very Reverend Peter Bradley, DL

Dean

Dr Giles Bloomer, DL

Mr David Booker

The Reverend Canon Christopher Burke

(*Resigned, May 2019*)

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

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the College of Canons during 2019:

<i>Visitor</i>	The Bishop of Sheffield
<i>Chair</i>	The Dean of Sheffield
<i>The Residentiary Canons</i>	
The Reverend Canon Christopher Burke	<i>(Resigned, May 2019)</i>
The Reverend Canon Keith Farrow	
<i>The Honorary Canons</i>	
The Bishop of Doncaster	The Right Reverend Peter Burrows <i>(Retired, 2019)</i>
The Bishop of Beverley	The Right Reverend Glyn Webster
The Bishop of Maidstone	The Right Reverend Rod Thomas
The Archdeacon of Sheffield and Rotherham	The Venerable Malcolm Chamberlain
The Archdeacon of Doncaster	The Venerable Steve Wilcockson <i>(Retired, 2019)</i>
The Reverend Canon Christopher Barley	
The Reverend Canon Helen Bent	<i>(Resigned, February 2019)</i>
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)	Canon Theologian
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	

Chaplain to the College of Canons

The Reverend Captain Mike Reeder CA

Ecumenical Canon

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

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Cathedral Staff

Ms Frances Joel	Chief Operating Officer*
Mr George Boylin	Finance Manager (<i>Resigned, December 2019</i>)
Mrs Sarah Hardy	Finance Manager (<i>Appointed, January 2020</i>)
Mr David Maw	Dean's Verger
Mr Paul Sewell	Canons' Verger
Mr Ben Elliott	Verger
Mr Jonathan Hewitt	Apprentice Verger (<i>Resigned, January 2019</i>)
Mr Kevin Hill	Caretaker and Events Facilitator (<i>Appointed, April 2019; resigned, March 2020</i>)
Mr Patrick Fitzsimons	Caretaker and Events Facilitator (<i>Appointed, April 2019</i>)
Ms Nicola Burgin	Dean's Administration Officer
Miss Sally Davies	COO's Assistant, Chapter Clerk and DBS Administrator (<i>Appointed, April 2019</i>)
Mrs Sarah Beardsmore	Chapter Clerk and Fundraising Officer (<i>Resigned, September 2019</i>)
Ms Emma Gittins	Events Co-ordinator
Mrs Christine Moorey	Canon Missioner's Administration Officer (<i>Appointed, August 2019</i>)
Mr David Clark	Canon Precentor's Administration Officer
Mrs Christine Carrington	Volunteer Manager
Mr Ben Rossi	Development Manager (<i>Appointed, July 2019</i>)
Mr Thomas Corns	Director of Music * (<i>Resigned, October 2019</i>)
Mr Joshua Stephens	Assistant Director of Music (<i>to March 2020</i>)
	Master of the Music * (<i>Appointed, March 2020</i>)
Ms Cheryl Henry-Leach	Cathedral Safeguarding Adviser

*Senior management team

Lay Clerks

Professor Jeremy Dawson	
Mr Edward Harvey	
Mr Stephen Henthorn	(<i>Resigned, August 2019</i>)
Dr Nigel Russell	
Mr Tim Peters	(<i>Resigned, August 2019</i>)
Ms Olivia Shotton	(<i>Resigned, August 2019</i>)
Mr Alexei Winter	(<i>Appointed, September 2019; resigned, January 2020</i>)

Sheffield Cathedral Enterprises Staff

Ms Beverly O'Brien	Gift Shop Manager
Ms Ruth Maher	Coffee Shop and Events Manager
Mrs Debbie Martin	Coffee Shop and Events Assistant

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT

Structure, governance and management

Governing Statutes

The Cathedral is governed by the Constitution and Statutes for Sheffield Cathedral which came into effect on 13th April 2000 and were drawn up under the Cathedrals Measure 1999.

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 co-operation with the Dean to further the work of the Cathedral – spiritual, pastoral, evangelistic, social and ecumenical – reviewing and advising upon the direction and oversight of that work by the Chapter. The College of Canons receives the annual report and audited accounts of the Cathedral, elects the Diocesan Bishop, and discusses any matters concerning the Cathedral as may be raised by any of its members.

The Chapter consists of:

- the Dean, ex officio
- up to four Residentiary Canons, ex officio, one of whom may be appointed Vice Dean
- one lay person appointed by the Bishop after consultation with the Dean, having particular expertise in financial matters, as Treasurer
- two lay persons elected by the annual church meeting from those who are or have been Churchwardens of the Cathedral
- 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 2019, 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 Law Clerk to the Trust, Mr Ian Potter.

During the year Mr Godfrey Smallman, now the Reverend Godfrey Smallman following his ordination as deacon, retired after many years' service as the Law Clerk to the Trust. The Chapter and the Dean wish to record their thanks to Mr Smallman for the warm professional relationship which he sustained with the Cathedral during this time.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Draft Cathedrals Measure

The governance, accountabilities, and structure of English cathedrals have been reviewed by a panel set up by the Archbishops, and their recommendations approved by General Synod. A draft measure is expected to be approved by General Synod during 2020, to receive Royal Assent in 2021. The measure will include a provision so that in part cathedrals will be regulated by the Charity Commission. The Cathedral Council will lose its current role.

The Dean is a Proctor in Convocation and is working closely with the implementation group to draft model statutes for all English cathedrals to enact the new provisions. Chapter is establishing a transition team to assist in the transition to the new structures in Sheffield.

The Cathedral is not yet regulated by the Charity Commission. Nevertheless, as a matter of good practice, Chapter is fully participating in the Commission's provision for the reporting of critical incidents.

Review of Chapter's Priorities in 2019

Chapter has begun a major arts programme to engage the Diocese, city and region in a new way. The programme will run for three years, in collaboration with *Lux Muralis*, a company which has worked with several other cathedrals. Much of the year was spent in detailed planning in order to create a customised event to communicate our core mission of welcome and worship. This was supported by an extensive media campaign.

The first event in the series, *The Angels are Coming*, took place on 4th to 8th December. A team of technicians led by the artist, Peter Walker, used the interior and exterior of the Cathedral as a backdrop for a light and sound installation telling the story of Christmas. This engaged many hundreds of people who were visiting the Cathedral for the first time, and fed back to us that they were moved by the experience. A team of 120 volunteers working closely with the Cathedral staff managed the event, from welcome and crowd control, to chaplaincy. 11,500 people visited—a remarkable achievement for our first event. Following a review of *The Angels*, Chapter committed to the whole three year programme.

One element in the success of *The Angels* was the Cathedral's sustained, robust relationship with regional print and broadcast media. Social media engagement continues to grow remarkably—over 4,000 followers on Facebook, and over 5,000 on Twitter, and 1,500 on Instagram.

The Reverend Canon Chris Burke, our Precentor and Vice Dean left the Cathedral to become Archdeacon of Barking in the Diocese of Chelmsford. Chapter wishes him well in his new ministry.

There were three small exhibitions about three people who influenced the Cathedral and region: the legacy of Provost Jarvis in the rebuilding of the Cathedral in the 1930s; the Reverend Albert Proctor VC, the first person to receive the VC on the field of battle from the monarch, George V, in 1915, and who is buried in the Chapel of All Saints; and for the National Heritage Open Day, we curated an exhibition about Anna Louise Burrows. Mrs Burrows, the wife of the first Bishop of Sheffield, was known for her remarkable work among disadvantaged women of the County. A lecture by Dr Helen Mathers about Josephine Butler, an Anglican feminist and campaigner for women's rights.

Our productive relationship with the Department of Philosophy, *God and the Good: thinking religion and ethics*, continued with a further series of lectures, by Dr Alister McGrath (University of Oxford) on science, ethics and religion; by the Bishop on the Church's contribution to the common good; and by Dr John Gray (LSE) on religion, ethics and the good life, taking a particularly pointed approach to this topic for Christians.

Worship and music in the Cathedral are at the heart of our mission, and Chapter decided that 2019 would be an opportune time to take stock of these core activities. Chapter therefore commissioned an external review by two nationally known consultants. The consultants consulted many stakeholders, including the congregations and leaders in the wider community. Chapter received their report in June 2019; it included many detailed proposals, and some broad principles for future development. In particular, Chapter was encouraged to work much more closely with Choir parents and chaperones. Chapter accepted the report in full, and have used to shape the role of a new Precentor. Our renewed vision gives us a secure basis for fundraising for a new organ.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

As part of a commitment to public accountability, all English cathedrals have invited the Social Care Institute for Excellence (SCIE), an experienced national agency, to carry out a detailed review of cathedral safeguarding. In preparation, Chapter commissioned an external review from a safeguarding consultant. He produced a very detailed report and action plan for Chapter; this was implemented at pace and proved its worth when SCIE considered our processes and documents during November. The full SCIE report was received in December and is now on the Cathedral website. Chapter has produced a second implementation plan for the first half of 2020 to ensure that the findings are implemented in full. Chapter wishes to record its thanks to the Chief Operating Officer, Fran Joel, and the Cathedral Safeguarding Advisor, Cheryl Henley-Leach, for leading us through this complex process so effectively.

Care of the Cathedral fabric remains of course a high priority for Chapter. It became clear that remedial work on the recently completed work on the roof of the side aisles of the Nave would be necessary, and this was completed. As always, we are grateful to the Cathedral Surveyor, James Swann, who is appointed by the Church Burgesses Trust, for his support.

In late 2018, we had been successful in an application to the Church Commissioners' Cathedrals Sustainability Fund. This was to meet the costs of employing a Development Manager. In 2019, Ben Rossi, a highly experienced fundraiser, was appointed; he has already led new work on the Patrons Scheme and scoped out our ambitions for commercial sponsorship.

We marked the retirement of the Bishop of Doncaster, the Right Reverend Peter Burrows, by inviting him to preside at the Cathedral Eucharist on the Sunday before his retirement. Chapter made a presentation to Bishop Peter; he leaves with our thanks and good wishes.

As we write in May 2020, Chapter note with great sadness the death of the Reverend Canon Patrick Coughlan, Canon Emeritus, from Coronavirus. Patrick worked as a weekday chaplain in the Cathedral, and his loss is keenly felt by the Cathedral community.

Chapter wishes to thank Sarah Beardsmore, the Chapter Clerk, who left during the year to take up a new post in the Diocese. Chapter is only able to achieve its vision through a committed staff team, and a large number of volunteers in every area of the Cathedral's ministry. 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.

Staff

There were several staff changes during the year:

- 1 In January 2019, Mr Jonathan Hewitt, apprentice verger, left the Cathedral.
 - 2 In August 2019, Mr Stephen Henthorn, lay clerk, left the Cathedral.
 - 3 In August 2019, Mr Tim Peters, lay clerk, left the Cathedral.
 - 4 In August 2019, Ms Olivia Shotton, lay clerk, left the Cathedral.
 - 5 In August 2019, Mr Stephen Henthorn, lay clerk, left the Cathedral.
 - 6 In September 2019, Mrs Sarah Beardsmore, Chapter Clerk and fundraising office, left the Cathedral.
 - 7 In October 2019, Mr Thomas Corns, Director of Music, left the Cathedral.
 - 8 In December 2019, Mr George Boylin, finance manager, left the Cathedral.
-
- 1 In April 2019, Mr Kevin Hill, caretaker and events facilitator, joined; he subsequently left for a new post in March 2020.
 - 2 In April 2019, Miss Sally Davies joined the Cathedral as COO's assistant, Chapter Clerk, and DBS administrator.
 - 3 In July 2019, Mr Ben Rossi joined the Cathedral as development manager.
 - 4 In August 2019, Mrs Christine Moorey, Canon Missioner's administration officer, joined the Cathedral.
 - 5 In November 2019, Mr Joshua Stephens, Assistant Director of Music, was appointed Acting Director on the resignation of Mr Thomas Corns; Mr Stephens was subsequently appointed Master of the Music in March 2020.
 - 6 In January 2020, Mrs Sarah Hardy joined the Cathedral as finance manager.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

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 2019.

Worship

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

Chapter is reviewing the pattern of sung services in the Cathedral. The current pattern is set out here.

Sunday

0800 Holy Communion (Book of Common Prayer)
0930 Morning Prayer
1030 Sung Eucharist with sermon
1600 Choral Evensong, during Choir term (Book of Common Prayer 1662)
Evening Prayer with Hymns, during Choir holidays (Common Worship)

Monday

0845 Morning Prayer
1230 The Eucharist
1630 Evening Prayer

Tuesday

0845 Morning Prayer
1230 The Eucharist
1730 Choral Evensong

Wednesday

0845 Morning Prayer
1030 Holy Communion (Book of Common Prayer)
1630 Evening Prayer

Thursday

0845 Morning Prayer
1230 The Eucharist
1630 Evening Prayer

Friday

0845 Morning Prayer
1230 The Eucharist
1730 Sung Compline

Saturday

1000 Morning Prayer
1030 The Eucharist
1500 Evening Prayer

On the first Saturday of each month Cathedral has also welcomed the local Russian Orthodox parish for their regular liturgy.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Congregational Life

Sheffield Cathedral is a Christian community called to worship and discipleship at the heart of Diocese and region.

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, and we have run a discipleship course for Seniors based on the Church of England Pilgrimage materials. The work continues to be ably led by Captain Mike Collyer, the Honorary Cathedral Evangelist. During the year, following a renewed risk assessment, the Cathedral Toddler Group took the difficult decision to continue in a different venue. We thank the Toddler Group volunteers for their continued leadership of this provision.

The Cathedral has contributed to the work of ecumenical partners, co-ordinated by the City Centre Ministers' Group. In June, we held a beacon event for the *Thy Kingdom Come* celebration of Pentecost. This was a vibrant gathering of people from across the Diocese representing the breadth of the Church of England. The annual safari supper provided an opportunity for the Cathedral strengthen our relationship with other city centre churches.

The Mission and Ministry Committee has continued to plan opportunities for mission. We now offer occasional congregational lunches which are popular and have been well attended. The new Cathedrals Measure invites us to reconsider the role of the Mission and Ministry Committee, and a review of the committee's terms of reference has begun.

Mrs Helen Wragg has continued to develop the work of the art and spirituality group. Mrs Wragg stepped down this year, having completed her term of six years as a Cathedral Warden. Chapter and the congregation marked this service with a presentation.

A fuller record of congregational life is found in the booklet which is prepared for consideration by the Annual Parochial Meeting.

Schools

We offered two curriculum-based education sessions: *Shiny Sheffield* exploring the history of Sheffield through the material heritage of the Cathedral, and a second programme using our sacred art to explore the Cathedral as a sacred space. Both have been well received. Outside term time we 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.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Chapter priorities for 2020

Chapter has identified the following priorities for its work in the coming years, 2020-2025:

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
- Set up a new Cathedral endowment fund, to provide for our needs in the long-term

4 To fulfil our governance and safeguarding responsibilities

We will do this by

- Continuing our investment in safeguarding, fully implementing any findings from the forthcoming independent review of our provision
- Responding imaginatively to the Cathedrals Working Group Report, by putting in place a new governance and delivery structure to meet our changing needs, with a new constitution and statutes
- Reporting in a timely way to stakeholders, and consistently seeking their perspectives on our work
- Maintaining accurate and up to date reporting, including to Charity Commissioners
- Involving clergy, staff, volunteers, and congregations in a structured approach to developing and delivering annual work plans.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of Activities

General

The Outputs of the Cathedral were achieved through incurring the following costs in 2019:

- Ministry - £609,783 (2018: £536,920) (including clergy costs and costs of music and other associated costs of worship)
- Education and Outreach - £92,900 (2018: £89,951)
- Cathedral and Precincts upkeep - £381,318 (2018: £596,491) (including maintenance, repairs, restoration, insurance, utilities and some salaries)
- Support costs included within the above activities £385,232 (2018: £551,971) (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 - £486,134 (2018: £489,206) (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 - £10,472 (2018: £10,528) (funding towards Choral tuition)
- The Church Commissioners - £223,194 (2018: £223,479) (funding for clergy pay and some lay staff costs)
- Congregational collections and giving - £148,013 (2018: £124,375)
- Income generated from, facility fees, investments, legacies, other grants, etc. - £170,636 (2018: £207,949)

The Cathedral business activities for generating funds produced a surplus of £30,601 (2018: £15,913).

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.

Management of risk

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

- Financial control during a challenging time for all charitable organisations
- The loss of key members of staff and their attendant knowledge of the Cathedral
- Significant deterioration of the Cathedral fabric
- Loss of public trust

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

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

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 very successful year with substantial growth in visitors and income.

In the gift shop we have extended and improved the product range which has been well received by its customers, including children.

The 1554 Coffee shop is experiencing a growing and regular customer base who provide very positive comment on the service we offer and the excellent quality and variety of food and beverages. During the year there have been some very prestigious awards and these together with the use of the Website, Facebook and Twitter have extended our marketing reach.

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

Relationships with other organisations

Cathedral Archer Project (CAP)

In 2019 the project focused on restructuring the way it delivered its services. The establishment of the Just Works Programme in 2017, which gave us the ability to get people into paid employment, meant we had developed a journey from street homelessness to a settled life in employment. The restructure has helped us to rationalise this journey into three stages.

1. Engagement: working with people who remain involved in street activity, such as rough sleeping, begging and being part of groups who share and use alcohol and drugs in and around the city centre. Our aim is to build relationships with individuals that enables them to move away from this activity.
2. Stabilisation: working with those who demonstrate routines and regular life patterns. This can be as small as coming to the project at the same time everyday, or coming to use a particular service, e.g. the city council's housing advice clinic at the project. We support people to strengthen and build on routines. There are various ways of doing this but essentially it involves encouraging people to be involved in more activities and to look at their health and wellbeing.
3. Fulfilment: those who have become quite stable need to think about moving beyond the activities we offer. Employment is one way of achieving this but our main focus is getting people to develop relationships and interests that get people to look beyond homeless services.

The project's strategy going forward is built around these three streams. We will strengthen the way we deliver each and look at the ways people transition from one to the next.

We were awarded Homeless Link's Excellence Award as Social Enterprise of the Year for one of our employment projects, Printed By Us. The Cathedral Shop stocks some of its produce. The award is the icing on the cake as Printed By Us had already demonstrated its usefulness in developing new skills and the motivation that is essential if people are to move away from homelessness once and for all.

The downside of 2019 was a struggle to increase donations to support the services we have developed. We had to review our fundraising activities and reduce our costs. The focus changed to include more on-line fundraising. We ended 2019 in a poor financial state but our on-line activity started to increase donations from December 2019. Early increases in 2020 have been helped by generous donations to our appeal as Covid-19 affected all our lives. At the time of writing we have improved our finances and are confident of ending 2020 with adequate reserves.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

The lockdown has severely affected the work we do. It posed a significant threat to those who were street homeless and providing basic services (food, showers, toilets and the use of telephones) meant that it was important we remained open as the city centre closed down. We have been able to do that and by working with other agencies we ensured that people already in accommodation received food as well as providing a 7 day per week service to those who remained on the street.

Financial Review

Reserves Policy

The chapter policy is to maintain sufficient unrestricted reserves to cover 6 months expenditure. In 2019 we spent £1,308,376 out of Unrestricted Funds equating to £654,188 for a six-month period. At 31 December 2019 free reserves totalled £383,791. 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 £9,195 (2018: £8,718). During the year there was an increase in value of £19,496 (2018 increase: £1,927)

Investments held in our Endowment Funds produced an income of £3,783 (2018: £4,628). During the year there was an increase in value of £18,286 (2018 decrease: £1,747)

Investments held in our Restricted funds produced an income of £1031 (2018: £68) in 2019. During the year there was an increase in value of £7,812 (2018: decrease £29)

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.

		2015	2016	2017	2018	2019
Statement of Financial Activities		£'000	£'000	£'000	£'000	£'000
Total income	Unrestricted Funds	426	484	487	486	607
	Restricted Funds	784	918	1,109	983	775
	Endowment	3	3	3	5	4
	Total	1,213	1,405	1,599	1,599	1,386
Total expenditure on generating funds, mission and governance	Unrestricted Funds	411	1,132	1,164	1,160	1,308
	Restricted Funds	848	193	428	331	99
	Endowments	-	-	-	-	-
	Total	1,259	1,325	1,592	1,491	1,407
Net gains / (losses) on investments	Unrestricted Funds	7	8	13	2	19
	Restricted Funds	-	-	-	-	8
	Endowments	1	1	9	(2)	18
	Total	8	9	22	-	45
Net income / (expenditure) after transfers between funds	Unrestricted Funds	20	22	6	(5)	(26)
	Restricted Funds	(62)	14	14	(11)	31
	Endowments	4	7	9	(1)	19
	Total	(17)	91	29	(17)	24
Other recognised gain/(losses)	Unrestricted Funds	55	-	-	155	-
	Restricted Funds	-	-	-	-	-
	Endowments	-	-	-	-	-
	Total	55	-	-	155	-
Net increase/ (decrease) in funds	Unrestricted Funds	75	22	6	150	(26)
	Restricted Funds	(62)	62	14	(11)	31
	Endowments	4	7	9	(1)	19
	Total	15	91	29	138	24
Balance Sheet		2015	2016	2017	2018	2019
		£'000	£'000	£'000	£'000	£'000
Net Assets	Unrestricted Funds	2,064	2,085	2,091	2,241	2,214
	Restricted Funds	(292)	(229)	(215)	(226)	(194)
	Endowments	104	111	120	119	138
	Total	1,876	1,967	1,996	2,134	2,158

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

Congregational giving and collections generally is a key element of our income and as such is monitored very closely. Congregational giving remains very generous and the total figure including general donations was £126k compared with £121k last year representing an increase of 4% and is also in line with a very demanding budget. Within this figure is the amount received from our Patrons following the inauguration of our Patrons Scheme in 2018. There is much to do to extend and grow the impact of this scheme which is now under the control of our grant aided fund raiser who is making considerable progress. We were also fortunate to receive £12,900 in unrestricted legacies and £15,000 in restricted legacies

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. Up until November 2019 she was supported by the Finance Manager George Boylin who left to take up alternative employment. In January 2020 Mrs Sarah Hardy was appointed as the new Finance Manager and she brings considerable experience and expertise to the role.

The Cathedral management overall and at the individual level continues to monitor and control all aspects of expenditure with the result that overall, the general level of expenditure fell well within budget. It should be noted that during the year it was necessary to improve our safeguarding procedures and also prepare for the required external SCIE audit of safeguarding within the Cathedral. External consultancy was required resulting in a cost of £25,000 in excess of budgeted expenditure during the year. This excess cost is charged within overall expenditure.

It remains essential that we develop additional levels of income by using the facilities of the Cathedral whilst maintaining the requirement for the Cathedral to be a place for all people. Concerts, banquets, events in the nave, and school visits play a large part in this development the income of which is increasing but growth in these areas remains a challenge. Net contribution from these activities amounted to £15k which fell short of budget by £7k.

In December we held a new and exciting venture in the Cathedral being an external and internal light show named "The Angels are Coming". This attracted about 12,000 visitors many of whom had never been in the Cathedral. This was a great success both for the Mission of the Cathedral and also provided some much-needed net income of about £10k.

Our wholly subsidiary company Sheffield Cathedral Enterprises Ltd has had a very satisfactory year. The surplus for the year is £16k compared with the equivalent figure in 2018 of £4k. Both the Cathedral shop and the 1554 Café have both performed very well with an increasing loyal customer base resulting in total sales of £205k which is an increase of 22% over 2018. This growth follows increased numbers of visitors to the Cathedral and to the shop and 1554 Café thus supporting its Mission and financial success.

The consolidated net surplus in respect of unrestricted funds (i.e. excluding the movement in restricted and endowment funds) is £1k before transferring the sum of £27k to restricted funds to allow for the annual repayment of the loan to the Diocese of Sheffield. It should be noted that a similar amount will be required each year mater. The balance of this loan as at 31 December 2019 is £380k.

In accordance with our accounting policy the properties included in unrestricted funds are revalued every 5 years. The last revaluation took place on 31 December 2018 and only material changes are noted in the intervening years.

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 2019 the trend continues to show an increase in the total assets of the Cathedral.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Our plans for 2020 included the maintenance of a high level of control of operational expenditure as well as the increase in income streams as within the Cathedral itself and by increasing the contribution from Sheffield Cathedral Enterprises Ltd. However, all these plans have been interrupted by the incidence of the worldwide pandemic identified as Covid 19. A separate comment on this matter is included below.

It is confirmed that the general state of the Cathedral fabric is judged by the Cathedral Architect as being sound. The Quinquennial report has been submitted by the Architect and recommendations considered carefully. However, the Report does not identify any major immediate work nor any major requirements over the next 5 years. Routine requirements will be incorporated within the relevant budget.

Funds held by the Cathedral now total £2,158k. Of this figure £2,214k is held in unrestricted funds. The restricted fund balance is in deficit of £195k made up of:

- (a) A deficit on the Cathedral Development Project of £388k funded by a loan from the Diocese of Sheffield
- (b) The balance being several funds totalling £193k

There are Endowment Funds amounting to £138k.

It should be noted that of the unrestricted funds of £2,214k the sum of £36k has been set aside in designated funds and £1,795k is invested in properties (net of loans due over 1 year) and plant. This leaves the sum of £383k 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.

Impact of Covid-19

The outbreak of Covid-19 giving rise to a world pandemic resulted in the closure of the Cathedral on 16th March 2020. Immediate consideration was given to the financial impact on the Cathedral and the consequent risks. In accordance with Government proposals the majority of the staff were put on Furlough and action was taken to apply for the grants available from the Government Job Retention Scheme. This, together with continuing grant support from The Sheffield Church Burgesses Trust and the Church Commissioners in addition to a rigorous control of all expenditure means that Chapter can be confident that the Cathedral has the ability to continue to operate as a going concern. A further forecast will be completed to assess the effect on the finances of the Cathedral depending on its reopening and the expected impact on its affairs thereafter and including the following year. It is not expected that such forecast will impact negatively on the going concern status.

The Chapter Finance Committee (consisting of the Dean, the Treasurer, the Chief Operating Officer and the Finance Manager) 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 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

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

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 2019 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Chapter balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent entity's affairs as at 31 December 2019, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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.

Material uncertainty related to going concern

We draw attention to note 1b in the financial statements which discusses the Chapter's assessment of the impact of the COVID-19 pandemic on the entity. These events and conditions, along with the other matters as set forth in note 1b indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

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

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

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

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

Responsibilities of Chapter

As explained more fully in the Cathedral Chapter's responsibilities statement, 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

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. 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 (December 2018) specified by the Church Commissioners under section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the members of 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 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Income and endowments from:	(3)					
Donations and legacies		141,309	42,859	-	184,168	154,015
Grants in support of ministry		32,500	727,802	-	760,302	978,472
Charges and fees arising in the course of mission		79,970	-	-	79,970	81,019
Trading and fundraising		344,132	3,592	-	347,724	247,433
Investments		9,195	1,031	3,783	14,009	13,414
Other income		-	-	-	-	28
Total income		607,106	775,284	3,783	1,386,173	1,474,381
Expenditure on:	(4)					
Raising funds		315,764	1,359	-	317,123	231,520
Ministry		556,987	52,796	-	609,783	536,920
Education and outreach		92,855	45	-	92,900	89,951
Cathedral and precincts upkeep		342,674	38,644	-	381,318	596,491
Cathedral building developments		96	6,520	-	6,616	36,461
Expenditure	(5)	1,308,376	99,364	-	1,407,740	1,491,343
Net (expenditure)/income before investment gains		(701,270)	675,920	3,783	(21,567)	(16,962)
Net gains/(losses) on investments	(7)	19,497	7,812	18,286	45,595	151
Net (expenditure)/income		(681,773)	683,732	22,069	24,028	(16,811)
Transfers between funds						
Costs funded by restricted income	(18)	679,328	(679,328)	-	-	-
Costs funded by unrestricted income (14b)		(26,527)	26,527	-	-	-
Costs funded by endowment income (14a)		2,696	-	(2,696)	-	-
		(26,276)	30,931	19,373	24,028	(16,811)
Other recognised gains/ (losses)						
Non investment property	(8)	-	-	-	-	155,260
Non investment property - Church Commissioners Share	(13)	-	-	-	-	-
Net movement in funds		(26,276)	30,931	19,373	24,028	138,449
Reconciliation of funds:						
Total funds brought forward		2,240,694	(225,578)	119,051	2,134,167	1,995,718
Total funds carried forward		2,214,418	(194,647)	138,424	2,158,195	2,134,167

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 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	214,222	49,576	116,047	379,845	334,251
Tangible fixed assets						
Non investment property	(8)	1,900,239	-	-	1,900,239	1,875,000
Equipment and plant	(9)	56,877	6,620	-	63,497	54,720
Total fixed assets		2,171,338	56,196	116,047	2,343,581	2,263,971
Current assets						
Stock		40,200	-	-	40,200	38,590
Debtors	(10)	118,350	30,000	-	148,350	71,032
Cash at bank and in hand	(11)	190,915	133,998	22,377	347,290	464,738
Total current assets		349,465	163,998	22,377	535,840	574,360
Liabilities due within one year						
Creditors	(12)	(144,260)	(61,924)	-	(206,184)	(161,622)
Net current assets		205,205	102,074	22,377	329,656	412,738
Total assets less current liabilities		2,376,543	158,270	138,424	2,673,237	2,676,709
Liabilities due after one year						
Loans	(13)	(162,125)	(352,917)	-	(515,042)	(542,542)
Total net assets		2,214,418	(194,647)	138,424	2,158,195	2,134,167
The funds of the Cathedral (14)						
General fund		2,178,782	-	-	2,178,782	2,205,058
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		28,409	-	-	28,409	28,409
Chester Lecture		-	-	19,729	19,729	16,459
Music endowments		-	-	89,250	89,250	77,245
Cathedral Hall		-	-	29,175	29,175	25,347
Cathedral Development Project		-	(380,415)	-	(380,415)	(407,330)
Cathedral Gateway Project		-	27,383	-	27,383	33,213
Yorks & Lancs Regiment fund		-	7,353	-	7,353	7,353
Choir Tour Fund		-	20,188	-	20,188	15,581
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	13,146	-	13,146	10,447
Cathedral Toddler Group		-	-	-	-	567
William Rowley Charity		-	10,267	-	10,267	2,385
Sam Hiller Memorial fund		-	57,907	-	57,907	56,967
Organ fund		-	8,785	-	8,785	3,887
Community Covenant		-	1,747	-	1,747	1,747
Bell fund		-	405	-	405	405
Maundy		-	1,580	-	1,580	5,830
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hephher Painting Restoration		-	1,500	-	1,500	1,500
Nave roof		-	9,716	-	9,716	10,816
Sustainability Fund		-	(19,434)	-	(19,434)	-
CCTV		-	6,620	-	6,620	8,826
HMS Sheffield Flag		-	791	-	791	(586)
Tony Elvis Legacy		-	15,000	-	15,000	-
Total Cathedral funds		2,214,418	(194,647)	138,424	2,158,195	2,134,167

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED BALANCE SHEET - continued AT 31 DECEMBER 2019

The financial statements on pages 25 to 56 were approved by the Cathedral Chapter on _____ and are signed on its behalf
by:-

THE REVD CANON KEITH FARROW
Vice Dean of Sheffield

CANON J BIGGIN
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

CHAPTER BALANCE SHEET

AT 31 DECEMBER 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	214,222	49,576	116,047	379,845	334,251
Tangible fixed assets						
Non investment property	(8)	1,900,239	-	-	1,900,239	1,875,000
Equipment and plant	(9)	17,000	6,620	-	23,620	22,767
Total fixed assets		2,131,461	56,196	116,047	2,303,704	2,232,018
Current assets						
Stock		2,583	-	-	2,538	1,383
Debtors	(10)	213,873	30,000	-	243,873	163,133
Cash at bank and in hand	(11)	117,396	133,998	22,377	273,771	413,925
Total current assets		333,807	163,998	22,377	520,182	578,441
Liabilities due within one year						
Creditors	(12)	(99,392)	(61,924)	-	(161,316)	(128,798)
Net current assets		234,415	102,074	22,377	358,866	449,643
Total assets less current liabilities		2,365,876	158,270	138,424	2,662,570	2,681,661
Liabilities due after one year						
Loans	(13)	(162,125)	(352,917)	-	(515,042)	(542,542)
Total net assets		2,203,751	(194,647)	138,424	2,147,528	2,139,119
The funds of the Cathedral (14)						
General fund		2,168,115	-	-	2,168,115	2,210,010
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		28,409	-	-	28,409	28,409
Chester Lecture		-	-	19,729	19,729	16,459
Music endowments		-	-	89,520	89,250	77,245
Cathedral Hall		-	-	29,175	29,175	25,347
Cathedral Development Project		-	(380,415)	-	(380,415)	(407,330)
Cathedral Gateway Project		-	27,383	-	27,383	33,213
Yorks & Lancs Regiment fund		-	7,353	-	7,353	7,353
Choir Tour Fund		-	20,188	-	20,188	15,581
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	13,146	-	13,146	10,447
Cathedral Toddler Group		-	-	-	-	567
William Rowley Charity		-	10,267	-	10,267	2,385
Sam Hiller Memorial fund		-	57,907	-	57,907	56,967
Organ fund		-	8,785	-	8,785	3,887
Community Covenant		-	1,747	-	1,747	1,747
Bell fund		-	405	-	405	405
Maundy		-	1,580	-	1,580	5,830
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hephher Painting Restoration		-	1,500	-	1,500	1,500
Nave roof		-	9,716	-	9,716	10,816
Sustainability fund		-	(19,434)	-	(19,434)	-
CCTV		-	6,620	-	6,620	8,826
HMS Sheffield Flag		-	791	-	791	(586)
Tony Elwis Legacy		-	15,000	-	15,000	-
Total Cathedral funds		2,203,751	(194,647)	138,424	2,147,528	2,139,119

SHEFFIELD CATHEDRAL CHAPTER

CHAPTER BALANCE SHEET - continued AT 31 DECEMBER 2019

The financial statements on pages 25 to 56 were approved by the Cathedral Chapter on _____ and are signed on its behalf
by:-

THE REVD CANON KEITH FARROW
Vice Dean of Sheffield

CANON J BIGGIN
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Cash flows from operating activities:			
Net cash used by operating activities	(a)	(65,769)	(39,640)
Cash flows from investing activities:			
Investment income received net of costs		14,009	13,414
Purchase of property, plant and equipment		(45,063)	-
Net cash (used)/provided by investing activities		(31,054)	13,414
Cash flows from financing activities			
Repayment of loan		(20,625)	(27,500)
Net cash (used)/provided by investing activities		(20,625)	(27,500)
Change in cash and cash equivalents in the reporting period		(117,448)	(53,726)
Cash and cash equivalents at the beginning of the reporting period	(b)	464,738	518,464
Cash and cash equivalents at the end of the reporting period	(b)	347,290	464,738

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2019

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

	2019 £	2018 £
Net (expenditure)/income for the reporting period (as per the SOFA)	(21,567)	(16,962)
Adjustments for:		
Depreciation charges	11,047	11,681
Income from property and investments	(14,009)	(13,414)
(Increase)/decrease in stocks	(1,610)	(20,335)
(Increase)/decrease in debtors	(77,318)	120,603
Increase/(decrease) in creditors	37,687	(121,213)
Net cash utilised in operating activities	<u>(65,769)</u>	<u>(39,640)</u>

(b) Analysis of cash and cash equivalents

Cash in hand	347,290	464,738
Total cash and cash equivalents	<u>347,290</u>	<u>464,738</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies

(a) Basis of preparation

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

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

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

The financial statements are prepared in £ sterling which is the functional currency of the Cathedral.

(b) Going concern

Chapter have considered the impact of COVID-19 on the entity's income and operating cost base. They have prepared forecasts of income and expenditure and cash flow for the period to 31 December 2021 which shows that they have sufficient reserves and cash to be able to continue for the foreseeable future. However, these forecasts are based on a number of assumptions which are sensitive to the future impact of Covid-19 restrictions and social distancing measures. Chapter will continue to monitor the impact on income and take appropriate action as necessary.

Chapter recognise the uncertainty around future income generation and the inherent risk regarding the success and sustainability of future plans. This risk represents a material uncertainty which may cast significant doubt about the entity's ability to continue as a going concern, however Chapter have concluded that the entity remains a going concern whilst forecasts predict sufficient reserves and cash to continue in operation based on the current Covid-19 environment. Chapter therefore continue to adopt the going concern basis of preparation for these financial statements.

(c) Fund accounting

Balances are split between unrestricted, restricted and endowment funds.

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

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

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

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

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

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

(d) Income

Income is included in the Statement of Financial Activities (SOFA) when the Cathedral Chapter is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies – continued

(d) Income - continued

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

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

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

(e) Taxation

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

(f) Expenditure

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

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

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

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

(g) Cathedral buildings and the inventory

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

(h) Property

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies – continued

(i) 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

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

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

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

(j) Stocks

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

(k) Debtors

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

(l) Cash and cash equivalents

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

(m) Creditors and provisions

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

(n) Financial instruments

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

(o) Investments

Investments are included in the balance sheet at market value.

The increase or decrease in the value of investments at the year end is taken to the SOFA.

(p) Pension costs

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued **YEAR ENDED 31 DECEMBER 2019**

1. Accounting Policies – continued

(q) Critical accounting estimates and areas of judgement

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

The Cathedral makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. 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.

(r) Employee benefits

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

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

	Unrestricted funds £	Restricted funds £	Endowment funds £	2018 Total funds £
Income and endowments from:				
Donations and legacies	126,053	27,962	-	154,015
Grants in support of ministry	29,564	948,908	-	978,472
Charges and fees arising in the course of mission	81,019	-	-	81,019
Trading and fundraising	240,926	6,507	-	247,433
Investments	8,718	68	4,628	13,414
Other income	-	28	-	28
Total income	486,280	983,473	4,628	1,474,381
Expenditure on:				
Raising funds	231,520	-	-	231,520
Ministry	521,505	15,415	-	536,920
Education and outreach	74,951	15,000	-	89,951
Cathedral and precincts upkeep	332,433	264,058	-	596,491
Cathedral building developments	-	36,461	-	36,461
Expenditure	1,160,409	330,934	-	1,491,343
Net (expenditure)/income before investment gains	(674,129)	652,539	4,628	(16,962)
Net gains/(losses) on investments	1,927	(29)	(1,747)	151
Net (expenditure)/income	(672,202)	652,510	2,881	(16,811)
Transfers between funds				
Costs funded by restricted income	697,685	(697,685)	-	-
Costs funded by unrestricted income	(34,450)	34,450	-	-
Costs funded by endowment income	3,546	-	(3,546)	-
	(5,421)	(10,725)	(665)	(16,811)
Other recognised gains/ (losses)				
Non investment property	155,260	-	-	155,260
Non investment property - Church Commissioners Share	-	-	-	-
Net movement in funds	149,839	(10,725)	(655)	(138,449)
Reconciliation of funds:				
Total funds brought forward	2,090,855	(214,853)	119,716	1,995,718
Total funds carried forward	2,240,694	(225,578)	119,051	2,134,167

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

3. INCOME AND ENDOWMENTS

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Donations and legacies					
Legacies	12,900	15,000	-	27,900	5,000
Congregational collections and giving (3a)	126,409	21,604	-	148,013	124,375
Income from appeals and fundraising	2,000	6,255	-	8,255	24,640
	<u>141,309</u>	<u>42,859</u>	<u>-</u>	<u>184,168</u>	<u>154,015</u>
Grants in support of ministry					
Church Commissioners	-	223,194	-	223,194	223,479
Church Burgesses Trust (15)	-	486,134	-	486,134	489,206
Church Burgesses					
Educational Foundation	-	10,472	-	10,472	10,528
Church Burgesses Singing Teacher	-	-	-	-	-
Sheffield Diocesan Board of Finance	7,500	-	-	7,500	7,500
All Churches Trust	25,000	-	-	25,000	22,064
Sheffield City Council	-	-	-	-	4,000
Friends of Sheffield Cathedral	-	-	-	-	-
Other	-	-	-	-	-
Roof Alarm Grant	-	-	-	-	1,250
Heritage Lottery Fund	-	-	-	-	3,846
Roof Grant	-	-	-	-	171,411
Listed Places of Worship Grant	-	1,128	-	1,128	43,608
Cathedral Conference Grant	-	-	-	-	1,580
David Hephher Painting	-	6,874	-	6,874	-
	<u>32,500</u>	<u>727,802</u>	<u>-</u>	<u>760,302</u>	<u>978,472</u>
Charges and fees arising in the course of the mission					
Facility and other fees	79,970	-	-	79,970	81,019
	<u>79,970</u>	<u>-</u>	<u>-</u>	<u>79,970</u>	<u>81,019</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS – continued YEAR ENDED 31 DECEMBER 2019

3. INCOME AND ENDOWMENTS - continued

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Trading and fundraising					
Events held in the Cathedral	123,998	3,592	-	127,590	67,652
Commercial trading operations	220,134	-	-	220,134	179,781
	<u>344,132</u>	<u>3,592</u>	<u>-</u>	<u>347,724</u>	<u>247,433</u>
Investments					
Investments	9,195	1,031	3,783	14,009	13,414
	<u>9,195</u>	<u>1,031</u>	<u>3,783</u>	<u>14,009</u>	<u>13,414</u>
Other income					
Interest receivable on short term deposits	-	-	-	-	-
Other income	-	-	-	-	28
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28</u>
3a. Congregational collections and giving					
Collections	17,842	1,994	-	19,836	14,109
Alms boxes	19,069	-	-	19,069	15,270
Donations	3,747	-	-	3,747	3,860
Patrons	4,710	-	-	4,710	4,015
Candles	15,686	-	-	15,686	14,661
Planned giving	53,704	16,175	-	69,879	59,993
Tax recoverable	11,651	3,435	-	15,086	12,467
	<u>126,409</u>	<u>21,604</u>	<u>-</u>	<u>148,013</u>	<u>124,375</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

4. EXPENDITURE

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Raising funds					
Promoters fees	450	1,314	-	1,764	-
Events and hospitality	110,799	45	-	110,884	57,249
Commercial trading operations	204,515	-	-	204,515	174,271
	<u>315,764</u>	<u>1,359</u>	<u>-</u>	<u>317,123</u>	<u>231,520</u>
Ministry					
Clergy stipends and working expenses	124,862	-	-	124,862	149,210
Clergy housing costs	28,109	-	-	28,109	31,112
Services and music	226,542	22,557	-	249,099	207,497
Support costs (5)	177,474	30,239	-	207,713	149,101
	<u>556,987</u>	<u>52,796</u>	<u>-</u>	<u>609,783</u>	<u>536,920</u>
Education and outreach					
Educational activities	467	-	-	467	15,189
Community Resource Centre	21,398	-	-	21,398	18,110
Charitable and other giving (4a)	-	-	-	-	-
Support costs (5)	70,990	45	-	71,350	56,652
	<u>92,855</u>	<u>45</u>	<u>-</u>	<u>92,900</u>	<u>89,951</u>
Cathedral and precinct upkeep					
Maintenance and interior upkeep	67,208	38,644	-	105,852	85,063
Cathedral insurance	74,180	-	-	74,180	77,206
Utilities	46,950	-	-	46,950	44,730
Salaries	47,852	-	-	47,852	43,103
Support costs (5)	106,484	-	-	106,484	346,389
	<u>342,674</u>	<u>38,644</u>	<u>-</u>	<u>381,318</u>	<u>596,491</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
4. EXPENDITURE – continued					
Cathedral building developments					
Cathedral gateway project	96	6,520	-	6,616	36,632
Support costs (5)	-	-	-	-	(171)
	<u>96</u>	<u>6,520</u>	<u>-</u>	<u>6,616</u>	<u>36,461</u>
4a. Charitable and other giving					
Contribution to Diocesan Funds (16)	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4b. Support costs					
Office expenses	69,122	746	-	69,868	65,199
Salaries	140,305	16,941	-	157,246	123,245
Other staff costs	-	1,065	-	1,065	-
Loan Interest	2,258	-	-	2,258	2,240
Public relations	10,252	-	-	10,252	16,125
Legal and professional	50,994	1,420	-	52,414	24,214
Fees incurred for the roof works	-	-	-	-	255,330
Travel and subsistence	6,058	84	-	6,142	6,747
Staff training	24,256	6,982	-	31,238	16,188
Depreciation	6,007	2,206	-	8,213	8,212
IT running costs	30,515	839	-	31,354	23,894
Bank charges	900	-	-	900	1,027
Audit fees	12,270	-	-	12,270	9,550
Non audit fees	576	-	-	576	-
	<u>354,949</u>	<u>30,283</u>	<u>-</u>	<u>385,232</u>	<u>551,971</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

5. Analysis of total expenditure including allocations of support costs

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total 2019 £	Total 2018 £
Raising funds	317,123	-	-	317,123	231,520
Ministry	402,070	-	207,713	609,783	536,920
Education and Outreach	21,865	-	71,035	92,900	89,951
Cathedral and precincts upkeep	274,834	-	106,484	381,318	596,491
Cathedral building developments	6,616	-	-	6,616	36,461
	<u>1,022,508</u>	<u>-</u>	<u>385,232</u>	<u>1,407,740</u>	<u>1,491,343</u>

6. Cathedral buildings and the inventory

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

There were no inventory transactions in either year.

7. Investments

Group and chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
At market value 1 January	194,726	41,764	97,761	334,251
Investments additions	-	-	-	-
Net increase/(decrease) on revaluation	19,496	7,812	18,286	45,594
	<u>214,222</u>	<u>49,576</u>	<u>116,047</u>	<u>379,845</u>

All investments are listed UK securities and comprise:

	£
UK property fund	77,278
UK investment funds	302,567
	<u>379,845</u>

The historical cost of the investments is £199,198 (2018: £199,198).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

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	1,875,000	-	-	1,875,000
Additions	25,329	-	-	25,239
At valuation 31 December	<u>1,900,239</u>	<u>-</u>	<u>-</u>	<u>1,900,239</u>

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. Chapter have assessed the valuations and do not believe there has been a material movement in value at 31 December 2019.

The historical cost of these properties is £1,172,295 (2018: £1,148,056).

9. Equipment & plant

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	223,498	11,032	-	234,530
Additions	19,824	-	-	19,824
At 31 December	<u>243,322</u>	<u>11,032</u>	<u>-</u>	<u>254,354</u>
Depreciation				
At 1 January	177,604	2,206	-	179,810
Depreciation for year	8,841	2,206	-	11,047
At 31 December	<u>186,445</u>	<u>4,412</u>	<u>-</u>	<u>190,857</u>
Net book value				
At 31 December 2019	<u>56,877</u>	<u>6,620</u>	<u>-</u>	<u>63,497</u>
At 31 December 2018	<u>45,894</u>	<u>8,826</u>	<u>-</u>	<u>54,720</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

9. Equipment & plant - continued

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	181,293	11,032	-	192,325
Additions	9,067	-	-	9,607
At 31 December	190,360	11,032	-	201,392
Depreciation				
At 1 January	167,352	2,206	-	169,558
Depreciation for year	6,008	2,206	-	8,214
At 31 December	173,360	4,412	-	177,772
Net book value				
At 31 December 2019	17,000	6,620	-	23,620
At 31 December 2018	13,941	8,826	-	22,767

10. Debtors

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Due from Church Burgesses Trust including CBEF	-	30,000	-	30,000	12,638
Trade debtors	42,926	-	-	42,926	35,676
Prepayments and other debtors	75,424	-	-	75,424	22,718
	118,350	30,000	-	148,350	71,032

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Due from Church Burgesses Trust including CBEF	-	30,000	-	30,000	12,638
Trade debtors	41,474	-	-	41,474	32,513
Prepayments and other debtors	68,093	-	-	68,093	21,953
Amounts due from subsidiary undertakings	104,306	-	-	104,306	96,029
	218,873	30,000	-	243,873	163,133

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

11. Cash

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
CBF Deposit fund	4,209	-	11,254	15,463	15,463
Cash at bank and in hand	186,706	133,998	11,123	331,827	449,275
	<u>190,915</u>	<u>133,998</u>	<u>22,377</u>	<u>347,290</u>	<u>464,738</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
CBF Deposit fund	4,209	-	11,254	15,463	15,463
Cash at bank and in hand	113,187	133,998	11,123	258,308	398,462
	<u>117,396</u>	<u>133,998</u>	<u>22,377</u>	<u>273,771</u>	<u>413,925</u>

12. Creditors due within one year

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Trade creditors	71,907	28,623	-	100,530	61,289
Accruals and other creditors	72,353	5,801	-	78,154	72,833
Due to Diocese	-	27,500	-	27,500	27,500
	<u>144,260</u>	<u>61,924</u>	<u>-</u>	<u>206,184</u>	<u>161,622</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Trade creditors	50,644	28,623	-	79,267	43,580
Accruals and other creditors	48,748	5,801	-	54,549	57,718
Due to Diocese	-	27,500	-	27,500	27,500
	<u>99,392</u>	<u>61,924</u>	<u>-</u>	<u>161,316</u>	<u>128,798</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

13. Creditors due over one year

<i>Group and Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £	2018 Total funds £
Church Commissioners Loan	140,011	-	-	140,011	140,011
Share of revaluation reserve Brought forward	22,114	-	-	22,114	22,114
Movement in year	-	-	-	-	-
Carried forward	22,114	-	-	22,114	22,114
Total	162,125	-	-	162,125	162,125
Diocese	-	352,917	-	352,917	380,417
	162,125	352,917	-	515,042	542,542

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

Loans due in more than one year, including the value linked loans, fall due as follows:

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

14. Statement of funds

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

	Permanent		Expendable		Total £
	Chester Lecture £	Music Endowments £	Music Endowments £	Cathedral Hall £	
At 1 January	16,459	65,991	11,254	25,347	119,051
Income	509	-	2,696	578	3,783
Expenditure	-	-	-	-	-
Increase/(decrease) in market value of investments	2,761	12,275	-	3,250	18,286
Transfer to unrestricted funds	-	-	(2,696)	-	(2,696)
At 31 December	19,729	78,266	11,254	29,175	138,424

Endowment funds – prior year *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	119,716
Income	497	-	3,546	585	4,628
Expenditure	-	-	-	-	-
Increase/(decrease) in market value of investments	(187)	(839)	(500)	(221)	(1,747)
Transfer to unrestricted funds	-	-	(3,546)	-	(3,546)
At 31 December	16,459	65,991	11,254	25,347	119,051

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 2019

14. The funds of the Cathedral - continued

(b) Restricted funds – current year

<i>Group and Chapter</i>	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains on investments £	At 31 December 2019 £
Church Commissioners (note 18)	-	223,194	-	(223,194)	-	-
Church Burgesses Trust (note 18)	-	340,805	-	(340,805)	-	-
Church Burgesses Trust – one off grant	-	115,329	-	(115,329)	-	-
Church Burgesses Trust – Mission	-	15,000	(15,000)	-	-	-
Church Burgesses Trust – Planned Maintenance	-	15,000	(15,000)	-	-	-
Cathedral Development Project	(407,330)	-	-	26,915	-	(380,415)
Cathedral Gateway Project	33,213	690	(6,520)	-	-	27,383
York & Lancaster Regiment	7,353	-	-	-	-	7,353
Choir Fund	15,581	5,921	(1,314)	-	-	20,188
Sing!	3,031	-	-	-	-	3,031
Choral tuition	10,447	10,472	(7,773)	-	-	13,146
William Rowley Charity	2,385	70	-	-	7,812	10,267
Sam Hiller Memorial fund	56,967	940	-	-	-	57,907
AEC Chapter Training	-	6,874	(6,874)	-	-	-
Toddler Group	567	-	(179)	(388)	-	-
Organ fund	3,887	19,221	(14,423)	-	-	8,785
Community Covenant	1,747	-	-	-	-	1,747
Bell Fund	405	-	-	-	-	405
Maundy	5,830	-	(4,250)	-	-	1,580
Friends of Sheffield Cathedral	19,783	-	-	-	-	19,783
Painting Restoration	1,500	-	-	-	-	1,500
Nave roof	10,816	-	(1,100)	-	-	9,716
Sustainability fund	-	-	(19,434)	-	-	(19,434)
CCTV Grant	8,826	-	(2,206)	-	-	6,620
HMS Sheffield Flag	(586)	6,768	(5,391)	-	-	791
Tony Elwis Legacy	-	15,000	-	-	-	15,000
Total Restricted funds	(225,578)	775,284	(99,364)	(652,801)	7,812	(194,647)

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

14. The funds of the Cathedral - continued

<i>Group and Chapter</i>	Restricted funds – prior year					Gains on investments	At 31 December 2018
	At 1 January 2018	Income	Expenditure	Transfers			
	£	£	£	£	£	£	£
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)
Total Restricted funds	(214,853)	983,473	(330,934)	(663,235)	(29)	(225,578)	

(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.

(4) Cathedral Gateway Project

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

- (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.
- (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.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

14. The funds of the Cathedral - continued

(20) Sustainability Fund

Annual grant to fund the Development Manager role. This fund is in deficit due to funding being claimed in arrears post year end which was subject to agreed milestones being achieved.

(21) CCTV Grant

Grant for renewals of the CCTV at the Cathedral.

(22) 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.

(23) Tony Elwis legacy

A gift for the purchase of Cathedral vestments.

(c) Unrestricted funds – current year

	General fund £	Deanery fund £	Music fund £	Total £
At 1 January	2,205,058	28,409	7,227	2,240,694
Income	607,106	-	-	607,106
Expenditure	(1,308,376)	-	-	(1,308,376)
Other restricted gains	19,497	-	-	19,497
Transfer from Deanery fund	352	(352)	-	-
Transfer from Endowments	2,696	-	-	2,696
Transfer from restricted funds	679,328	-	-	679,328
Transfer to restricted funds	(26,527)	-	-	(26,527)
At 31 December	<u>2,179,134</u>	<u>28,057</u>	<u>7,227</u>	<u>2,214,418</u>

Unrestricted funds – prior year

	General fund £	Deanery fund £	Music fund £	Total £
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	<u>2,205,058</u>	<u>28,409</u>	<u>7,227</u>	<u>2,240,694</u>

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.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

14. The funds of the Cathedral - continued

Music fund

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

Summary of unrestricted funds

Current year

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains on revaluations £	At 31 December 2019 £
Designated funds						
Deanery Fund	28,409	-	-	(352)	-	28,057
Music Fund	7,227	-	-	-	-	7,227
	<u>35,636</u>	<u>-</u>	<u>-</u>	<u>(352)</u>	<u>-</u>	<u>35,284</u>
General funds						
General funds	2,210,010	386,972	(1,103,861)	655,849	19,497	2,168,467
Sheffield Cathedral Enterprises	(4,952)	220,134	(204,515)	-	-	10,667
	<u>2,205,058</u>	<u>607,106</u>	<u>(1,308,376)</u>	<u>655,849</u>	<u>19,497</u>	<u>2,179,134</u>
Total unrestricted funds	<u>2,240,694</u>	<u>607,106</u>	<u>(1,308,376)</u>	<u>655,497</u>	<u>19,497</u>	<u>2,214,418</u>

Prior year

	At 1 January 2018 £	Income £	Expenditure £	Transfers £	Gains on revaluations £	At 31 December 2018 £
Designated funds						
Deanery Fund	28,971	-	-	(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>
General funds						
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>
Total unrestricted funds	<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>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

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:

	2019	2018
	£	£
Grant for maintenance, divine worship and administration	456,134	474,206
One off grants	30,000	15,000
	<hr/>	<hr/>
Total support	486,134	489,206
	<hr/> <hr/>	<hr/> <hr/>

16. Transactions with the Diocese

	2019	2018
	£	£
Contributions paid to Diocesan Funds (included as charitable giving in the Statement of Financial Activities)	-	-
	<hr/>	<hr/>

At the year end there is an interest-bearing loan due to the Diocese of £387,292 (2018: £407,917) (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 £21,701 (2018: £19,596). No contributions were outstanding at the year end (2018: £Nil). This excludes clergy pension costs paid directly by the Church Commissioners.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

18. Transfers between funds - costs funded by restricted income

	2019
	£
Clergy stipends and working expenses	124,862
Salaries	38,427
Clergy housing costs	28,109
Church maintenance and interior upkeep	67,208
Church utilities	46,950
Cathedral insurance	74,180
Travel and subsistence	6,058
Staff training	24,256
Public relations	10,252
Information technology	30,515
Office expenses	69,122
Contribution to Diocesan fund	-
Professional fees	50,994
Services and music	108,395
	<hr/>
	679,328
	<hr/>
Funded by:	
Church Burgesses (note 14b)	456,134
Church Commissioners (note 14b)	223,194
	<hr/>
	679,328
	<hr/>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

19. Employees	2019 No.	2018 No.
The average number of employees during the year was:-		
Clergy	3	3
Lay and administration	12	14
Lay Clerks and Choral Scholars	9	9
Pensioners	1	1
Casual Workers	1	1
	<u>26</u>	<u>28</u>
The total full time equivalent number of employees during the year was:		
	<u>26</u>	<u>28</u>
Total staff costs, including clergy stipends, include the following:		
	2019 £	2018 £
Clergy stipends (note 20)	75,752	92,413
Salaries	476,044	440,869
Employer's national insurance	37,329	29,342
Pension contributions	46,856	50,342
Apprenticeship levy	341	403
	<u>636,322</u>	<u>613,369</u>
	2019 £	2018 £
Amount receivable or (payable) to the Cathedral	104,306	96,029
Turnover for the year ended	220,134	179,781
Profit for the year ended	18,118	3,639
Gross assets	165,965	163,778
Net assets/(liabilities):	<u>13,165</u>	<u>(4,953)</u>

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.

Total pay in lieu of notice amounts to £21,719 (2018: £nil) and relates to staff restructuring. This was paid in 2019.

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 2019 they were:

Chief Operating Officer	Frances Joel
Director of Music	Thomas Corns

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

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.

	Stipend	Pension
	£	£
The Very Revd P Bradley	37,278	12,050
The Revd Canon C Burke	10,212	3,465
The Revd Canon Farrow	28,262	9,640
	<u>75,752</u>	<u>25,155</u>

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 £27,860 which includes travel, subsistence and home office costs (2018: £24,264).

During the year 8 Chapter members donated £4,315 to the Cathedral (2018: 6 members: £5,305).

The total amount of employee benefits received by senior management personnel is £104,327 (2018: £95,362). 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 2019. During the year the CAP occupied part of the CRC and the Cathedral is due to receive £37,500 (2018: £37,500) for the lease of the premises and a £16,176 (2018: £12,171) 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 (2018: £nil).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

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 (company registration no: 09481073), which is incorporated in the United Kingdom, pays all its profits to the charity by gift aid. A summary of its results and assets and liabilities are shown below:

	2019 £	2018 £
Turnover	220,134	179,781
Expenses	(204,516)	(176,142)
Profit	<u>15,618</u>	<u>3,639</u>
Fixed assets	39,878	31,953
Current assets	126,087	91,947
Current liabilities	(92,974)	(66,527)
Long term liabilities	(62,326)	(62,326)
Net assets	<u>10,665</u>	<u>(4,953)</u>
Represented by:		
Share capital	-	-
Reserves	10,665	(4,953)
	<u>10,665</u>	<u>(4,953)</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2019

24. Post balance sheet events

As part of their assessment of the going concern basis of preparation, Chapter have considered the impact of the COVID-19 pandemic on the entity's income and operating cost base. See note 1b. It is the view of Chapter that the events which have significantly impacted the entity are the direct result of Government and international policy in response to the pandemic (for example restrictions on travel, trade and personal interactions) and such policy only arose after the balance sheet date. Chapter therefore consider the impact of the COVID-19 on the Cathedral to be a non-adjusting post-balance sheet event.