

SHEFFIELD CATHEDRAL CHAPTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

SHEFFIELD CATHEDRAL CHAPTER

CONTENTS

	Page
Reference and administrative information	2 - 5
Chapter's annual report	6 - 19
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 – 54

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 2020

Members of the Cathedral Chapter

The Very Revd Peter Bradley DL, Dean *(Resigned December 2020)*
The Reverend Canon Geoffrey Harbord JP, Acting Dean *(Appointed November 2020)*
The Revd Canon Keith Farrow, Vice Dean
Canon John Biggin (appointed by the Bishop)
Mrs Angela Rees (Churchwarden, elected by congregation)
Mr Roy Wheeler (Churchwarden, elected by congregation)
Dr David Fletcher (appointed by the Bishop) *(Resigned July 2020)*
Mrs Pam Liversidge, DL, OBE (appointed by the Bishop)
The Revd Canon Julie Upton (appointed by the Bishop)
Canon Jack Cooper (appointed by the Bishop)

Honorary Minor Canons

The 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 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 Joshua Stephens *(Resigned June 2020)*

Cathedral Safeguarding Adviser:

Ms Cheryl Henry-Leach

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the Fabric Advisory Committee during 2020:

Professor Peter Fawcett, Chair (*Resigned Sept 2020*)
Mr Graham Williams
Mrs Elizabeth Walker
Professor John Chilton

The Right Reverend Dr Timothy Ellis
Mrs Emma Paragreen
Mr Mike Hannon, Interim Chair (Oct 2020)
The Reverend Canon Keith Farrow

Bankers:

Barclays Bank
2-12 Pinstone Street
Sheffield
S1 2HN

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

Accountants and Auditors:

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

Fund Managers:

CCLA Investment Management Ltd
80 Cheapside
London
EC2V 6DZ

Members of the Cathedral Council during 2020:

The Bishop of Sheffield

Visitor (*in attendance*)

The Lord Lieutenant

Chair

The Very Reverend Peter Bradley, DL

Dean (*Resigned December 2020*)

Dr Giles Bloomer, DL

Mr David Booker

The Reverend Canon Keith Farrow

Professor Barry Hancock

The Reverend Canon Geoffrey Harbord

Acting Dean (Appointed November 2020)

Mr Derwent Levick

(Resigned July 20)

Dr Nigel Russell-Sewell

Mr David Wragg

Mr David Trickett

Canon John Biggin

Ms Fran Joel

SHEFFIELD CATHEDRAL CHAPTER

REFERENCE AND ADMINISTRATIVE INFORMATION - Continued

Members of the College of Canons during 2020:

Visitor The Bishop of Sheffield

Chair The Dean of Sheffield

The Residentiary Canons

The Reverend Canon Keith Farrow

The Honorary Canons

The Bishop of Doncaster

The Right Reverend Sophie Jelley

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 Javaid Iqbal

The Reverend Canon Christopher Barley

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*
Mrs Sarah Hardy	Finance Manager (<i>Appointed, January 2020</i>)
Mr David Maw	Dean's Verger
Mr Paul Russell-Sewell	Canons' Verger
Mr Ben Elliott	Verger
Mr Kevin Hill	Caretaker and Events Facilitator (<i>Resigned, March 2020</i>)
Mr Patrick Fitzsimons	Caretaker and Events Facilitator
Miss Nicola Burgin	Dean's Administration Officer
Miss Sally Davies	COO's Assistant, Chapter Clerk and DBS Administrator
Miss Emma Gittins	Events Co-ordinator
Mrs Christine Moorey	Canon Missioner's Administration Officer
Mr David Clark	Canon Precentor's Administration Officer
Mrs Christine Carrington	Volunteer Manager
Mr Ben Rossi	Development Manager
Mr Joshua Stephens	Master of the Music * (<i>Resigned June 2020</i>)
Mrs Cheryl Henry-Leach	Cathedral Safeguarding Adviser

*Senior management team

Lay Clerks

Professor Jeremy Dawson	<i>(Resigned July 2020)</i>
Mr Edward Harvey	<i>(Resigned July 2020)</i>
Dr Nigel Russell-Sewell	<i>(Resigned July 2020)</i>
Mr Alexei Winter	<i>(Resigned, January 2020)</i>

Sheffield Cathedral Enterprises Staff

Ms Ruth Maher-Heslip	Enterprise Business Manager
Ms Beverly O'Brien	Deputy Business Manager
Mrs Debbie Martin	Coffee Shop and Events Assistant (<i>Resigned July 2020</i>)
Miss Fiona Huty	Coffee Shop and Events Assistant (<i>Resigned July 2020</i>)
Mr Mohammed Poorian	Coffee Shop and Events Assistant (<i>Resigned July 2020</i>)

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT

Structure, governance and management

Governing Statutes

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

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 2020. The APCM did not take place due to the global pandemic and is due to be held in 2021.

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

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

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 2020

Chapter continues with a major arts programme to engage the Diocese, city, and region in a new way. The programme began in 2019 and is scheduled to run until 2022, in collaboration with *Lux Muralis*, a company which has worked with several other cathedrals. The beginning of the year saw an evaluation of the first event (The Angels are Coming) which took place in December 2019, together with the detailed planning of the second event in March 2020 (The Observatory; Space and Time). Both events were subject to extensive media campaigns.

The Observatory event, the second event in the series, began on Friday 13th March 2020 and prematurely ended on Monday 16th March 2020 due to the global pandemic. A team of technicians led by the artist, Peter Walker, used the interior of the Cathedral as a backdrop for a light and sound installation telling the story God, time and space.

During the summer of 2020, the planned Foundry Exhibition of contemporary artworks in metal took place in the Cathedral for a limited period due to Covid-19 and will be returned in 2021.

The Leaves of the Trees reflective memorial was installed in the Cathedral, as part of a nationally touring memorial by Peter Walker, from 3-29 October 2020. The installation was made up of 5,000 steel leaves which were laid out on the steps of St George's Chapel down into the Nave. The installation was a symbol of remembrance to reflect those affected by the Coronavirus and it attracted many visitors.

The Cathedral was able to further develop its relationship with regional print and broadcast media as a result of the art installations.

Our productive relationship with the Department of Philosophy, *God and the Good: thinking religion and ethics*, continued with a further lecture in February 2020 with the Reverend Canon Giles Fraser. Unfortunately, due to Covid-19 no other planned lectures were able to take place during 2020.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Staff

- 1 In January 2020, Mr Alexi Winter, Lay Clerk, left the Cathedral.
- 2 In March 2020, Mr Kevin Hill Caretaker and Events Facilitator, left the Cathedral.
- 3 In June 2020, Mr Joshua Stephens, Master of Music, left the Cathedral
- 4 In July 2020, Professor Jeremy Dawson, Lay Clerk, left the Cathedral.
- 5 In July 2020, Mr Edward Harvey, Lay Clerk, left the Cathedral.
- 6 In July 2020, Dr Nigel Russell-Sewell, Lay Clerk, left the Cathedral
- 7 In July 2020, Mrs Debbie Martin, Coffee Shop and Events Assistant, left the Cathedral.
- 8 In July 2020, Miss Fiona Huddy, Coffee Shop and Events Assistant, left the Cathedral.
- 9 In July 2020, Mr Mohammed Poorian, Coffee Shop and Events Assistant, left the Cathedral.
- 10 In January 2020, Mrs Sarah Hardy, joined the Cathedral as Finance Manager.

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 2020.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Worship

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

During the first quarter of 2020 prior to the national lockdown situation due to Covid-19, the pattern of worship was as follows: -

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 the Cathedral also welcomed the local Russian Orthodox parish for their regular liturgy.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Worship – continued

Public services were suspended from March 2020 in line with the Government's guidelines. The Daily Office continued from the home of Cathedral clergy with some services being recorded and others live streamed. Weekly newsletters, service booklets and prayers, were emailed and posted to the congregation and others who had requested it, to maintain communication and provide support. Pastoral contact was maintained via telephone with members of the electoral roll.

The Cathedral responded to national guidelines regarding public access and worship, by opening the Cathedral for private prayer and public acts of worship as and when permitted. The service structure fluctuated throughout the year.

Congregational Life

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

The following work and events continued during the first quarter of 2020, but sadly could not continue due to Covid-19:

-

- The work of the Seniors' Group led by Iris Sparks and Captain Mike Collyer, the Honorary Cathedral Evangelist
- The work with the ecumenical partners, co-ordinated by the City Centre Ministers' Group
- The Mission and Ministry Committee; Cathedral lunches and social events
- Art and spirituality group, led by Helen Wragg, Cathedral Parish Evangelist
- Schools liaison work.

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 today reporting, including to Charity Commission
- 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 2020:

- Ministry - £490,046 (2019: £609,783) (including clergy costs and costs of music and other associated costs of worship)
- Education and Outreach - £101,745 (2019: £92,900)
- Cathedral and Precincts upkeep - £344,668 (2019: £381,318) (including maintenance, repairs, restoration, insurance, utilities and some salaries)
- Support costs included within the above activities £443,810 (2019: £385,232) (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 - £464,133 (2019: £486,134) (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 - £11,681 (2019: £10,472) (funding towards Choral tuition)
- The Church Commissioners - £241,380 (2019: £223,194) (funding for clergy pay and some lay staff costs)
- Congregational collections and giving - £125,295 (2019: £148,013)
- Income generated from, facility fees, investments, legacies, other grants, etc. - £241,730 (2019: £170,636)

The Cathedral business activities for generating funds produced a deficit of £117,728 (2019: surplus £30,601).

Public benefit

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

Pay policy for Senior Management Team

The level of pay of the senior management team was decided upon on recruitment at Chapter level and is based on the individual's role and responsibilities.

Management of risk

Risk management is fundamental to Chapter's approach to all its activity. Chapter achieves 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

The Cathedral's trading subsidiary Sheffield Cathedral Enterprises Ltd, which operates 1554 coffee shop and gift shop, was set for another successful year. Unfortunately, it had to close in March 2020 due to the Global Pandemic and remained closed apart from a brief opening in the Autumn.

However during this time, with funding, the team opened a new e-commerce shop and received another award for customer service.

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

Relationships with other organisations

Cathedral Archer Project (CAP)

2020 was an unforgettable year. With the onset of lockdown to tackle Covid-19 we feared that we might not survive the impact of the pandemic. Our year-end financial reserves in 2019 were low and the prospect of not being able to undertake fundraising activity was a serious threat.

However, 2020 became a year of remarkable responses to very challenging circumstances.

Our on-line appeal gave us security with monthly income for March and April exceeding budgeted income. A further response to the arson attack in May left us confident that we would survive 2020. The impact of furlough payments and Covid-19 specific funds alongside the generous donations meant we exceeded our budgeted income and have healthy reserves to face the ongoing uncertainty of 2021.

Covid-19 changed the way we were able to work. We had determined to remain open so long as people remained on the street without accommodation. Other centres closed and we lost many volunteers and the majority of our frontline staff team to shielding requirements. As a result, we asked other agencies to help us deliver our service and extended our service to 7 days per week to fill the gap left by other closures. The coming together of different agencies happened very easily and was built on several years of building good relationships. We worked together really well, sharing resources, applying for funds together forming a strategic approach to feeding vulnerably housed people as well as those who remained homeless. Sheffield City Council's homelessness provision was faced with a major task of acquiring new accommodation and resourcing it well enough to enable some long-term rough sleepers to settle and receive support from mental health and drug treatment services. It was a major task but has been successful, though not for everybody.

Out of the crisis new levels of joined up service provision have emerged. These relationships have continued beyond the first wave of lockdown and the city is now exploring how some of this shared working can be formalised to improve the support that is needed for rough sleepers to build new lives.

At the project, we haven't been able to do a lot of progressive work with people during 2020. We have had to concentrate on people in crisis. It is important that we re-establish more progressive work as soon as possible to support the work around housing the local authority has developed. This includes the opportunities we offer to people to use time positively and experience new social groups away from street life. Fortunately, we have maintained our social enterprises which employ people who have been homeless and help them transition to very stable and fulfilling lives. We did less cleaning work but were able to furlough and protect incomes and we stayed in contact with that group throughout all the lockdown periods. Our printing business grew through online sales and the gift of shop unit in Meadowhall during December.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Cathedral Archer Project (CAP) – continued

On May 15th the project was set on fire following a break in. The fire was localised but the damage still extensive. The arsonist was caught and imprisoned. Sadly, she died from Covid-19 whilst serving her sentence and we hope that whatever troubles led her to needlessly set alight a box of donated clothing are now resolved and that she is at peace.

The fire was a problem we didn't want but we had hoped to refurbish the centre in the coming years to improve the way we work. So another opportunity through adversity presented itself. There will be significant advantages to the way we work if we can change the layout. Plans have been drawn up and we are starting an appeal to afford that new future for ourselves and those we support.

As part of the Cathedral's community we are acutely aware of the challenges it faces in 2021. We are grateful for the support it continues to give to the project and will work with it as it refashions and rebuilds its work and influence.

Financial Review

Reserves Policy

The Chapter policy is to maintain sufficient unrestricted reserves to cover 6 months normal expenditure. In 2020 we spent £1,041,050 out of unrestricted funds. However, the year 2020 is not a normal year (see below) which would equate with expenditure of approximately £1,400,000 and thus the normal 6 month expenditure is approximately £700,000. At 31 December the free unrestricted reserves amount to £477,121. Free reserves are the unrestricted general fund balance excluding designated funds and fixed assets net of associated loans.

The Chapter continues to take action to diversify income streams albeit that this is a challenge following the adverse effect on all such streams following the pandemic in 2020 and continuing into 2021. Expenditure will be carefully monitored and controlled in order to reach the reserve in accordance with the above policy.

Investment Powers, Policy and Performance

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

Investments held in our Unrestricted Funds produced an income of £8,020 (2019: £9,195). During the year there was an increase in value of £5,575 (2019 increase: £19,496).

Investments held in our Endowment Funds produced an income of £4,759 (2019: £3,783). During the year there was an increase in value of £11,224 (2019 increase: £18,286).

Investments held in our Restricted funds produced an income of £72 (2019: £1,031) in 2020. During the year there was an increase in value of £165 (2019: increase £7,812).

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.

		2016	2017	2018	2019	2020
Statement of Financial Activities		£'000	£'000	£'000	£'000	£'000
Total income	Unrestricted Funds	484	487	486	607	465
	Restricted Funds	918	1,109	983	775	932
	Endowment	3	3	5	4	5
	Total	1,405	1,599	1,599	1,386	1,402
Total expenditure on generating funds, mission and governance	Unrestricted Funds	1,132	1,164	1,160	1,308	1,041
	Restricted Funds	193	428	331	99	121
	Endowments	-	-	-	-	-
	Total	1,325	1,592	1,491	1,407	1,162
Net gains / (losses) on investments	Unrestricted Funds	8	13	2	19	6
	Restricted Funds	-	-	-	8	-
	Endowments	1	9	(2)	18	11
	Total	9	22	-	45	17
Net income / (expenditure) after transfers between funds	Unrestricted Funds	22	6	(5)	(26)	80
	Restricted Funds	14	14	(11)	31	162
	Endowments	7	9	(1)	19	16
	Total	91	29	(17)	24	258
Other recognised gain/(losses)	Unrestricted Funds	-	-	155	-	-
	Restricted Funds	-	-	-	-	-
	Endowments	-	-	-	-	-
	Total	-	-	155	-	-
Net increase/ (decrease) in funds	Unrestricted Funds	22	6	150	(26)	80
	Restricted Funds	62	14	(11)	31	162
	Endowments	7	9	(1)	19	17
	Total	91	29	138	24	258
Balance Sheet		2016	2017	2018	2019	2020
		£'000	£'000	£'000	£'000	£'000
Net Assets	Unrestricted Funds	2,085	2,091	2,241	2,214	2,294
	Restricted Funds	(229)	(215)	(226)	(194)	(32)
	Endowments	111	120	119	138	154
	Total	1,967	1,996	2,134	2,158	2,416

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

The impact of the pandemic during 2020 has had a profound effect on all financial aspects of the year under review. Since March 2020 the Cathedral has largely been closed to both congregation and visitors with the consequent major change in both normal income and expenditure. Because of the various issues detailed below the Chapter has been able to achieve a favourable financial result in excess of expectations as defined by the estimated forecast which was prepared at the commencement of the pandemic.

Congregational giving and collections generally is a key element of our income and as such is monitored very closely. Despite the effects of the pandemic the overall giving remained very generous enhanced by some special one-off gifts amounting to approximately £25,000. The total figure including these gifts was £123k compared with the equivalent figure in 2019 of £126k which is a reduction of only 2.3%. Within this figure for 2020 is income from the Patrons Scheme of £11k compared with the same figure in 2019 of £4.7k. This is an increase which is very encouraging for the Scheme as we seek its development in 2021 and subsequent years. We have been fortunate to have received £12,764 in unrestricted 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.

The Church Commissioners have also supported the Cathedral finances. As well as paying the full annual grant in advance as support for cash flow they agreed to make a grant equivalent to the cost of the yet to be employed Precentor. This one-off grant amounted to £103k which is a major support to our finances in this difficult year.

Overall responsibility for management of the Cathedral is vested in Ms Frances Joel as Chief Operating Officer. She is very ably supported by Mrs Sarah Hardy as Finance Manager who was appointed to this role in January 2020.

The overall management of the Cathedral has been very challenging during this year. A significant proportion of the staff who have been on furlough in accordance with government guidelines. Full use has been applied in respect of the government CJRS scheme resulting in recovery of the cost of those salaries of employees on furlough in the amount of £119k. This has enabled the Cathedral to retain the employment of the majority of staff which could not otherwise have been retained within cash flow availability.

In June 2020 Chapter took the decision to close the Choir pending its reinstatement as soon as possible and in particular following the appointment of a Precentor to take responsibility to restore the level of music in the Cathedral at an appropriate level of excellence. This decision gave rise to a high level of external examination, giving rise to Chapter requiring professional advice and support. The cost of this advice is included within legal and professional support costs.

As stated above It has been the policy of Chapter 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. In 2020 the majority of this income has been unavailable. However the policy remains in place and we hope to regenerate these income streams in 2021 and thereafter. We have received a grant from the Church Commissioners sustainability fund to support the cost of this action plan.

The successful light show held in December 2019 was planned to be repeated in December 2020 with an additional show within the Cathedral in the spring. All this has been cancelled due to the pandemic but will be reinstated as soon as circumstances allow.

Generally, the expenditure incurred by the Cathedral during the pandemic has been very well controlled. Cash has been monitored very carefully all with a view to conserve unrestricted cash to take the Cathedral into 2021 in as strong as possible in order to reflect what will be a challenging period for the next 2 years

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

Our wholly owned subsidiary company Sheffield Cathedral Enterprises Ltd consists of the Cathedral Shop and the 1554 Café. During 2020 both operations have largely been closed. Chapter is determined to restart these operations as soon as possible and therefore have retained the management who have been on furlough for most of the year. The resultant net loss for the year of £25k has been separately financed by a short-term government backed bank loan.

The above report sets out some of the main aspects of the finances of the Income and Expenditure of the Cathedral during 2020. The outcome under the circumstances as described is very satisfactory whilst recognising all the financial support giving rise to number of one off grants included therein.

The consolidated net surplus in respect of unrestricted funds (i.e. excluding the movement in restricted and endowment funds) is £105K before transferring the sum of £26k to restricted funds to allow for the annual repayment of the loan from the Diocese of Sheffield. (It should be noted that a similar amount will be required each year) the balance of the loan as at 31 December 2020 is £353k.

In accordance with our accounting policy the properties included in the unrestricted funds are revalued every five 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 reserves.

With regard to the consolidated Balance Sheet 2020 the trend continues to show the increase in the total assets of the Cathedral.

As stated above the effect of the worldwide pandemic identified as Covid-19 has dramatically affected all aspects of the affairs of the Cathedral. Our financial plans for 2021 and thereafter will be affected by the ongoing pandemic and takes into account the government guidelines and the road map designed to restore a level of normality as the year progresses. In the meantime we will start the development of increased activities at all levels with a view to restoration of both income streams and the usual Cathedral activities. This work which will extend over the next 2 years at least will rely on maintaining our excellent team and the funds that have been obtained from the Church Commissioners Sustainability Fund and also HLF Culture Recovery Fund at levels already agreed.

It is confirmed that the general state of the Cathedral fabric is judged by the Cathedral Architect as being sound. The Quinquennial Report that was submitted in 2019 and the recommendations incorporated therein were considered carefully at that time. That report did not identify any immediate work except a major repair to the roof completed in 2020. No other major requirements were identified over the next four years, Routine requirements will be incorporated within the relevant budget.

There is a surplus on restricted funds of £162k which principally arises from unspent funds from York and Lancaster Regiment, HLF Culture Recovery Fund, Sustainability Fund and Preservation of Fabric Fund.

Total funds held by the Cathedral as at 31 December 2020 now total £2,416k. Of this figure £2,294k is held in unrestricted funds. The restricted fund balance is in deficit of £32k made up of

- (a) A deficit on the Cathedral Development Project of £353k funded by a loan from the Diocese of Sheffield
- (b) The balance being several funds totalling £321k

There are endowment funds amounting to £154k.

It should be noted that of the unrestricted funds of £2,294k the sum of £35k has been set aside in designated funds and £1,762k is invested in properties (net of loans over one year) and plant. This leaves the sum of £477k of free unrestricted funds which falls well short of the policy whereby we should hold unrestricted funds of not less than 50% of normal annual unrestricted expenditure.

SHEFFIELD CATHEDRAL CHAPTER

THE CHAPTER'S ANNUAL REPORT - Continued

Review of financial performance - continued

Despite the challenges explained above it is not expected that ongoing forecasts, which inevitably vary from time to time will impact negatively on the going concern status of the Cathedral.

The Chapter Finance Committee Consisting of the Dean, the Chief Operating Officer and the Finance Manager meets monthly in normal times. Financial reports are reviewed and variation from budgets and updated forecasts are noted and necessary action taken. The Board of Sheffield Cathedral Enterprises Ltd normally meets quarterly but management accounts of the Company are reviewed by the Finance Committee monthly. Reports are prepared following these meetings and are submitted to Chapter which meets monthly.

During 2020 the Finance Committee has met weekly in order to record and manage the movement of cash and any variations in trading forecasts resulting from the variations in impact from the ongoing pandemic.

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.

This has been a very difficult year for all Cathedral Staff who in one way or another have contributed to the financial affairs of the Cathedral. I wish to put on record my thanks as Treasurer for the outstanding effort displayed by all.

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

THE CHAPTER'S ANNUAL REPORT - Continued

The Chapter's Responsibilities Statement

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

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

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

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

Signed on behalf of the Cathedral Chapter on May 18, 2021 :-

P.G. Harbord

P.G.Harbord (May 18, 2021 10:56 GMT+1)

The Reverend Canon Geoffrey Harbord
Acting Dean of Sheffield

C A J Biggin

C A J Biggin (May 18, 2021 16:36 GMT+1)

Canon J Biggin
Lay Treasurer Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER

Opinion

We have audited the financial statements of Sheffield Cathedral Chapter (the 'parent entity') and its subsidiary (the 'group') for the year ended 31 December 2020 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 2020, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that Chapters use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of Chapter with respect to going concern are described in the relevant sections of this report.

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

Other information

The other information comprises the information included in the Chapter's Annual Report, other than the financial statements and our auditor's report thereon. Chapter are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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.

Auditor's responsibilities for the audit of the financial statements

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

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

SHEFFIELD CATHEDRAL CHAPTER

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHEFFIELD CATHEDRAL CHAPTER - Continued

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

1. We gained an understanding of the legal and regulatory framework applicable to the entity and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk.
2. We focused on laws and regulations relevant to the entity which could give rise to a material misstatement in the financial statements. Our testing included discussions with management, Chapter, and those staff with direct responsibility for the compliance of laws and regulations. We also reviewed legal expenses.
3. We addressed the risk of management override of internal controls, including the testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management or Chapter that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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 (May 18, 2021 16:49 GMT+1)

Jane Marshall (Senior Statutory Auditor)

For and on behalf of BHP LLP

2 Rutland Park
Sheffield
S10 2PD

Date: May 18, 2021

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Income and endowments from:	(3)					
Donations and legacies		135,608	98,480	-	234,088	184,168
Grants in support of ministry		36,914	832,886	-	869,800	760,302
Charges and fees arising in the course of mission		57,626	-	-	57,626	79,970
Trading and fundraising		105,494	(357)	-	105,137	347,724
Investments		8,020	72	4,759	12,851	14,009
Other income		121,212	1,762	-	122,974	-
Total income		464,874	932,843	4,759	1,402,476	1,386,173
Expenditure on:	(4)					
Raising funds		187,829	35,036	-	222,865	317,123
Ministry		455,984	34,062	-	490,046	609,783
Education and outreach		88,535	13,210	-	101,745	92,900
Cathedral and precincts upkeep		308,654	36,014	-	344,668	381,318
Cathedral building developments		48	2,219	-	2,267	6,616
Expenditure	(5)	1,041,050	120,541	-	1,161,591	1,407,740
Net (expenditure)/income before investment gains		(576,176)	812,302	4,759	240,885	(21,567)
Net gains/(losses) on investments	(7)	5,575	165	11,224	16,964	45,595
Net (expenditure)/income		(570,601)	812,467	15,983	257,849	24,028
Transfers between funds						
Costs funded by restricted income	(18)	675,513	(675,513)	-	-	-
Costs funded by unrestricted income (14b)		(25,515)	25,515	-	-	-
Costs funded by endowment income (14a)		-	-	-	-	-
		79,397	162,469	15,983	257,849	24,028
Other recognised gains/ (losses)						
Non investment property	(8)	-	-	-	-	-
Non investment property Church Commissioners Share	(13)	-	-	-	-	-
Net movement in funds		79,397	162,469	15,983	257,849	24,028
Reconciliation of funds:						
Total funds brought forward		2,214,418	(194,647)	138,424	2,158,195	2,134,167
Total funds carried forward		2,293,815	(32,178)	154,407	2,416,044	2,158,195

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 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	219,797	49,741	127,271	396,809	379,845
Tangible fixed assets						
Non investment property	(8)	1,900,239	-	-	1,900,239	1,900,239
Equipment and plant	(9)	43,648	4,413	-	48,061	63,497
Total fixed assets		2,163,684	54,154	127,271	2,345,109	2,343,581
Current assets						
Stock		34,978	-	-	34,978	40,200
Debtors	(10)	62,198	-	-	62,198	148,350
Cash at bank and in hand	(11)	334,410	269,273	27,136	630,819	347,290
Total current assets		431,586	269,273	27,136	727,995	535,840
Liabilities due within one year						
Creditors	(12)	(119,330)	(30,188)	-	(149,518)	(206,184)
Net current assets		312,256	239,085	27,136	578,477	329,656
Total assets less current liabilities		2,475,940	293,239	154,407	2,923,586	2,682,612
Liabilities due after one year						
Loans	(13)	(182,125)	(325,417)	-	(507,542)	(515,042)
Total net assets		2,293,815	(32,178)	154,407	2,416,044	2,158,195
The funds of the Cathedral (14)						
General fund		2,258,883	-	-	2,258,883	2,179,134
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		27,705	-	-	27,705	28,057
Chester Lecture		-	-	21,458	21,458	19,729
Music endowments		-	-	101,864	101,864	89,250
Cathedral Hall		-	-	31,085	31,085	29,175
Church Burgesses		-	3,315	-	3,315	-
Cathedral Development Project		-	(352,915)	-	(352,915)	(380,415)
Cathedral Gateway Project		-	25,164	-	25,164	27,383
Yorks & Lancs Regiment fund		-	91,153	-	91,153	7,353
Choir Tour Fund		-	20,140	-	20,140	20,188
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	15,736	-	15,736	13,146
William Rowley Charity		-	10,504	-	10,504	10,267
Sam Hiller Memorial fund		-	57,907	-	57,907	57,907
HLF Cultural Recovery Fund		-	28,596	-	28,596	-
Organ fund		-	9,456	-	9,456	8,785
Community Covenant		-	1,747	-	1,747	1,747
Bell fund		-	-	-	-	405
Maundy		-	-	-	-	1,580
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hephher Painting Restoration		-	1,500	-	1,500	1,500
Nave roof		-	-	-	-	9,716
Sustainability Fund		-	-	-	-	(19,434)
CCTV		-	4,414	-	4,414	6,620
HMS Sheffield Flag		-	791	-	791	791
Tony Elwis Legacy		-	15,000	-	15,000	15,000
Preservation of the Fabric of the Building		-	12,500	-	12,500	-
Total Cathedral funds		2,293,815	(32,178)	154,407	2,416,044	2,158,195

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED BALANCE SHEET - continued AT 31 DECEMBER 2020

The financial statements on pages 23 to 54 were approved by the Cathedral Chapter on May 18, 2021 and are signed on its behalf by:-

P.G. Harbord

P.G. Harbord (May 18, 2021 10:56 GMT+1)

The Reverend Canon Geoffrey Harbord
Acting Dean of Sheffield

C A J Biggin

C A J Biggin (May 18, 2021 16:36 GMT+1)

Canon J Biggin
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

CHAPTER BALANCE SHEET

AT 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Fixed assets						
Investment assets:						
Investments	(7)	219,797	49,471	127,271	396,809	379,845
Tangible fixed assets						
Non investment property	(8)	1,900,239	-	-	1,900,239	1,900,239
Equipment and plant	(9)	7,970	4,413	-	12,383	23,620
Total fixed assets		2,128,006	54,154	127,271	2,309,431	2,303,704
Current assets						
Stock		1,069	-	-	1,069	2,538
Debtors	(10)	60,056	-	-	60,056	243,873
Cash at bank and in hand	(11)	328,567	269,273	27,136	624,976	273,771
Total current assets		389,692	269,273	27,136	686,101	520,182
Liabilities due within one year						
Creditors	(12)	(109,645)	(30,188)	-	(139,833)	(161,316)
Net current assets		280,047	239,085	27,136	546,268	358,866
Total assets less current liabilities		2,408,053	293,239	154,407	2,855,699	2,662,570
Liabilities due after one year						
Loans	(13)	(162,125)	(325,417)	-	(487,542)	(515,042)
Total net assets		2,245,928	(32,178)	154,407	2,368,157	2,147,528
The funds of the Cathedral (14)						
General fund		2,210,996	-	-	2,210,996	2,167,763
Designated funds						
- Music fund		7,227	-	-	7,227	7,227
- Deanery fund		27,705	-	-	27,705	28,057
Chester Lecture		-	-	21,458	21,458	19,729
Music endowments		-	-	101,864	101,864	89,250
Cathedral Hall		-	-	31,085	31,085	29,175
Church Burgesses		-	3,315	-	3,315	-
Cathedral Development Project		-	(352,915)	-	(352,915)	(380,415)
Cathedral Gateway Project		-	25,164	-	25,164	27,383
Yorks & Lancs Regiment fund		-	91,153	-	91,153	7,353
Choir Tour Fund		-	20,140	-	20,140	20,188
Sing!		-	3,031	-	3,031	3,031
Choral Tuition		-	15,736	-	15,736	13,146
William Rowley Charity		-	10,504	-	10,504	-
Sam Hiller Memorial fund		-	57,907	-	57,907	10,267
HLF Cultural Recovery Fund		-	28,596	-	28,596	57,907
Organ fund		-	9,456	-	9,456	8,785
Community Covenant		-	1,747	-	1,747	1,747
Bell fund		-	-	-	-	405
Maundy		-	-	-	-	1,580
Friends of Sheffield Cathedral		-	19,783	-	19,783	19,783
David Hephher Painting Restoration		-	1,500	-	1,500	1,500
Nave roof		-	-	-	-	9,716
Sustainability fund		-	-	-	-	(19,434)
CCTV		-	4,414	-	4,414	6,620
HMS Sheffield Flag		-	791	-	791	791
Tony Elwis Legacy		-	15,000	-	15,000	15,000
Preservation of the Fabric of the Building		-	12,500	-	12,500	-
Total Cathedral funds		2,245,928	(32,178)	154,407	2,368,157	2,147,528

SHEFFIELD CATHEDRAL CHAPTER

CHAPTER BALANCE SHEET - continued AT 31 DECEMBER 2020

The financial statements on pages 23 to 54 were approved by the Cathedral Chapter on May 18, 2021 and are signed on its behalf by:-

P.G. Harbord

P.G. Harbord (May 18, 2021 10:56 GMT+1)

The Reverend Canon Geoffrey Harbord
Acting Dean of Sheffield

C.A.J. Biggin

C.A.J. Biggin (May 18, 2021 16:36 GMT+1)

Canon J Biggin
Lay Treasurer

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided/(used) by operating activities	(a)	278,178	(65,769)
Cash flows from investing activities:			
Investment income received net of costs		12,851	14,009
Purchase of property, plant and equipment		-	(45,063)
Net cash provided/(used) by investing activities		12,851	(31,054)
Cash flows from financing activities			
Repayment of loan		(27,500)	(20,625)
New borrowings		20,000	-
Net cash (used)/provided by investing activities		(7,500)	(20,625)
Change in cash and cash equivalents in the reporting period		283,529	(117,448)
Cash and cash equivalents at the beginning of the reporting period	(b)	347,290	464,738
Cash and cash equivalents at the end of the reporting period	(b)	630,819	347,290

SHEFFIELD CATHEDRAL CHAPTER

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
Net income/(expenditure) for the reporting period (as per the SOFA)	240,885	(21,567)
Adjustments for:		
Depreciation charges	15,436	11,047
Income from property and investments	(12,851)	(14,009)
Decrease/(increase) in stocks	5,222	(1,610)
Decrease/(increase) in debtors	86,152	(77,318)
(Decrease)/increase in creditors	(56,666)	37,687
Net cash provided/(used) by operating activities	<u>278,178</u>	<u>(65,769)</u>

(b) Analysis of cash and cash equivalents

Cash in hand	630,819	347,290
Total cash and cash equivalents	<u>630,819</u>	<u>347,290</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS YEAR ENDED 31 DECEMBER 2020

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 ongoing 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 30 June 2022 which shows that they have sufficient reserves and cash to be able to continue for the foreseeable future. These forecasts have been prepared with consideration to the government's roadmap to recovery and the expectation that future plans to generate income are successful.

Chapter recognise the uncertainty around future income generation and the inherent risk regarding the success and sustainability of future plans. However, Chapter have concluded that the entity remains a going concern whilst forecasts predict sufficient reserves and cash to continue in operation 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 2020

1. Accounting Policies – continued

(d) Income - continued

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

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

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

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

(e) Taxation

The Cathedral is 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.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

1. Accounting Policies – continued

(h) Property

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

(i) Tangible fixed assets

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

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

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

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

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

(j) Stocks

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

(k) Debtors

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

(l) Cash and cash equivalents

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

(m) Creditors and provisions

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

(n) Financial instruments

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

(o) Investments

Investments are included in the balance sheet at market value.

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

(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 2020

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. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

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

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

(r) Employee benefits

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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

		Unrestricted funds £	Restricted funds £	Endowment funds £	2019 Total funds £
Donations and legacies		141,309	42,859	-	184,168
Grants in support of ministry		32,500	727,802	-	760,302
Charges and fees arising in the course of mission		79,970	-	-	79,970
Trading and fundraising		344,132	3,592	-	347,724
Investments		9,195	1,031	3,783	14,009
Total income		607,106	775,284	3,783	1,386,173
Expenditure on:	(4)				
Raising funds		315,764	1,359	-	317,123
Ministry		556,987	52,796	-	609,783
Education and outreach		92,855	45	-	92,900
Cathedral and precincts upkeep		342,674	38,644	-	381,318
Cathedral building developments		96	6,520	-	6,616
Expenditure	(5)	1,308,376	99,364	-	1,407,740
Net (expenditure)/income before investment gains		(701,270)	675,920	3,783	(21,567)
Net gains/(losses) on investments	(7)	19,497	7,812	18,286	45,595
Net (expenditure)/income		(681,773)	683,732	22,069	24,028
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
Other recognised gains/ (losses)					
Non investment property	(8)	-	-	-	-
Non investment property - Church Commissioners Share	(13)	-	-	-	-
Net movement in funds		(26,276)	30,931	19,373	24,028
Reconciliation of funds:					
Total funds brought forward		2,240,694	(225,578)	119,051	2,134,167
Total funds carried forward		2,214,418	(194,647)	138,424	2,158,195

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

3. INCOME AND ENDOWMENTS

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Donations and legacies					
Legacies	12,784	-	-	12,784	27,900
Congregational collections and giving (3a)	122,824	278	-	123,102	148,013
Income from appeals and fundraising	-	98,202	-	98,202	8,255
	<u>135,608</u>	<u>98,480</u>	<u>-</u>	<u>234,088</u>	<u>184,168</u>
Grants in support of ministry					
Church Commissioners	-	241,380	-	241,380	223,194
Church Burgesses Trust (15) Church Burgesses	-	464,133	-	464,133	486,134
Educational Foundation	4,414	7,267	-	11,681	10,472
Church Commissioners Sustainability Fund	-	87,166	-	87,166	-
Sheffield Diocesan Board of Finance	7,500	-	-	7,500	7,500
All Churches Trust	25,000	-	-	25,000	25,000
HLF Culture Recovery Fund	-	32,940	-	32,940	-
Listed Places of Worship Grant	-	-	-	-	1,128
David Hephher Painting	-	-	-	-	6,874
	<u>36,914</u>	<u>832,886</u>	<u>-</u>	<u>869,800</u>	<u>760,302</u>
Charges and fees arising in the course of the mission					
Facility and other fees	57,626	-	-	57,626	79,970
	<u>57,626</u>	<u>-</u>	<u>-</u>	<u>57,626</u>	<u>79,970</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS – continued YEAR ENDED 31 DECEMBER 2020

3. INCOME AND ENDOWMENTS - continued

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Trading and fundraising					
Events held in the Cathedral	48,770	(357)	-	48,413	127,590
Commercial trading operations	56,724	-	-	56,724	220,134
	<u>105,494</u>	<u>(357)</u>	<u>-</u>	<u>105,137</u>	<u>347,724</u>
Investments					
Investments	8,020	72	4,759	12,851	14,009
	<u>8,020</u>	<u>72</u>	<u>4,759</u>	<u>12,851</u>	<u>14,009</u>
Other income					
Insurance claim	2,122	-	-	2,122	-
CJRS income	119,090	1,762	-	120,852	-
	<u>121,212</u>	<u>1,762</u>	<u>-</u>	<u>122,974</u>	<u>-</u>
3a. Congregational collections and giving					
Collections	7,041	278	-	7,319	19,836
Alms boxes	12,929	-	-	12,929	19,069
Donations	30,257	-	-	30,257	3,747
Patrons	11,093	-	-	11,093	4,710
Candles	5,374	-	-	5,374	15,686
Planned giving	42,500	-	-	42,500	69,879
Tax recoverable	13,630	-	-	13,630	15,086
	<u>122,824</u>	<u>278</u>	<u>-</u>	<u>123,102</u>	<u>148,013</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

4. EXPENDITURE

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Raising funds					
Promoters fees	-	-	-	-	1,764
Events and hospitality	75,187	35,036	-	110,223	110,884
Commercial trading operations	112,642	-	-	112,642	204,515
	<u>187,829</u>	<u>35,036</u>	<u>-</u>	<u>222,865</u>	<u>317,123</u>
Ministry					
Clergy stipends and working expenses	106,652	-	-	106,652	124,862
Clergy housing costs	23,631	-	-	23,631	28,109
Services and music	130,535	1,038	-	131,573	249,099
Support costs (5)	195,166	33,024	-	228,190	207,713
	<u>455,984</u>	<u>34,062</u>	<u>-</u>	<u>490,046</u>	<u>609,783</u>
Education and outreach					
Educational activities	105	-	-	105	467
Community Resource Centre	10,364	-	-	10,364	21,398
Charitable and other giving (4a)	-	-	-	-	-
Support costs (5)	78,066	13,210	-	91,276	71,350
	<u>88,535</u>	<u>13,210</u>	<u>-</u>	<u>101,745</u>	<u>92,900</u>
Cathedral and precinct upkeep					
Maintenance and interior upkeep	65,970	16,200	-	82,170	105,852
Cathedral insurance	42,133	-	-	42,133	74,180
Utilities	38,741	-	-	38,741	46,950
Salaries	44,710	-	-	44,710	47,852
Support costs (5)	117,100	19,814	-	136,914	106,484
	<u>308,654</u>	<u>36,014</u>	<u>-</u>	<u>344,668</u>	<u>381,318</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
4. EXPENDITURE – continued					
Cathedral building developments					
Cathedral gateway project	48	2,219	-	2,267	6,616
Support costs (5)	-	-	-	-	-
	<u>48</u>	<u>2,219</u>	<u>-</u>	<u>2,267</u>	<u>6,616</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	53,939	15,219	-	69,158	69,868
Salaries	152,637	38,253	-	190,890	157,246
Other staff costs	8,430	-	-	8,430	1,065
Staff recruitment	1,988	-	-	1,988	-
Loan Interest	2,296	-	-	2,296	2,258
Public relations	9,406	-	-	9,406	10,252
Legal and professional	93,100	9,716	-	102,816	52,414
Travel and subsistence	4,315	91	-	4,406	6,142
Staff training	12,836	540	-	13,376	31,238
Depreciation	9,029	2,206	-	11,235	8,213
IT running costs	28,824	23	-	28,847	31,354
Bank charges	962	-	-	962	900
Audit fees	9,270	-	-	9,270	8,970
Non audit fees	3,300	-	-	3,300	3,876
	<u>390,332</u>	<u>66,048</u>	<u>-</u>	<u>456,380</u>	<u>385,232</u>
Total 2019	<u>354,949</u>	<u>30,283</u>	<u>-</u>	<u>385,232</u>	

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

5. Analysis of total expenditure including allocations of support costs

	Activities undertaken directly £	Grant funding activities £	Support costs £	Total 2020 £	Total 2019 £
Raising funds	222,865	-	-	222,865	317,123
Ministry	261,856	-	228,190	490,046	609,783
Education and Outreach	10,469	-	91,276	101,745	92,900
Cathedral and precincts upkeep	207,754	-	136,914	344,668	381,318
Cathedral building developments	2,267	-	-	2,267	6,616
	705,211	-	456,380	1,161,591	1,407,740
Total 2019	1,022,508	-	385,232	1,407,740	

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	214,222	49,576	116,047	379,845
Investments additions	-	-	-	-
Net increase/(decrease) on revaluation	5,575	165	11,224	16,964
At market value 31 December	219,797	49,741	127,271	396,809

All investments are listed UK securities and comprise:

	£
UK property fund	73,436
UK investment funds	323,373
	396,809

The historical cost of the investments is £199,198 (2019: £199,198).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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	1,900,239	-	-	1,900,239
Additions	-	-	-	-
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, based on the conditions existing at the year end, do not believe there has been a material movement in value at 31 December 2020.

The historical cost of these properties is £1,172,295 (2019: £1,172,295).

9. Equipment & plant

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	243,322	11,032	-	254,354
Additions	-	-	-	-
At 31 December	<u>243,322</u>	<u>11,032</u>	<u>-</u>	<u>254,354</u>
Depreciation				
At 1 January	186,445	4,412	-	190,857
Depreciation for year	13,229	2,207	-	15,436
At 31 December	<u>199,674</u>	<u>6,619</u>	<u>-</u>	<u>84,299</u>
Net book value				
At 31 December 2020	<u>43,648</u>	<u>4,413</u>	<u>-</u>	<u>48,061</u>
At 31 December 2019	<u>56,877</u>	<u>6,620</u>	<u>-</u>	<u>63,497</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

9. Equipment & plant - continued

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Cost				
At 1 January	190,360	11,032	-	201,392
Additions	-	-	-	-
At 31 December	190,360	11,032	-	201,392
Depreciation				
At 1 January	173,360	4,412	-	177,772
Depreciation for year	9,030	2,207	-	6,823
At 31 December	182,390	6,619	-	184,595
Net book value				
At 31 December 2020	7,970	4,413	-	12,383
At 31 December 2019	17,000	6,620	-	23,620

10. Debtors

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Due from Church Burgesses Trust including CBEF	-	-	-	-	30,000
Trade debtors	36,865	-	-	36,865	42,926
Prepayments and other debtors	25,333	-	-	25,333	75,424
	62,198	-	-	62,198	148,350

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Due from Church Burgesses Trust including CBEF	-	-	-	-	30,000
Trade debtors	36,865	-	-	36,865	41,474
Prepayments and other debtors	23,191	-	-	23,191	68,093
Amounts due from subsidiary undertakings	-	-	-	-	104,306
	60,056	-	-	60,056	243,873

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

11. Cash

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
CBF Deposit fund	4,209	-	11,254	15,463	15,463
Cash at bank and in hand	330,201	269,273	15,882	615,356	331,827
	<u>334,410</u>	<u>269,273</u>	<u>27,136</u>	<u>630,819</u>	<u>347,290</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
CBF Deposit fund	4,209	-	11,254	15,463	15,463
Cash at bank and in hand	324,358	269,273	15,882	609,513	258,308
	<u>328,567</u>	<u>269,273</u>	<u>27,136</u>	<u>624,976</u>	<u>273,771</u>

12. Creditors due within one year

<i>Group</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Trade creditors	41,999	2,688	-	44,687	100,530
Accruals and other creditors	77,331	-	-	77,331	78,154
Due to Diocese	-	27,500	-	27,500	27,500
	<u>119,330</u>	<u>30,188</u>	<u>-</u>	<u>149,518</u>	<u>206,184</u>

<i>Chapter</i>	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 Total funds £
Trade creditors	41,535	2,688	-	44,223	79,267
Accruals and other creditors	68,110	-	-	68,110	54,549
Due to Diocese	-	27,500	-	27,500	27,500
	<u>109,645</u>	<u>30,188</u>	<u>-</u>	<u>139,833</u>	<u>161,316</u>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

13. Creditors due over one year

	Unrestricted funds £	Restricted funds £	Endowment funds £	2020 Total funds £	2019 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	-	325,417	-	325,417	352,917
Chapter	162,125	325,417	-	487,542	515,042
Bank bounceback loan	20,000	-	-	20,000	-
Group	182,125	325,417	-	507,542	515,042

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:

	Bank £	Diocese £	Church Commissioners £	Total £
Between 1 and 2 years	-	27,500	-	27,500
Between 2 and 5 years	20,000	110,000	-	130,000
After 5 years	-	215,417	162,125	377,542
	20,000	352,417	162,125	535,042

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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	19,729	78,266	11,254	29,175	138,424
Income	524	-	3,743	492	4,759
Expenditure	-	-	-	-	-
Increase/(decrease) in market value of investments	1,205	8,601	-	1,418	11,224
Transfer to unrestricted funds	-	-	-	-	-
At 31 December	21,458	86,867	14,997	31,085	154,407

Endowment funds – prior 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

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 2020

14. The funds of the Cathedral - continued

(b) Restricted funds – current year

<i>Group and Chapter</i>	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains on investments £	At 31 December 2020 £
Church Commissioners (note 18)	-	241,380	-	(241,380)	-	-
Church Burgesses Trust (note 18)	-	434,133	-	(434,133)	-	-
Church Burgesses Trust – Education	-	3,315	-	-	-	3,315
Church Burgesses Trust – Mission	-	30,000	(30,000)	-	-	-
Cathedral Development Project	(380,415)	-	-	27,500	-	(352,915)
Cathedral Gateway Project	27,383	-	(2,219)	-	-	25,164
York & Lancaster Regiment	7,353	85,000	(1,200)	-	-	91,153
Choir Fund	20,188	(48)	-	-	-	20,140
Sing!	3,031	-	-	-	-	3,031
Choral tuition	13,146	4,168	(1,578)	-	-	15,736
William Rowley Charity	10,267	72	-	-	165	10,504
Sam Hiller Memorial fund	57,907	-	-	-	-	57,907
HLF Culture Recovery Fund	-	32,940	(4,344)	-	-	28,596
Organ fund	8,785	671	-	-	-	9,456
Community Covenant	1,747	-	-	-	-	1,747
Bell Fund	405	-	-	(405)	-	-
Maundy	1,580	-	-	(1,580)	-	-
Friends of Sheffield Cathedral	19,783	-	-	-	-	19,783
Painting Restoration	1,500	-	-	-	-	1,500
Nave roof	9,716	-	(9,716)	-	-	-
Sustainability fund	(19,434)	88,712	(69,278)	-	-	-
CCTV Grant	6,620	-	(2,206)	-	-	4,414
HMS Sheffield Flag	791	-	-	-	-	791
Tony Elwis Legacy	15,000	-	-	-	-	15,000
Preservation of the fabric of the building	-	12,500	-	-	-	12,500
Total Restricted funds	(194,647)	932,843	(120,541)	(649,998)	165	(32,178)

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

14. The funds of the Cathedral - continued

<i>Group and Chapter</i>	Restricted funds – prior year					Gains on investments	At 31 December 2019
	At 1 January 2019	Income	Expenditure	Transfers			
	£	£	£	£	£	£	£
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)

(1) Church Commissioners

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

(2) Church Burgesses Trust

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

(3) Cathedral Development Project

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

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

- (4) **Cathedral Gateway Project**
The Cathedral Gateway Project is raising funds for the reordering of the Cathedral.
- (5) **York & Lancaster Regiment**
Funds provided towards the maintenance and upkeep of St George's Chapel (the regimental chapel of the York & Lancaster Regiment) and the provision of flowers.
- (6) **Choir fund**
This fund relates to monies raised by the choir and spent on choir activities.
- (7) **Sing!**
The Sing! projects aim is to make singing central to every primary school aged child's life at home, at school and in the wider community. This is funded by the participating schools and the music hub.
- (8) **Choral tuition**
Money to be spent on choral tuition.
- (9) **William Rowley Charity**
This fund is to be used for the repair and maintenance of the Rowley Window.
- (10) **Sam Hiller Memorial Fund**
The Ousley Trust granted money for a choral scholarship dedicated to Sam Hiller, an endowment was granted by the Friends of Cathedral Music to supplement this fund.
- (11) **HLF Culture Recovery Fund**
Funding towards recovery from the impact of Covid-19.
- (12) **Organ Fund**
This fund represents money which has been raised for the purchase of an organ.
- (13) **Community Covenant**
Income from the ministry of defence is used to engage children in their heritage and acknowledge the armed forces in the centenary year of WW1.
- (14) **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) **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.
- (17) **Painting Restoration**
Money raised for the restoration of the David Hopher painting.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

14. The funds of the Cathedral - continued

(18) Nave Roof

Centenary of the First World War Cathedral Repair Fund for the replacement of the nave and side aisle roofs.

(19) 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.

(20) CCTV Grant

Grant for renewals of the CCTV at the Cathedral.

(21) HMS Sheffield Flag

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

(22) Tony Elwis legacy

A gift for the purchase of Cathedral vestments.

(23) Preservation of the Fabric of the Building

Funding towards fabric preservation

(c) Unrestricted funds – current year

	General fund £	Deanery fund £	Music fund £	Total £
At 1 January	2,179,134	28,057	7,227	2,214,418
Income	464,874	-	-	464,874
Expenditure	(1,041,050)	-	-	(1,041,050)
Gains on investments	5,575	-	-	5,575
Transfer from Deanery fund	352	(352)	-	-
Transfer from Endowments	-	-	-	-
Transfer from restricted funds	675,513	-	-	675,513
Transfer to restricted funds	(25,515)	-	-	(25,515)
At 31 December	<u>2,258,883</u>	<u>27,705</u>	<u>7,227</u>	<u>2,293,815</u>

Unrestricted funds – prior 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>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

14. The funds of the Cathedral - continued

Deanery fund

This fund represents the balance of the sale of the Dean's former house and is set aside for future works to the Deanery. The transfer during the year is for works carried out on the property.

Music fund

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

Summary of unrestricted funds

Current year

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains on revaluations £	At 31 December 2020 £
Designated funds						
Deanery Fund	28,057	-	-	(352)	-	27,705
Music Fund	7,227	-	-	-	-	7,227
	<u>35,284</u>	<u>-</u>	<u>-</u>	<u>(352)</u>	<u>-</u>	<u>34,932</u>
General funds						
General funds	2,168,467	377,338	(928,408)	650,350	5,575	2,273,322
Sheffield Cathedral Enterprises	10,667	87,536	(112,642)	-	-	(14,439)
	<u>2,179,134</u>	<u>464,874</u>	<u>(1,041,050)</u>	<u>650,350</u>	<u>5,575</u>	<u>2,258,883</u>
Total unrestricted funds	<u>2,214,418</u>	<u>464,874</u>	<u>(1,041,050)</u>	<u>649,998</u>	<u>5,575</u>	<u>2,293,815</u>

Prior 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>

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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:

	2020	2019
	£	£
Grant for maintenance, divine worship and administration	434,133	456,134
One off grants	30,000	30,000
	<hr/>	<hr/>
Total support	464,133	486,134
	<hr/> <hr/>	<hr/> <hr/>

16. Transactions with the Diocese

	2020	2019
	£	£
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 £352,417 (2019: £379,917) (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 £20,775 (2019: £21,701). No contributions were outstanding at the year end (2019: £Nil). This excludes clergy pension costs paid directly by the Church Commissioners.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

18. Transfers between funds

Costs funded by restricted income

	2020 £
Clergy stipends and working expenses	106,652
Salaries	7,069
Clergy housing costs	23,631
Church maintenance and interior upkeep	65,970
Church utilities	38,741
Cathedral insurance	42,133
Travel and subsistence	4,315
Staff training	12,836
Public relations	9,406
Information technology	28,824
Office expenses	53,939
Professional fees	93,100
Services and music	188,897
	<hr/>
	675,513
	<hr/> <hr/>
Funded by:	
Church Burgesses (note 14b)	434,133
Church Commissioners (note 14b)	241,380
	<hr/>
	675,513
	<hr/> <hr/>

Other transfers

A transfer has been made from the Bell Maundy restricted funds to unrestricted funds for expenditure incurred in previous years which had been allocated against unrestricted funds.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

19. Employees	2020 No.	2019 No.
The average number of employees during the year was:-		
Clergy	2	3
Lay and administration	14	12
Lay Clerks and Choral Scholars	8	9
Pensioners	-	1
Casual Workers	-	1
	<u>24</u>	<u>26</u>
The total full time equivalent number of employees during the year was:		
	<u>24</u>	<u>26</u>
Total staff costs, including clergy stipends, include the following:		
	2020 £	2019 £
Clergy stipends (note 20)	66,568	75,752
Salaries	435,076	476,044
Employer's national insurance	31,650	37,329
Pension contributions	42,903	46,856
Apprenticeship levy	312	341
	<u>576,508</u>	<u>636,322</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 £Nil (2019: £21,719) and relates to staff restructuring.

The total amount of employee benefits received by senior management personnel is £155,603 (2019: £165,675). The Cathedral Chapter considers its senior management team to be the Dean, Canons and Chief Operating Officer.

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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	38,023	12,293
The Revd Canon Farrow	28,545	9,834
	<u>66,568</u>	<u>22,127</u>

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

The above members lived in houses owned by the Cathedral Chapter during the year. Out of pocket expenses reimbursed to the above members during the year amounted to £24,114 which includes travel, subsistence and home office costs (2019: £27,860).

During the year 5 Chapter members donated £3,180 to the Cathedral (2019: 8 members: £4,315).

Cathedral Archer Project Ltd (CAP)

Canon John Biggin, the Cathedral Treasurer, has been an observer at CAP Board meetings during 2020. During the year the CAP occupied part of the CRC and the Cathedral is due to receive £37,500 (2019: £37,500) for the lease of the premises and a £9,460 (2019: £16,176) 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 (2019: £nil).

SHEFFIELD CATHEDRAL CHAPTER

NOTES TO THE ACCOUNTS - continued YEAR ENDED 31 DECEMBER 2020

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 taxable profits to the charity by gift aid. A summary of its results and assets and liabilities are shown below:

	2020 £	2019 £
Turnover	87,536	220,134
Expenses	(112,642)	(204,516)
Profit	<u>(25,106)</u>	<u>15,618</u>
Fixed assets	35,678	39,878
Current assets	41,892	118,532
Current liabilities	(9,685)	(85,419)
Long term liabilities	(82,326)	(62,326)
Net assets	<u>(14,441)</u>	<u>10,665</u>
Represented by:		
Share capital	-	-
Reserves	(14,441)	10,665
	<u>(14,441)</u>	<u>10,665</u>