



# WORCESTER CATHEDRAL



**Annual Report and Consolidated Financial  
Statements for the year ended 31<sup>st</sup> March 2024**

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# **Worcester Cathedral Annual Report For the year ended 31 March 2024**

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The Chapter of Worcester Cathedral present the Annual Report and Financial Statements of The Cathedral Church of Christ and the Blessed Mary the Virgin, of Worcester ("the Cathedral"), together with the Independent Auditor's Report, for the year ended 31 March 2024.

## **OBJECTIVES AND ACTIVITIES**

### **Legal objects**

In accordance with the governing documents, the objects of the Cathedral are:

- a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
- b) to care for and conserve the fabric and structure of the Cathedral Church building;
- c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b).

### **Values**

At the heart of everything that Worcester Cathedral does lies the commitment, inspired by its Benedictine heritage, to prayer, learning and welcome; and promoting the values of love, compassion, justice and freedom.

The vision for Worcester Cathedral is to be a place of **prayer, learning** and **welcome**.

### **Aims and purpose**

With the vision and values in mind, the aims and purpose of Worcester Cathedral is to be:

- A community proud to share the amazing quality and heritage of the Cathedral;
- A place of breadth and depth in worship and prayer;
- A place of learning, discipleship and nurture;
- A catalyst for campaigning and awareness on the environment and social justice;
- A resilient organisation with stable finances.

### **Objectives**

The Chapter have set a number of priorities for the period to 2025:

#### ***A community welcoming everyone to share our amazing heritage***

- Review the quality of our welcome to visitors through the Visitor Engagement Plan
- Improve the external approach to the Cathedral through Phase One of the Landscape Plan (College Yard)

#### ***A place of breadth and depth in worship and prayer***

- Reoccupy all areas of the Cathedral for prayer and worship following Covid restrictions and storm damage
- Prepare the way for the Nave organ and furnishings project

***A place of learning, discipleship, and nurture***

- Welcome a new residentiary canon with special responsibility for promoting our library and learning resources as part of the Cathedral's mission
- Finalise and implement the three-year chorister formation programme, and coordinate learning programmes across the Cathedral

***A catalyst for campaigning and raising awareness on the environment and social justice***

- Achieve the Silver level Eco-Church award
- Develop existing Living Gently programme to a broader audience working with other city churches and institutions
- Launch an Environment and Social Justice forum across the Cathedral Community which brings together current and new areas of justice and outreach work alongside our Charitable Giving

***A resilient organisation with stable finances***

- Achieve a stable and sustainable staffing structure
- Relocate the Chapter Offices to Old Palace and promote the Old Palace for functions
- Complete the implementation of the Cathedrals Measure

**Public Benefit**

The Cathedral is mindful of section 17 of the Charities Act 2011, where charities should have regard to the public benefit guidance published by the Charity Commission when determining the activities of the Cathedral. The Cathedral is at the service of the wider community, not only in its daily religious and charitable work, but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

## **ACHIEVEMENTS AND PERFORMANCE**

### ***A community welcoming everyone to share our amazing heritage***

#### **Visitor engagement**

During the year, further improvements were made to the **visitor experience** at the Cathedral. The Chapter continues to adopt the model of 'entry by donation' where admission to the Cathedral is free, but visitors are asked to consider making a donation by the Visitor Welcome Assistants (VWAs) on the welcome desk. This helps to defray the significant cost of running the Cathedral, allowing it to remain open to visitors seven days a week. While the suggested donation per person is £7, the average donation per person in 2023-24 amounted to £1.22. This highlights both the challenge of encouraging voluntary donations and that accessibility to the Cathedral for prayer and reflection remains an important aspect of the Cathedral's purpose.

In July 2023, the Cathedral began a trial to allow dogs into the Cathedral building, with the exception of the café, shop and crypt and with only registered assistance dogs being able to attend services and concerts. This change of policy, which has also been adopted by other cathedrals, has been designed to allow greater access to visitors and has been generally well received.

Chapter commissioned an access audit, which will report in 2024, and from which wider plans will be developed to improve accessibility. Any structural improvements will require significant work and require permission, but the access audit will provide an up to date baseline from which Chapter can plan sensitive and appropriate improvements that allow the Cathedral to become accessible to all.

Taking advantage of the pinnacle works (see below), the Cathedral invested in the replacement of the decking on top of the tower. Not only does this provide a safer working environment, but it also means that an expanded range of tower tours can now be offered, showing off this unique viewpoint across the city. Tower tours, with a new model of using dedicated tower stewards, were relaunched in March 2024.

#### **College Yard landscaping project**

One of the major projects progressed in the year was the College Yard landscaping project. This project represents the first phase of the delivery of the Cathedral's landscape masterplan, that was produced in 2022 by Neil Swanson of Landscape Projects. The idea of the landscape masterplan is to provide an overarching plan for the development of the Cathedral's grounds and precinct in the coming years. The first phase is focused on College Yard and is designed to improve the link between the city centre and the main entrance of the Cathedral by creating a path across College Yard and a more obvious approach to the Cathedral.

The core project has been made possible by Towns Fund money awarded to Worcester City Council and the generous support of the Kildare Trust, the Wolfson Foundation and the Dulverton Trust. The main element of this work will be delivered by the end of March 2025, with other phases being completed in stages as further funding is obtained.

### **Pinnacle repair work caused by Storm Arwen**

On the 27 November 2021, *Storm Arwen* caused one of the pinnacles on the north east side of the main tower to fall through the North Quire Aisle roof causing significant damage to the Cathedral building. Exactly two years later, on the 27 November 2023, the Interim Dean celebrated the 'topping out' ceremony to mark the completion of the repair work, laying the final stone on the newly carved pinnacle 175ft up, on the side of the tower. The project to repair the damage caused by the fallen pinnacle, and to replace the pinnacle itself, was a significant undertaking and occupied the resources of the Cathedral's stonemasons for much of this period. Under the leadership of Master Mason, Darren Steele, this project also allowed the masons to deploy their creativity, with the replacement pinnacle being carved with a new design that represents the 'royal beasts' of a crowned lion, a unicorn and a dragon. The Chapter is grateful to the partners in this project, without whom these repairs would not have been possible. These include: Clews Architects (architects and principal designers), Andrew Waring Associates (structural engineers), Crawfords (loss adjusters), The Downland Partnership (measured surveys and scanning), Ecclesiastical Insurance Group (insurance services), Ellis & Co (roof and fabric repairs), Focus Ecology (licensed ecologists), Heritage Stone Access (rope access team), Malvern Scaffolding (scaffolding and temporary works), Nicholson & Co (organ work), Optima Scaffold Designs (scaffold design), Synergy (quantity surveyors), Universal Safety Systems (new decking) and the Cathedral's maintenance and stonemasonry teams.

### **Maintenance and repair of the Cathedral building**

During the year, the Chapter received the headlines from the quinquennial inspection (QI) carried out by the Surveyor of the Fabric, Camilla Finlay. In addition to looking forward to the conservation priorities for the next 5 years, the QI report also reflects on the successful completion of a number of significant pieces of work over the past five years. These included:

- Two projects funded by the First World War Centenary Cathedrals Repairs Fund, namely the major repair programme to the west gable of the Nave (including the restoration of the Great West Window) and work on the St George's Chapel to repair and clean internal stonework and improve the drainage.
- The completion of a major project within College Hall and the Undercroft, centred on the conversion of the Undercroft into a 'Centre for Learning' and which also introduced new stairs and a lift to provide access for all. The project also encompassed: conservation work on the Christ in Majesty sculpture within College Hall; improved drainage to the south side of College Hall; the installation of a temporary ramp and steps in the South Syle; the installation of Wi-Fi, and a digital access control system.
- Work to the Library, and to the roofs above, which involved: the replacement of the lighting system within library; the reordering of spaces; the restoration of the south facing leaded windows; the recovering of the lead roofs; removal of all roof lights adding insulation; the installation of a man-safe latch on system to the roofs; the recovering of the west slope of South Transept, and repairs to the Nave roof, providing and effective emergency means of escape.

- Work within the Tower including: the installation of a new smoke detection system in the Belfry; the replacement of the metal fire doors to the bellringing school above the crossing and improved security and control systems throughout; the installation of new blinds within the bell-ringing chamber; the installation of a second sharp bell in the Belfry; detaching the Ellacombe chiming system and improving the working space below the bell frame.
- Within the Cathedral Precinct, high priority work to trees was undertaken including: the reduction of the Holm oak above the riverside walk; repairs to the War Memorial; local repairs to curbs, road surfaces and drainage, and installation of new lights within College Green.
- Finally, within the interior of the Cathedral, a new Wi-Fi system was installed; light fittings within the Lady Chapel and the *Musicomm* system to the Quire Organ were replaced; local repairs to decay and damage on the Lady Chapel floor were made and hazardous material (asbestos) at triforium level was made safe.

Building on these achievements, the QI report identifies a number of key priorities for the next five-year period, including:

***Ongoing projects***

- The reinstatement of the collapsed west garden wall (at No 13 College Green)
- Repairs the flood damage to the riverside wall (Ferry Cottage)
- Repairs the southern boundary wall (Kings School to Edgar Tower)
- Completion of the construction of walkways in the high roofs

***Major Stonework Projects to Tower***

- Rebuilding the north west pinnacles in order to improve their tie to the main body of the Tower (holding repair are currently in place and the builds on the successful work on the north east pinnacles (see above)
- Undertaking a meaningful phase of works to the Tower (focused on the south wall) in order to remove ferrous metal and loose sections of stone

***Major Stonework Projects (other areas)***

- Restoration work on the north quire aisle and bays to east of north porch
- Restoration work on the west wall of the cloisters, behind the 'ed shed' and protect the weathering by the Song School
- Restoration work on the south and west walls of College Hall (different phases requiring ropes and scaffolding)

***Roofs and Roof Voids:***

- Work on the high-roofs to conduct local repairs to slate, focused around the Tower and gables, the installation of drains to vault pits in the quire and pit drains, the sub-division of the roof voids and compartmentalisation of roofs (*for fire management*).
- Work on the aisle roofs to carry out local repairs to broken / slipped slates repoint loose and open flashings
- Work on the north aisle roof to repair splits to lead and carry out investigations into condition of roofs lead over North Porch and Jesus Chapel
- Work on College Hall to replace the access ladders over roof and install latch-on man safe

***Infrastructure and Building Systems***

- In respect of the Cathedral's electrical supply and infrastructure, to install surge monitoring and establish pattern and impact and, more widely, to replace the Cathedral's complex and aged electrical distribution system
- To replace the lighting systems, particular focussing on the Nave and Crypt and replace the emergency lighting systems, as required locally
- In terms of the Cathedral's heating systems, to replace heating system in the library and more broadly to work towards installing a new heating system throughout, replacing the boilers that are coming near to the end of their life. This may also include removing the wet heating systems at high-level and replacing it with new (and more effective) heating system.

***Rainwater Goods and Drainage Systems***

- Local repairs and maintenance to various drainage systems, including to College Hall, where repairs and the need to line brick culverts have been identified
- On College Yard, action to address the water ingress to the Crypt, the north and east walls of the cathedral and to make improvements to surface water drainage in general.

***Doors and Windows***

- General repairs to holes and damage on various windows, including the restoration of metal work on the aisle and West windows and the restoration of glass and metalwork to both the north and south walks of the cloister. The commissioning of a survey of all windows and stained glass has also been recommended.
- Repairs and work to replace the internal lobby in the North Porch has also been identified.

More broadly, a number of areas of work have been identified that will help in reducing the Cathedral's carbon footprint from a 'fabric' point of view and also work that would improve accessibility.

***Carbon Reduction***

- The installation of an 'over roof' above the South Quire Aisle to improve the environmental control of that space and the stability of the Quire organ. This may also be a potential site for solar PV.
- The installation of insulation within the roof void of College Hall in order to reduce heat loss. College Hall may also be considered as a site for installing PV to the south slope.

***Access Improvements***

- The installation of a permanent ramp arrangement in South Slype and the replacement of the ramp in the Cloister.
- Replacement of the lobby in North Aisle, the install a platform lift within the South Transept (to replace the existing chair lift), adapting stair arrangements in general and introducing a lift to the Crypt.

The list of work required on the Cathedral building and the wider precinct is therefore extensive. Some of this work will be planned within the ongoing, routine maintenance programme, resourced by the Cathedral's existing maintenance and stonemasonry teams. More significant work will be phased into broader restoration projects that are currently in development.



The list of work completed during the period of the last quinquennial inspection and the work identified for the coming years, highlights the significant complexity and challenges of maintaining such a historic building and estate.

***A place of breadth and depth in worship and prayer***

**Worship and prayer**

The daily pattern of worship and prayer remains at the heart of the Cathedral's mission and continued uninterrupted this year. Alongside the routine pattern of services, the worshipping life of the Cathedral was punctuated with a number of notable and special services. These included a visit from the Archbishop of Canterbury, the farewell service for the Very Reverend Peter Atkinson after 16 years as Dean of Worcester and the Royal Maundy service on the 27 March 2024, when Her Majesty The Queen presented Maundy money to 150 recipients at the Cathedral for the first time in over 40 years.

Some preparatory work on restoring the Transept organ took place in the year, with a view to developing a future restoration project, in sequence with the other major projects in the coming years. The implementation of the three-year chorister formation programme also continued this year, with the transition of the new model ending in 2025.

***A place of learning, discipleship, and nurture***

**The Cathedral's learning offering and the library**

The established schools programme continued this year, with 129 schools visiting the Cathedral during 2023-24, plus 13 that attended for conferences (some schools visited more than once e.g. with different year groups, or over different days). That equates to approximately 5,600 students visiting the Cathedral during the year.

The library continues to be one of the treasures of the Cathedral and during the year, it continued to welcome tours and researchers, alongside the rolling programme of manuscript restoration, funded by those giving generously to the 'adopt a piece of history' scheme.

**The Cathedral and the community of St Oswald's Hospital**

The changes to the chaplaincy role at St Oswald's Hospital (a separated registered charity – charity number 233566) developed further during the year, following the arrival in January 2023 of the Reverend Canon Kimberly Bohan in the newly combined role of Canon Librarian and Chaplain to St Oswald's Hospital. The departure of The Very Reverend Peter Atkinson as Dean also meant that the Master of St Oswald's changed to the Reverend Canon Stephen Edwards, as Interim Dean, during the decanal vacancy.

***A catalyst for campaigning and raising awareness on the environment and social justice***

**Environmental strategy and net-zero**

The environmental strategy of the Cathedral encapsulated the following aims, spearheaded by the Cathedral's Eco Group:

- Creating a prophetic voice for environmental campaigning and awareness.
- Education and awareness-raising of global and local eco-issues.
- Partnering with other local/regional voices.
- Working towards the A Rocha UK Eco Church Gold Award and achieving net zero carbon emissions by 2030.

In addition to taking action on the Cathedral's environmental strategy and the declaration of climate emergency, steps have been taken to improve the Cathedral's biodiversity. One particular example of this is the home provided to a family of peregrines, nesting on the south-east side of the Cathedral. The livestreaming of these birds of prey has proved to be of national interest and further evidence of the Cathedral's ecological significance.

**Eco Church awards**

Following the Cathedral being awarded the A Rocha UK Eco Church Silver Award in March 2023 (and Bronze in March 2022), work has continued to embed this progress through the work of the Cathedral Eco Group. The steps to achieving the Gold award are significant, but surmountable, and plans are in place to achieve this.

As part of this, and the broader aim of achieving net-zero carbon emissions by 2030, a small project group has been established to look at how a number of environmental projects could be delivered, including a range of 'quick wins'. These are being supported by national church funded analysis of the Cathedral's systems and infrastructure by Qoda Consulting, who specialise in mechanical, electrical and sustainable areas of building design.

**Banking**

The Cathedral has banked with Barclays Bank for many years but during the year the process was started to explore moving to an alternative banking provider. This follows a process of engagement by the Cathedral with Barclays and a period of reflection by the Finance Committee and the Chapter about the ethical considerations of where the Cathedral banks. Changing banks is not without its complexity, but concerted effort will be made to change banks over the next 12 months.

***A resilient organisation with stable finances***

**Balanced operational budget**

For the 2023-24 financial year, the Chapter approved a close to breakeven budget (deficit of £604), reflecting budgeted total unrestricted income of £2,201,735 and total unrestricted expenditure of £2,202,339. The final result for 2023-24 is a deficit of £9,056, which given the uncertainties of the post-pandemic period and the vicissitudes inherent in various sources of income, was a highly encouraging performance for the year. Further details of the Cathedral's financial performance for the year are detailed in the Financial Review section (page 12) and more broadly in the financial statements that follow.

**Move to the Old Palace**

Since the former Bishop's Palace returned to the management of the Cathedral in 2021, there has been a longstanding plan for the Chapter Office to move from 8 College Yard to the Old Palace. The first staff members moved into the Old Palace in October 2023, followed by others in the following months, as sympathetic and cost-effective refurbishments to the office areas of the building were made. While making functional use of this historically significant building, the move of the Chapter Office is also designed to bring operational efficiencies and a better working environment for Cathedral staff. Its use as an iconic and flexible events space has already started to be exploited in the year and will continue to do so, as the Old Palace fits into the wider events offering of the Cathedral.

**Cathedrals Measure 2021**

The introduction of the Cathedrals Measure 2021 represents the biggest change to cathedral governance in 20 years and provided a timely opportunity for the Cathedral to review its own governance structures and arrangements. Key changes include the members of the Cathedral's governing body (the Chapter) becoming charity trustees, changes to the Cathedral's governing documents (the Constitution and Statutes), the disbanding of the Cathedral Council and the establishment of two new committees of the Chapter, namely the Congregational Committee and the Nominations Committee, which join the existing Finance Committee and Safeguarding Committee. After significant preparatory work, the Cathedral formally adopted the new Cathedrals Measure (and the new Constitution and Statutes) on the 13 December 2023 and became a registered charity on the 13 March 2024.

The introduction of the new Cathedrals Measure has also provided the opportunity to refresh the management structure of the Cathedral and introduce the Senior Executive Team (SET) and the Senior Management Group (SMG). The SET is responsible for the day-to-day good management of the Cathedral, operating under the oversight of the Chapter to further the objects of the Chapter and to implement its strategic and operational aims, vision and priorities. Together with the COO, the Dean and Residentiary Canons exercise their executive roles in the leadership of the Cathedral through their supervision and encouragement of senior members of staff.. The SMG is concerned with management, delivery, and collaboration. This group provides a forum for sharing current work and looking ahead to forthcoming activities and projects to make connections with other teams and departments, to increase collaborative working, and ensure that the Cathedral's Vision is held across all its activities. Further details about the membership of the SET and SMG can be found on page 24.

In support of these governance changes, improvement to trustee training and induction have also been made, building on the training offered to all new Chapter members by the Association of English Cathedrals (AEC). This will be developed further in the coming year, as the changes following the implementation of the Cathedrals Measure become embedded.

#### **Maximise occupancy across the Cathedral's various properties**

Steps have been taken this year to maximise the occupancy of the various properties owned by the Cathedral. The move of the Chapter Office functions from 8 College Yard to the Old Palace has necessitated thought about its future and plans to change its use are in progress. It will remain in Cathedral use for the foreseeable future and in the short term will be utilised as part of the College Yard landscaping work

#### **Selection process for a new Dean**

It was with deep gratitude that the Cathedral said farewell to the Very Reverend Peter Atkinson in September 2023, after stepping down as Dean of Worcester after 16 years of dedicated and inspirational service and leadership. The Reverend Canon Dr Stephen Edwards took over as Interim Dean, pending the appointment of a new Dean of Worcester later in 2024. The Dean of Worcester is a Crown appointment and a comprehensive consultation process was conducted jointly by the Archbishops' Advisers for Appointments and Vocations and the Ecclesiastical Secretary to the Crown in November 2023 to hear a wide range of views in order to help shape the role. The selection panel, chaired by Lord Anthony Hughes, subsequently met a number of times in early 2024 and following interviews in March 2024, an announcement has been made appointing the Reverend Canon Dr Stephen Edwards as the next Dean of Worcester.

#### **Chapter and Staff**

Finally, it is worth noting a number of staff changes during the year. In July 2023, the Cathedral welcomed Fiona Keith-Lucas as Cathedral Archaeologist, remaining one of only two cathedrals in the country to employ an archaeologist directly. In October 2023, we were also joined by Kate Andrew, Clerk of Works, who brings considerable knowledge and experience to this important role managing the Cathedral estate. In the Finance Team, Penny Mound joined as Finance Assistant and the Cathedral bid farewell to Lewis Jones after the completion of his stonemasonry apprenticeship and Abi Thomas, HR & Safeguarding Officer.

**A year in numbers**

<b>Total PR reach (across the globe)</b>	<b>14,082,483,734</b>
<b>Peregrine livestream viewers (on YouTube)</b> (Over 2 months globally including Egypt, Pakistan, Spain, Indoneisa, USA, Italy, Australia, Mexico and Croatia)	<b>500,000+</b>
<b>Visitors welcomed</b>	<b>180,000</b>
<b>Drinks served in the café</b>	<b>33,730</b>
<b>Students visiting as part of school visits</b>	<b>5,600</b>
<b>Dogs welcomed</b>	<b>2,205</b>
<b>Services held</b>	<b>1,400</b>
<b>Global publications reporting Royal Maundy service</b> (This included the BBC, ITV, Sky, MSN & Yahoo News, Hello Magazine, OK, Tatler, People, Vanity Fair, Harpers Bazaar and Footwear New Magazine, as well as Celebitchy and Soap Opera Spy online)	<b>200+</b>
<b>Christmas trees displayed (during annual festival)</b> (Including 10 community 'free' trees)	<b>134</b>
<b>School visits</b> (Plus 13 that attended for conferences. Some schools visited more than once e.g. with different year groups, or over different days)	<b>129</b>
<b>Events held</b> (This included 4 formal dinners, 3 fayres spanning over 6 days in the Cloisters, 4 graduation days, 10 Eco-group meetings, 14 Art Classes and other events included public talks, corporate away days, a fashion show, flower and wreath making workshops, Kings School away days and conferences, a vintage clothing sale, and the Three Choirs Festival drinks reception)	<b>109</b>
<b>Library tours</b>	<b>89</b>
<b>Peregrine chicks hatched</b>	<b>4</b>
<b>Pinnacles replaced</b>	<b>1</b>

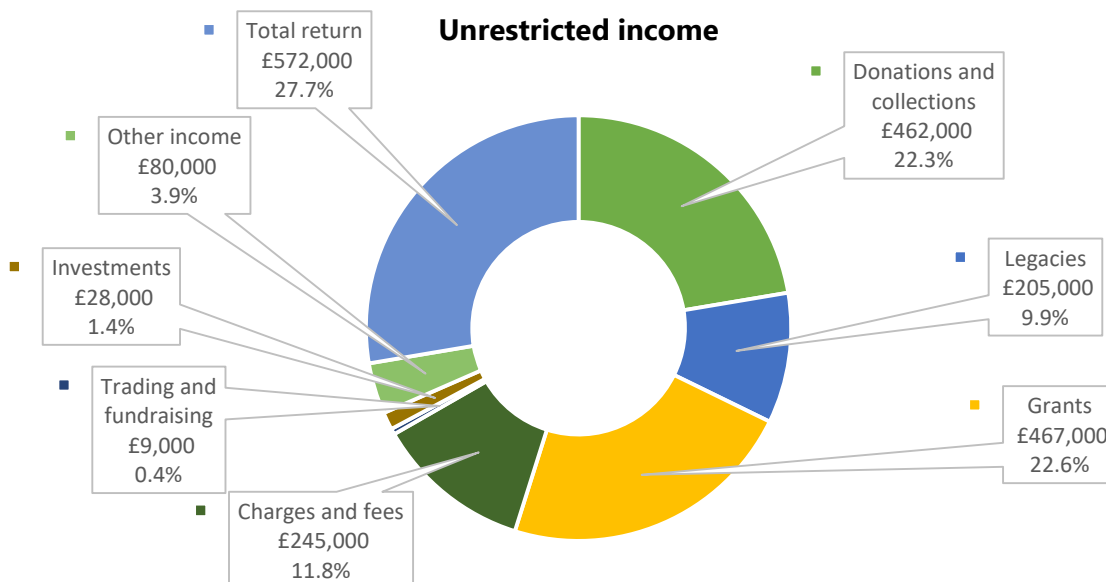
## FINANCIAL REVIEW

The financial performance of the Cathedral and its trading subsidiary is set out in the Statement of Financial Activities on page 31 and its financial position is summarised in the Balance Sheet set out on page 32. Further information is provided in the Cash Flow Statement on page 33 and the notes to the financial statements.

The total funds at 31 March 2024 totalled £13,566,481 compared to £14,095,517 in the previous year, a decrease of £529,036 (2023: increase of £83,129). Included in this are the endowment funds which totalled £10,975,673 (2023: £11,386,245) and restricted funds of £2,335,200 (2023: £2,444,608). The unrestricted funds in total are £255,608 (2023: £264,664).

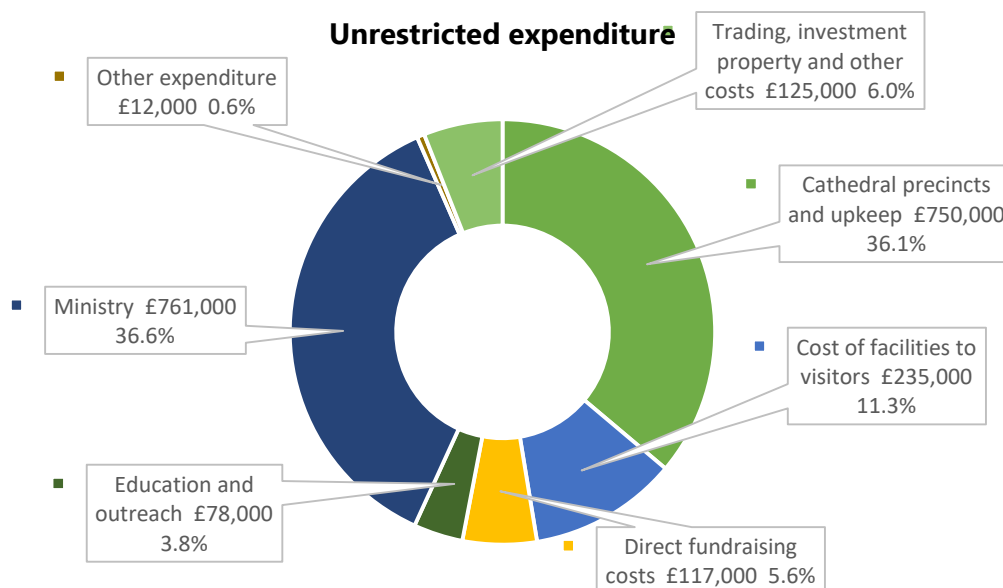
The total income for the year was £2,566,549 (2023: £3,120,374), a decrease of £553,825 from the previous year. The expenditure for the year totalled £3,154,334 (2023: £3,258,871), a decrease of £104,537 from the previous year.

The ongoing operating costs of the Cathedral are met from the unrestricted funds. The unrestricted income for the year amounted to £1,497,192 (2023: £1,250,272) and with the transfer of funds from the restricted and endowment funds, totalled £2,069,192 (2023: £1,960,509). The main component parts of unrestricted income in 2023-24 are shown below (this is also shown in the Statement of Financial Activities on page 31):



**Worcester Cathedral**  
**Annual Report (continued)**  
**For the year ended 31 March 2024**

Unrestricted expenditure for the year totalled £2,078,248 (2023: £2,127,911) a decrease in the year of £49,663. A breakdown of the unrestricted expenditure in 2023-24 is shown below:



For 2023-24, the total budgeted unrestricted income was £2,202,036 and the total budgeted unrestricted expenditure was £2,202,640, effectively resulting in a breakeven budget (£604 deficit). The variances between the actual and budgeted figures and a reconciliation with the Statement of Financial Activities (SOFA) is shown in the following table:

	£,000
<b>Approved budget surplus / (deficit) for 2023-24 (unrestricted)</b>	<b>-1</b>
<b><i>Income variances</i></b>	
Congregational giving	-17
Visitor income	-27
Events income	+28
External funding	-33
Fundraising income	-84
Legacies	+10
Partnership income	+21
Investment income	-2
Music income	-1
Trading	-26
Other income	-
Total return contribution	-
<b><i>Expenditure variances</i></b>	
Staff costs	+86
Non-staff costs	+37
<b>Net decrease in unrestricted funds for 2023-24 (as shown in the Statement of Financial Activities on page 31)</b>	<b>-9</b>

Overall, and taking into account the total return transfer from the Permanent Endowment to support current operations, the **operating deficit for the year amounted to £9,067** (2023: £167,402 deficit).

### **Balance Sheet**

The strength of the balance sheet has generally been maintained over the course of the year with the Cathedral's total funds decreasing from £14,095,517 to £13,566,481. The endowment fund investment gains were £37,764 (2023: £331,769 gain) and the fabric and music investment gains were £20,985 (2023: £110,143 loss). The Cathedral's liquidity has reduced somewhat, and its cash balance stood at £271,367 (2023: £934,046) at the end of the year. This decrease is partly due to the advance receipt in the previous year of insurance money covering the Storm Arwen repairs and the dilapidations relating to the Old Palace.

### **Investments**

In order to support its operations, the Cathedral relies heavily on income from its endowment fund, which holds investments in property and financial assets. At the end of the year, the fund for investment had a value of £7,656,670 (2023: £7,773,838) (excluding assets in Cathedral use). During the year, the returns generated by the endowment fund enabled the Chapter to contribute £550,000 (2023: £688,237) towards the operating costs of the Cathedral.

The Cathedral operates a 'total return' policy in its management of the endowment fund, the total return comprising not only income (rent and dividends) received during the year but also the increase in the capital value of its investments. Over the eight-year period since the total return policy was adopted, the fund has achieved an average annual return of 7.46% (2023: 8.19%), which has enabled the Chapter, on advice from the Finance Committee, to transfer an amount of £550,000 of the endowment fund towards its operating costs in the year. It is also worth noting that the total return policy on its endowed funds has given the cathedral an unapplied total return fund of approximately £1.2m (2023: £1.6m).

The Finance Committee (through the Investment Subcommittee) reviews annually its assumption about the sustainable rate of return, based on advice from its financial and property investment advisers, EFG Harris Allday and Fisher German respectively. This allows the Cathedral to plan and budget with confidence, irrespective of the short-term fluctuations in the financial and property markets.

In addition to its endowment fund, the Cathedral holds non-property financial investments through its restricted funds (fabric and music). These amount to approximately £1.3m, resulting in over £2.1m of non-property financial investments when added to the endowment fund investments. These investments are largely held in listed investment trusts which, by their nature, reduce exposure to risk in a period of stock market volatility.

The Cathedral's investment policy is set out in a document approved by the Chapter. As well as describing its approach to investments, in terms of its risk profile and target return, it also commits the Cathedral to an ethical and socially responsible investment approach in line with Church of England's guidance. Specifically, the Chapter's policy is to disinvest and not to hold any direct investments in the long term in companies engaged in fossil fuel extraction.



Where investments are held in collective investment funds, then these should be reviewed for fossil fuel investments and investment in such funds restricted to those funds holding no more than 10% of their total investments in such companies, with an overriding requirement that the Cathedral's portfolio holds less than 2% in total in such assets. Such investments are being decreased over time to achieve this limit. Where collective funds and fossil fuel extraction companies are moving operations into greener activities, this is being taken into consideration.

### **Reserves**

The Cathedral needs sufficient reserves to be able to withstand adverse or irregular movement in its operating income and expenditure. With income from a diversity of sources, the risks are generally low, and the Chapter considers reserves equivalent to two months of operating expenditure (approximately £346,000) to be sufficient. Unrestricted reserves after designated expenditure stood at £255,608 at the end of the year (2023: £264,664). With a £80,000 deficit position budgeted for the 2024-25 financial year, this position is considered to be acceptable, but will require close monitoring.

### **Pay & Remuneration of staff**

The pay and remuneration of staff at the Cathedral is reviewed annually as part of the budget setting process. A recommendation is made to Chapter about annual increases, taking into account changes in the retail price index, comparable sector pay awards and published increases to the *Real Living Wage* national rates of pay. The Cathedral participates in regular voluntary pay benchmarking exercises that are done across cathedrals to ensure that the Cathedral is paying consistently against other similar job roles.

**Worcester Cathedral**  
**Annual Report (continued)**  
**For the year ended 31 March 2024**

**Risk Management**

During the year, the Chapter has kept under review the key risks affecting the operating environment of the Cathedral. The Risk Register is regularly reviewed by the Finance Committee (who act as the Audit and Risk Committee under the Cathedrals Measure 2021) and by the Chapter on a 6-monthly basis. The Chapter considers the principal risks and uncertainties as follows:

<b>Risk</b>	<b>Mitigating Actions</b>
Failure to generate sufficient funds to operate to budget	Income from the Cathedral's various income sources is closely monitored and the Fundraising Team are active in seeking out funding opportunities.
Failure to generate new income streams to support the Fabric Fund and essential project/maintenance work	The Fundraising Team are proactive in identifying opportunities for funding capital projects, working closely with the Chief Operating Officer, Clerk of Works and Cathedral Architect.
Cashflow issues	Close management of cash during tight periods, including prompt intra-Cathedral transfers of cost allocations.
Failure to keep the buildings in good repair or unanticipated building issues due to incident	The state of the various building that make up the Cathedral estate is regularly monitored, with advice from the Cathedral Architect, the Precinct Architect and the Cathedral's external property managers. Actions are planned and executed accordingly, including those identified from the QI report
Loss of key staff	Pay and conditions are kept under review and the Cathedral determines cost of living increases that balance affordability and supporting staff. The Cathedral continues to be a Real Living Wage employer. Workload (esp. COO) remains a potential issue.
WCE Ltd unable to generate their budgeted contribution	Close scrutiny of monthly management accounts and pro-active action where possible to address deficits. Review of operations being planned for early 2024.
Poor performance of investments	Investment performance is closely monitored by the Investment Subcommittee, which reports directly to the Finance Committee and ultimately to the Chapter. Representatives from the Cathedral's investment managers regularly attend meeting.
Inadequate reserves to meet future plans or unexpected needs	Review of property, bank overdraft facility in place, cash flow monitoring regularly. Monitor closely in 2024-25.
Breach of Health and Safety and Fire regulations	A Health and Safety policy is in place, supported by departmental procedures, that seeks to reinforce a culture of safe working and minimise this risk. Support and improvements being worked on by Clerk of Works.
Cyber-attack or IT security breach	IT infrastructure being reviewed with IT provider. Training/awareness raising with staff over risks being conducted via online training. Current IT systems are coming towards the end of life. Options for upgrade being considered in 2024-25.

## **PLANS FOR THE FUTURE**

The Chapter have set out a number of priorities for the year ahead:

### ***A community welcoming everyone to share our amazing heritage***

- Make further improvements to the Cathedral's Visitor Engagement Plan, including signage, access and interpretation.
- Complete the first phases of the College Yard landscaping project (by March 2025).
- Develop plans to continue the maintenance and repair of the Cathedral building, in light of the findings of the most recent quinquennial inspection.
- Expand the range of high-quality events across the Cathedral estate, that contributes to the Cathedral's vision, including the return of the Three Choirs Festival.

### ***A place of breadth and depth in worship and prayer***

- Continue to offer high quality and accessible public worship.
- Continue to develop plans to progress key projects within the Cathedral, including lighting and the Nave Organ.
- Complete the implementation of the three-year chorister formation programme.

### ***A place of learning, discipleship, and nurture***

- Develop plans to further enhance the Cathedral's learning offering and the accessibility of the resources of the library.
- Continue to sustain the education offering to schools across the region.
- Strengthen the links between the Cathedral and the community of St Oswald's Hospital.

### ***A catalyst for campaigning and raising awareness on the environment and social justice***

- Progress the implementation of the Cathedral's environmental strategy.
- Progress a number of 'quick wins' to move towards achieving net zero carbon emissions.
- Work towards achieving the Eco Church 'Gold' award.

### ***A resilient organisation with stable finances***

- Work towards returning to a balanced operating budget.
- Complete the move of the Chapter Office functions to the Old Palace.
- Maximise occupancy across the Cathedral's various properties.
- Welcome the new Dean of Worcester.

### ***Safeguarding***

- Develop improvement plans in light of the results of the national safeguarding audit.
- Make improvements to the Cathedral's safeguarding provision, including the recruitment of a new Cathedral Safeguarding Officer (CSO).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Cathedral Church of Christ and the Blessed Mary the Virgin, of Worcester is run in accordance with the Constitution and Statutes, drawn up in line with the Cathedrals Measure 2021. The Cathedral is the seat of the Bishop of Worcester and a registered charity (charity number 1207427). The Cathedral is incorporated in England and Wales.

### **The Chapter**

The Chapter is the governing body of the Cathedral, providing strategic direction and oversight. Section 4 of the Cathedrals Measure 2021 states that the only objects of the Chapter of a cathedral are:

- (a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
- (b) to care for and conserve the fabric and structure of the cathedral church building;
- (c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in paragraph (a) or (b).

The Chapter consists of the Dean, the three Residentiary Canons and five Non-Executives Members (one of which is currently in vacancy). The Dean and Residentiary Canons are appointed by the Crown, the Senior Non-Executive Member (SNEM) is appointed by the Bishop, having due regard to the advice of the Chapter, and the remaining Non-Executives Members are appointed by Chapter and approved by the Bishop. The Non-Executive Members appointed to the Chapter hold office for three years but are eligible for further terms of office. All new members of Chapter undergo a local induction programme, during which they are introduced to the governance arrangements and operations of the Cathedral, meet members of staff and obtain an understanding of the policies and procedures of the Chapter.

The Chapter is responsible for the strategic direction of the Cathedral's mission and ministry and for providing the vision that leads all activity. It also sets policy and monitors performance, including financial performance. During the year the Chapter met formally on eleven occasions, including two away days.

The Chief Operating Officer (COO) is the senior administrative officer and as such is responsible for the Cathedral's management and the team of 57 full and part-time staff and over 250 volunteers.

### **Safeguarding**

The Chapter is committed to ensuring that Worcester Cathedral provides a warm, welcoming and safe environment for all, including children and adults who may be at risk of abuse and neglect. The care and protection of children, young people and adults involved in Cathedral activities is the responsibility of everyone who participates in the life of the Cathedral community. Chapter accepts and adopts in full the contents of The Church of England's Safeguarding Policy for Children, Young People and Adults, "Promoting a Safer Church" (July 2017).

**Worcester Cathedral  
Annual Report (continued)  
For the year ended 31 March 2024**

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The Chapter is committed to ensure that safeguarding is progressed, both in terms of activities, but also to ensure the Cathedral has a culture that promotes safeguarding and learning. The Cathedral works within the Church of England's national policies and procedures and closely with the Diocesan Safeguarding Team. The Chapter operates a service level agreement (SLA) with the Diocese of Worcester that includes training support, access to the National Safeguarding Case Management System (NSCMS) and other advice and support. The Chief Operating Officer is a member of the Diocesan Safeguarding Advisory Panel (DSAP) on behalf of the Chapter and the Cathedral Safeguarding Lead (CSL) attends the Diocesan Operational Group for Safeguarding (OGS).

For most of the year, the Chief Operating Officer served as the Cathedral Safeguarding Lead supported by a HR and Safeguarding Officer. In March 2024, the Chapter agreed to make changes to this arrangement in order to better resource this important aspect of the Cathedral's operations. From March 2024, the Reverend Canon Kimberly Bohan took on the role of CSL and a new Cathedral Safeguarding Officer (CSO) will be recruited in 2024, supported by a new People Administrator role.

The oversight of safeguarding at the Cathedral is reinforced by the Safeguarding Committee, which was chaired by Richard Carter until December 2023, with Margeret Styles being appointed as Chair thereafter. The role of the Safeguarding Committee is to act as 'critical friend' to the Dean and Chapter regarding the safeguarding of children and vulnerable adults. Its role is to support the Chapter in meeting its safeguarding obligations for the Cathedral and its activities, including safer recruitment, and to provide assurance to Chapter that the Cathedral's safeguarding arrangements are fit for purpose.

### **The Council**

Until the implementation of the Cathedrals Measure 2021, the Cathedral Council was responsible for furthering and supporting the work of the Cathedral and reviewing and advising upon the direction and oversight of the work of the Chapter. Alongside the Bishop of Worcester, who was entitled to attend, the membership of the Council during the year and up to the 13 December 2023 was as follows:

Lt Col Patrick Holcroft (Chair)	Lord Cobham
Mrs Diana Gant	Mr David Green
The Dean of Worcester	Canon Anne Penn
Lady McFarlane	Mr Gerald Harris
Mr Paul West	Professor John Vickerman

With the implementation of the new Cathedrals Measure, the Cathedral Council was disbanded on the 13 December 2023, when the new Constitution and Statutes were adopted by the Chapter. The Chapter is grateful for the hugely important role that the Cathedral Council has played in the effective governance of the Cathedral over the preceding years and for the contribution, commitment and skill given by those that served on it. Plans are being developed to create a new Council of Reference (an Advisory Body under the Cathedrals Measure 2021), that will echo the work of the Council in enabling wider engagement with persons in the local area who have an interest in the affairs of the Cathedral. The establishment of the Council of Reference will await the appointment of the new Dean of Worcester.

### **The College of Canons**

This body brings opinion and questions from across Worcestershire and the Metropolitan Borough of Dudley. It is designed to ensure that the Cathedral hears from parishes in all parts of the Diocese. The College of Canons is chaired by the Dean and includes Residentiary Canons, Lay Canons, Honorary Canons and Monastic Canons. Ecumenical Canons are not officially members of the College, although they are invited to attend and participate.

### **Ministry**

The Chapter is grateful for the liturgical, preaching, and pastoral ministry of a large number of ministers, among whom are the Reverend Dr Mark Dorsett (Chaplain of the King's School and Minor Canon), the Reverend Dr Robin Parry (Associate Priest for Eco Spirituality), Professor John Vickerman (Reader with the Bishop's Permission to Officiate), the Venerable Robert Jones (Archdeacon of Worcester until November 2023), the Venerable Nikki Groarke (Archdeacon of Dudley), the Venerable Mark Badger (Archdeacon of Worcester from December 2023), the Reverend Canon Dr Stuart Currie (Bishop's Chaplain), the Reverend Dr John Fitzmaurice (Diocesan Director of Ordinands), the Reverend Canon Doug Chaplin (Discipleship and Lay Training Officer), the Reverend Canon Dr Georgina Byrne, the Reverend Charmian Manship and the Reverend Canon Brian Gant. In addition, the Chapter is grateful to all those who generously give their time to serve as day chaplains.

### **Finance Committee**

The Finance Committee reports directly to the Chapter with the function of advising the Chapter in connection with its responsibilities for the management of Cathedral finances, property and investments. Members are selected for their financial or business experience. The membership during the year was as follows:

Canon Henry Briggs FCA (Chair)	Mr Roger Burman
The Dean / Interim Dean	Mr Gerald Harris
Canon Dr David Bryer	Ms Fern Hordern (to December 2023)

The Finance Committee is supported by the Chief Operating Officer, the Director of Finance, the Director of Fundraising and Mr Anthony Champion, as the Chapter's property advisor. The Finance Committee has a subcommittee to advise and monitor the investments, which is chaired by Mr Burman. Ms Lindsey Ruddell from EFG Harris Allday, attended meetings of the Investment Subcommittee, as the Chapter's investment advisor.

### **The Fabric Advisory Committee**

The Fabric Advisory Committee (FAC) is chaired by Ms Jennie Page. The Committee was made up of ten members, with half the membership being appointed by the Chapter and half appointed by the Cathedrals Fabric Commission for England (CFCE). The membership at the end of the year was as follows:

#### *Chapter appointments*

Ms Jennie Page (Chair)  
Ms Victoria Harrison  
The Reverend Canon Simon Jones

#### *CFCE appointments*

Mr Chris Baines  
Mr Nigel Baker  
Mrs Judith Leigh

**Worcester Cathedral  
Annual Report (continued)  
For the year ended 31 March 2024**

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Mr Andrew McCrea  
Mr Stephen Oliver

The Reverend Andrew Mottram  
Mr Andrew Stonyer

The Secretary to the Fabric Advisory Committee is Mr Rob Alexander.

The Committee considers applications referred from the Chapter and provides advice and expertise on matters relating to the buildings and furnishings. The Committee met on four occasions during the year.

**Worcester Cathedral Enterprises Ltd**

The principal activities of Worcester Cathedral Enterprises Ltd ("the company") are the management of the Cathedral gift shop, the Cloister Café and catering for Cathedral functions. This activity is seen by the Chapter as part of the mission of the Cathedral in reflecting its Benedictine foundation that 'all guests are to be welcomed as Christ'. The company is also tasked with raising funds to support the ministry and mission of the Cathedral, and all the operating profit is transferred to the Cathedral.

The company is managed by a Board of Directors elected by the Chapter, who are the shareholders. The current chair is Mr Gerald Harris and the administration is provided by the Cathedral's Chief Operating Officer, who acts as the Company Secretary. Apart from the chair, the Board comprises two members of the Chapter, the Dean / Interim Dean and Canon Staffan Engstrom.

The company achieved annual sales of £326,377 (2023: £299,721), an increase of just under 9% over the previous year and made an operating profit of £6,649 (2023: £8,130), a decrease of 18%. The performance of the retail and catering operations continue to be monitored closely.

**Trusts and Foundations**

The Chapter is most grateful to the following Trusts and organisations for their generous financial contributions to the work of Worcester Cathedral:

Benefact Trust  
Cathedrals' Fabric Commission for England  
Cathedral Music Trust  
Cathedrals' Workshop Fellowship  
Church of England Cathedrals Sustainability Fund  
Co-Operative Group Limited  
Cultural Recovery Capital Works Fund (via Church of England)  
Department for Digital, Culture, Media and Sport  
DG Albright Charitable Trust  
Dulverton Trust  
Ecclesiastical Home Insurance  
Elgar Foundation  
Elmley Foundation  
Friends of Worcester Cathedral  
GJW Turner Trust

**Worcester Cathedral**  
**Annual Report (continued)**  
**For the year ended 31 March 2024**

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Hawthorne Charitable Trust  
H E Flight Charitable Trust  
John and Ruth Howard Charitable Trust  
Kildare Charity Trust  
LG Harris Charitable Trust  
Limoges Charitable Trust  
Listed Places of Worship Grant Scheme  
McCorquodale Charitable Trust  
National Lottery Heritage Fund  
Radcliffe Trust  
Ravensword Trust  
Robin and Henrietta Woods Charitable Trust  
Richard Hall Charitable Trust  
Vinehill Trust  
William A Cadbury Charitable Trust  
Wolfson Foundation  
Worcester Cathedral Old Choristers Association Charitable Trust  
Worcester Grammar School Old Girls Association  
Worcester Lodge No.280

**Friends of Worcester Cathedral**

The Chapter are very grateful for the ongoing support of the Friends of Worcester Cathedral, who during the year supported financially the following activities:

<b>Grants</b>	<b>£</b>
Cathedral Music Grant	17,500
Quire and Chancel cushions	4,665
Chapter administration grant	2,000
Altar Frontal	1,700
Music	1,500
Stonemasons	1,250
<b>Total</b>	<b>28,615</b>

In the previous year, the Friends of Worcester Cathedral generously supported the Cathedral with the following grants:

<b>Grants</b>	<b>£</b>
Cathedral Music Grant	17,500
Christ in Majesty	6,090
Choir Grant (to sponsor the St. John Passion performance)	2,500
Chapter administration grant	2,000
Library Grant (camera)	562
<b>Total</b>	<b>28,652</b>



**Worcester Cathedral**  
**Annual Report (continued)**  
**For the year ended 31 March 2024**

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The Friends of Worcester Cathedral continue to provide financial support for the work of the music team at the Cathedral, ad hoc requests from the Chapter and in recent year, the restoration of the 13th Century Christ in Majesty sculpture in College Hall. The Chapter also provides the Friends of Worcester Cathedral with office accommodation in the Chapter Office.

**TRIO**

The Chapter are very grateful for the ongoing support of all those who make a contribution towards the considerable costs involved in running Worcester Cathedral as a place of prayer and worship through the Cathedral's stewardship scheme 'TRIO': The Responsibility Is Ours. In the year to March 2024, £92,652 was given through the TRIO stewardship scheme, compared to £100,204 in the previous year.

**Support for the Cathedral**

The Chapter expresses its sincerest thanks to all who supported the Cathedral through its many fundraising streams. It is grateful to those who gave to specific initiatives, including our Endow a Day of Music, Summer and Christmas Appeals, and our Adoption programmes. The Chapter would also like to thank individuals who gave regularly throughout the year as members of our Guild of Benefactors and Music & Light schemes, and donors who are part of our Regular Giving programme. Alongside these frequent givers, a number of individuals have made one-off donations over the last 12 months for which the Chapter is very grateful.

During the year, no significant complaints were received by the Cathedral, or any person acting on its behalf, about activities by the Cathedral or by a person on behalf of the Cathedral for the purpose of fundraising.

**Legacies**

The Chapter are very grateful to all those who have given, or pledged to give, a legacy gift to Worcester Cathedral. The gift of a legacy is one of the most special and enduring ways that Worcester Cathedral can be supported and plays an important part in preserving it for future generations. Throughout its history, the Cathedral has been sustained by the generosity of people who have supported its fabric repair and maintenance; its architectural development; its music and worship; and its education and engagement with the community. During the year, the Cathedral received legacies amounting to £206,823 (2023: £86,881) from 5 individuals.

## REFERENCE AND ADMINISTRATIVE DETAILS

### Principal Office

The Chapter Office, 8 College Yard, Worcester WR1 2LA (to 1 July 2024)

The Chapter Office, The Old Palace, Deansway, Worcester, WR1 2JE (from 1 July 2024)

### THE CHAPTER

#### Dean

The Very Revd Dr Peter Atkinson

Dean of Worcester (to 25 August 2023)\*

The Revd Canon Dr Stephen Edwards

Interim Dean of Worcester (from 25 August 2023)\*

#### Residentiary Canons

The Revd Canon Dr Stephen Edwards

Vice Dean\*

The Revd Canon John Paul Hoskins

Precentor\*

The Revd Canon Kimberly Bohan

Canon Librarian\*

#### Non-executives

Canon Dr David Bryer

Senior Non-Executive Member / Lay Canon

Canon Henry Briggs

Lay Canon

Canon Staffan Engstrom

Lay Canon

Canon Anne Penn

Lay Canon

### SENIOR STAFF

Matthew Hall

Chief Operating Officer / Cathedral Steward\*+

Kate Andrew

Clerk of Works+ (from October 2023)

Samuel Hudson

Director of Music+

Monika Nicholson

Director of Finance+

Daniel Parnell

Director of Welcome, Learning and Engagement+

Sam Poursain

Director of Events and Operations+

James Prior

Head Verger+

Cathy Sloan

Director of Fundraising+

#### Other key management

Sarah Bowyer

PR and Digital Communications Manager+

Fiona Keith-Lucas

Cathedral Archaeologist (from July 2023)

David Morrison

Librarian & Archivist+

Steve Smith

Service Manager

Darren Steele

Works Manager / Master Mason

#### Worcester Cathedral Enterprises Ltd

Helen Lancaster

Retail Manager

Maria Scialacomo

Catering Manager

### Consultant

Camilla Finlay

Surveyor of the Fabric / Cathedral Architect

*\*members of the Senior Executive Team (SET)*

*+members of the Senior Management Group (SMG)*

**Worcester Cathedral**  
**Annual Report (continued)**  
**For the year ended 31 March 2024**

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**Bankers**

Barclays Bank plc., 54 High Street, Worcester WR1 2QQ

**Solicitor**

Stallard March and Edwards LLP (SME Solicitors), 8 Sansome Walk, Worcester WR1 1LW

**Auditor**

Hazlewoods LLP, Staverton Court, Staverton, Cheltenham, GL51 0UX

**Investment Manager**

EFG Harris Allday, Church Mews, Ombersley, Worcester WR9 0EW

**Property Agent**

Fisher German, Global House, Hindlip Lane, Worcester, WR3 8SB

**Worcester Cathedral**  
**Independent Auditor's Report to the Chapter**  
**For the year ended 31 March 2024**

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The Chapter is responsible for:

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

Approved by the Chapter on 25<sup>th</sup> July 2024 and signed on its behalf by

.....  
**The Reverend Canon Dr Stephen Edwards**  
**Interim Dean of Worcester**

**Worcester Cathedral**  
**Independent Auditor's Report to the Chapter**  
**For the year ended 31 March 2024**

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**Opinion**

We have audited the financial statements of Worcester Cathedral for the year ended 31 March 2024 which comprise the Consolidated Financial Statement of Financial Activities, the Consolidated and Cathedral Balance Sheets, the Consolidated Cash Flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Cathedral's and the group's affairs as at 31 March 2024 and their net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the regulations specified by the Church Commissioners under the powers given to them by section 30 of the Cathedrals Measure 2021.

**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 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 the Chapter's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's 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 the Chapter with respect to going concern are described in the relevant sections of this report.

**Worcester Cathedral**  
**Independent Auditor's Report to the Chapter**  
**For the year ended 31 March 2024**

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**Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which we report to you if, in our opinion:

- adequate accounting records have not been kept by the Cathedral; or
- sufficient accounting records have not been kept by the Cathedral;
- the Cathedral's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the members of the Chapter for the financial statements**

As explained more fully in the Chapter Responsibilities statement set out on page 26, the Chapter is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chapter determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chapter is responsible for assessing the Cathedral and the group'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 Chapter either intends to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

**Worcester Cathedral**  
**Independent Auditor's Report to the Chapter**  
**For the year ended 31 March 2024**

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

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

*Extent to which the audit was capable of detecting irregularities, including fraud*

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

We considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charity operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Charities Act 2011 and tax legislation, and those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

**Worcester Cathedral**  
**Independent Auditor's Report to the Chapter**  
**For the year ended 31 March 2024**

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In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

**Use of our report**

This report is made solely to the Cathedral Chapter, as a body. Our audit work has been undertaken so that we might state to 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 Cathedral and the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Date.....

Scott Lawrence FCA DChA (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP, Statutory Auditor, Cheltenham



**Worcester Cathedral**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 March 2024**

		<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2024 £</b>	<b>Total 2023 £</b>
	<b>Notes</b>					
<b>Income and endowments from</b>						
Donations and legacies	2	667,743	28,607	-	<b>696,350</b>	499,468
Grants in support of mission:	3	466,782	667,321	-	<b>1,134,103</b>	1,466,402
Charges and fees arising in the course of mission	4	244,988	11,275	6,958	<b>263,221</b>	213,581
Trading and fundraising	5	9,703	-	-	<b>9,703</b>	17,991
Investments – normal	6	28,085	13,747	340,884	<b>382,716</b>	378,360
Investments - exceptional	6	-	-	-	<b>-</b>	440,000
Other income	7	79,891	-	565	<b>80,456</b>	104,572
<b>Total income</b>		<b>1,497,192</b>	<b>720,950</b>	<b>348,407</b>	<b>2,566,549</b>	<b>3,120,374</b>
<b>Expenditure on:</b>						
Raising funds	8	477,380	1,912	62,064	<b>541,356</b>	458,200
Ministry	9	761,060	150,617	-	<b>911,677</b>	892,807
Cathedral and precincts upkeep	10	749,965	640,544	184,679	<b>1,575,188</b>	1,755,674
Education and outreach	11	77,843	36,270	-	<b>114,113</b>	140,190
Other expenditure on mission	12	12,000	-	-	<b>12,000</b>	12,000
<b>Total Expenditure</b>		<b>2,078,231</b>	<b>829,343</b>	<b>246,743</b>	<b>3,154,334</b>	<b>3,258,871</b>
<b>Net (expenditure) / income before investment gains</b>		<b>(581,056)</b>	<b>(108,393)</b>	<b>101,664</b>	<b>(587,785)</b>	<b>(138,497)</b>
Net losses on investments - realised		-	(9,369)	(12,328)	<b>(21,697)</b>	(5,963)
Net gains/(losses) on investments - unrealised		-	30,354	25,092	<b>55,446</b>	(210,311)
Net gains on investment property		-	-	25,000	<b>25,000</b>	353,200
Net gains on non-investment property		-	-	-	<b>-</b>	84,700
<b>Net (expenditure) / income</b>		<b>(581,056)</b>	<b>(87,408)</b>	<b>139,428</b>	<b>(529,036)</b>	<b>83,129</b>
<b>Gross transfers between funds</b>	27	572,000	(22,000)	(550,000)	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in funds</b>		<b>(9,056)</b>	<b>(109,408)</b>	<b>(410,572)</b>	<b>(529,036)</b>	<b>83,129</b>
Total funds brought forward		264,664	2,444,608	11,386,245	<b>14,095,517</b>	14,012,388
<b>Total funds carried forward</b>		<b>255,608</b>	<b>2,335,200</b>	<b>10,975,673</b>	<b>13,566,481</b>	<b>14,095,517</b>

The notes form part of these financial statements.

An analysis of the 2023 figures split between funds is provided in note 27.

**Worcester Cathedral**  
**Consolidated Balance Sheet**  
**For the year ended 31 March 2024**

		<b>Consolidated</b>		<b>Cathedral only</b>	
		<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Investment property	15	6,783,500	6,758,500	6,758,500	6,758,500
Other investments	16	2,131,009	2,474,654	2,147,199	2,490,844
Non-investment property	17	3,525,000	3,525,000	3,525,000	3,525,000
Equipment and tools	18	866,819	845,120	866,819	845,120
		<b>13,306,328</b>	<b>13,603,274</b>	<b>13,322,518</b>	<b>13,619,464</b>
<b>CURRENT ASSETS</b>					
Stocks		78,038	79,409	34,740	34,740
Debtors	19	479,520	429,847	470,242	427,765
Cash at bank and in hand		271,367	934,046	270,235	911,100
		<b>828,925</b>	<b>1,443,302</b>	<b>775,217</b>	<b>1,373,605</b>
<b>LIABILITIES: due within one year</b>					
Creditors	20	(529,772)	(898,589)	(503,865)	(856,254)
Loans		-	(13,470)	-	(13,470)
		<b>299,153</b>	<b>531,243</b>	<b>271,352</b>	<b>503,881</b>
<b>NET CURRENT ASSETS</b>					
		<b>13,605,481</b>	<b>14,134,517</b>	<b>13,593,870</b>	<b>14,123,517</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
<b>LIABILITIES: due after one year</b>					
Loans	21	(39,000)	(39,000)	(39,000)	(39,000)
		<b>13,566,481</b>	<b>14,095,517</b>	<b>13,554,870</b>	<b>14,084,345</b>
<b>NET ASSETS</b>					
<b>FUNDS</b>					
Unrestricted funds	27	227,283	237,094	227,283	237,094
Unrestricted designated funds	27	16,714	16,398	16,714	16,398
Unrestricted trading subsidiary		11,611	11,172	-	-
Restricted funds	27	2,335,200	2,444,608	2,335,200	2,444,608
Endowment funds	27	10,975,673	11,386,245	10,975,673	11,386,245
		<b>13,566,481</b>	<b>14,095,517</b>	<b>13,554,870</b>	<b>14,084,345</b>

The notes form part of these financial statements.

Approved by the Dean and Chapter, and authorised for issue on .....

.....  
**The Revd Canon Dr Stephen Edwards – Interim Dean**

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities (see note A below)</b>		
Net cash used in operating activities	<b>(1,335,562)</b>	<b>67,073</b>
<b>Cash flows from investing activities</b>		
Rents received net of costs	305,091	284,371
Interest and dividends received net of costs	77,625	93,989
Purchase of equipment and tools	(96,192)	(183,952)
Proceeds from sale of investments	711,879	153,070
Purchase of investments	(312,050)	(121,414)
Net cash provided by investing activities	686,353	226,064
<b>Cash flows from financing activities</b>		
Loans repaid	(13,470)	(30,485)
Net cash used in financing activities	(13,470)	(30,485)
<b>(Decrease) / increase in cash and cash equivalents</b>	<b>(662,679)</b>	<b>262,652</b>
Cash and cash equivalent brought forward	934,046	671,394
<b>Cash and cash equivalent carried forward (note B)</b>	<b>271,367</b>	<b>934,046</b>
<b>Note A: reconciliation of net income/(expenditure) to net cash flows from operating activities</b>		
Net expenditure before investment gains	(587,785)	(86,059)
Income from property and investments	(382,716)	(378,360)
Depreciation	74,493	38,197
Decrease / (increase) in stock	1,371	(13,066)
(Increase) / decrease in debtors	(49,673)	17,423
(Decrease) / increase in creditors excluding pension	(369,285)	478,847
Movement in investment cash	(21,967)	10,091
Net cash used in operating activities	(1,335,562)	67,073
<b>Note B: analysis of cash and cash equivalents</b>		
Cash at bank and in hand	271,367	934,046
Total cash and cash equivalents	271,367	934,046

The notes form part of these financial statements.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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**1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

**a) Accounting Convention**

The consolidated financial statements have been prepared in accordance with applicable accounting standards and the guidelines on Accounting and Reporting by the Association of English Anglican Cathedrals and prescribed by the Church Commissioners under Section 30 of the Cathedrals Measure 2021. The consolidated financial statements have also been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

All assets and liabilities are initially measured at cost or transaction value. Investments and investment property are subsequently re-measured at market value at the balance sheet date with changes to market value being recorded through the Statement of Financial Activities. The Cathedral holds only simple financial instruments and there are no areas of material estimation uncertainty in the accounts.

**b) Going concern**

The financial statements have been prepared on a going concern basis, which the Chapter considers to be appropriate.

The Chapter have prepared forecasts and are conducting strategies that show that the Cathedral will continue to operate for the foreseeable future and therefore the Cathedral continues to adopt the going concern basis in preparing its financial statements.

**c) Consolidated and Group Accounts**

The statement of financial activities and balance sheet include the financial statements of the Cathedral and its subsidiary undertaking, Worcester Cathedral Enterprises Limited, made up to 31 March 2023. Intra-group income and surpluses are eliminated fully on consolidation. The accounts of The Friends of Worcester Cathedral, whilst benefiting Worcester Cathedral, have not been consolidated in these financial statements because Worcester Cathedral has no control of the trustees of that charity.

**d) Income**

Incoming resources are included in the financial statements using the accruals concept. Income tax recoverable on gift aided donations is included at such time as the tax is claimed.

**e) Donations and Gifts Received in Kind**

Donations and gifts received in kind, whether by way of goods or services received, have been included in the financial statements at market value where it is practicable to estimate the market value. Where it is not possible to estimate the market value, then a note giving a description of the donated asset is included in the annual report.

**f) Legacies**

Legacies are accounted for when entitlement, probability and measurement of the income can be confirmed.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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g) **Grants**

Grants are included in the Statement of Financial Activities when the related conditions have been met.

h) **Expenditure**

The cost of generating funds, resources expended on mission and other expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the SOFA categories.

i) **Support Costs**

The support costs which represent finance, administration and governance costs (see below), are allocated to the activities which they directly support based on a time apportionment of the relevant staff.

j) **Governance Costs**

This includes the costs associated with the governance infrastructure which allows the Cathedral to operate, including expenditure on internal and external audit, legal advice and the costs of constitutional and statutory requirements. These are included within support costs.

k) **Repairs, Restoration and Maintenance**

Expenditure on these items is charged as incurred.

l) **Pensions**

The Cathedral makes contributions to a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities on an accruals basis. In addition, contributions are made for one member of Chapter into the Clergy pension scheme which is a multi-employer defined benefit scheme where the scheme is unable to identify the Cathedral's share of the assets and liabilities. Contributions relating to future benefits are charged to the Statement of Financial Activities as they fall due whereas a liability is recognised for the present value of future deficit repair contributions with movements in this liability being dealt with through the Statement of Financial Activities. More details are given in note 23.

m) **Investments**

Quoted investments are valued at their bid price on the balance sheet date. Investment properties are revalued professionally every three to five years, or in the intervening years if the Chapter considers the value is likely to have changed materially.

n) **Taxation**

Non-recoverable VAT is charged to the relevant expenditure item.

o) **Fixed Assets and Depreciation**

Tangible fixed assets are depreciated at rates calculated to write off the excess cost over estimated residual amount evenly over the estimated useful economic life of each asset being 4-6 for equipment and 50 years for the Cathedral organ. Fixed assets do not include expenditure below £500. No depreciation is charged on properties but an annual impairment review is undertaken on all properties and they are carried in the balance sheet at the open market values as advised by external surveyors.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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p) **Stocks**

Stock is valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow moving items.

q) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

r) **Debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the Cathedral will not be able to collect all amounts due according to the original terms of the debtors.

s) **Liabilities**

Liabilities are recognised in the accounts as soon as an obligation arises.

t) **The Cathedral, its Ancillary Buildings and the Inventory**

The Cathedral and its ancillary buildings as described in the relevant plan annexed to the Ecclesiastical Exemption (Listed Buildings and Conservation Areas) Order 1994 are excluded from the balance sheet because reliable cost information is not available and conventional valuation approaches lack sufficient reliability and would involve significant costs in relation to the benefit likely to be derived by users of the accounts. Similarly, no value is attributed to items included in the inventory prepared under section 13(1) of the care of Cathedrals Measure 2021 as being of architectural, archaeological, artistic or historic interest. Due to their age it is not possible to put a value on many of these items. They are insured for repair and restoration from damage and where possible for a modern replacement. Similarly, other heritage assets are excluded from the balance sheet where reliable cost information is not available and conventional valuation methods lack sufficient reliability.

u) **Fund accounting**

Unrestricted funds are income funds which are expendable at the discretion of the Dean and Chapter. Within unrestricted funds designated funds are amounts which the Dean and Chapter has chosen to earmark for specific purposes or activities. Restricted funds are income funds where the grantor or donor of the funds has specified that they may only be expended for certain purposes or activities. Endowment funds represent capital funds which generate unrestricted or restricted income. The endowment capital may not be expended other than for the maintenance or enhancement of the endowment. Since 1 April 2016 the endowments have been managed on a Total Return basis as set out in note 28.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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v) **Financial instruments**

**Classification**

Financial assets and financial liabilities are recognised when the cathedral becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the cathedral after deducting all of its liabilities.

**Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the cathedral intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the cathedral transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the cathedral, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**2. DONATIONS AND LEGACIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Collections and giving	290,011	-	-	290,011
Donations	148,283	26,607	-	174,890
Tax recoverable under Gift Aid	2,376	-	-	2,376
Friends	22,250	-	-	22,250
Legacies	204,823	2,000	-	206,823
	<u>667,743</u>	<u>28,607</u>	<u>-</u>	<u>696,350</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Collections and giving	253,049	558	-	253,607
Donations	78,828	28,300	-	107,128
Tax recoverable under Gift Aid	19,498	-	-	19,498
Friends	22,563	9,791	-	32,354
Legacies	81,878	5,003	-	86,881
	<u>455,816</u>	<u>43,652</u>	<u>-</u>	<u>499,468</u>



**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**3. GRANTS IN SUPPORT OF MISSION**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2024 Total Funds £</b>
Church Commissioners	191,896	135,070	326,966
Other revenue and capital grants	274,886	532,251	807,137
	<u>466,782</u>	<u>667,321</u>	<u>1,134,103</u>

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2023 Total Funds £</b>
Church Commissioners	188,915	136,980	325,895
Other revenue and capital grants	259,362	881,145	1,140,507
	<u>448,277</u>	<u>1,018,125</u>	<u>1,466,402</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**4. CHARGES AND FEES ARISING IN THE COURSE OF MISSION**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Charges for tours for school visits	34,594	-	-	34,594
Music School income	17,668	-	-	17,668
Hire of Cathedral	51,521	-	1,683	53,204
Other income	141,205	11,275	5,275	157,755
Designated fees	-	-	-	-
	<u>244,988</u>	<u>11,275</u>	<u>6,958</u>	<u>263,221</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Charges for tours for school visits	28,245	-	-	28,245
Music School income	19,374	-	-	19,374
Hire of Cathedral	44,440	-	-	44,440
Other income	115,277	5,895	-	121,172
Designated fees	350	-	-	350
	<u>207,686</u>	<u>5,895</u>	<u>-</u>	<u>213,581</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**5. TRADING AND FUNDRAISING**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2024 Total Funds £</b>
Trading income	6,650	-	6,650
Other activities	3,053	-	3,053
	<u>9,703</u>	<u>-</u>	<u>9,703</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2023 Total Funds £</b>
Trading income	8,130	-	8,130
Other activities	9,861	-	9,861
	<u>17,991</u>	<u>-</u>	<u>17,991</u>

**6. INVESTMENT INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Investment property	-	-	305,091	305,091
Investment property – dilapidations	-	-	-	-
Investments	28,085	13,747	35,793	77,625
	<u>28,085</u>	<u>13,747</u>	<u>340,884</u>	<u>382,716</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Investment property	-	-	284,371	284,371
Investment property - dilapidations	-	-	440,000	440,000
Investments	15,930	31,852	46,207	93,989
	<u>15,930</u>	<u>31,852</u>	<u>770,578</u>	<u>818,360</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**7. OTHER INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Interest receivable on short term deposits	1,899	-	-	1,899
Administrative recharge	68,093	-	565	68,658
Other income	9,899	-	-	9,899
	<u>79,891</u>	<u>-</u>	<u>565</u>	<u>80,456</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Interest receivable on short term deposits	1,083	-	-	1,083
Administrative recharge	29,144	-	-	29,144
Other income	74,345	-	-	74,345
	<u>104,572</u>	<u>-</u>	<u>-</u>	<u>104,572</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**8. RAISING FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Costs of facilities to visitors	235,295	1,912	-	237,207
Cost of fundraising	117,167	-	-	117,167
Investment property costs	25,530	-	62,064	87,594
Costs of trading and other activities	99,388	-	-	99,388
	<u>477,380</u>	<u>1,912</u>	<u>62,064</u>	<u>541,356</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Costs of facilities to visitors	234,916	1,284	-	236,200
Cost of fundraising	104,523	-	-	104,523
Investment property costs	30,771	-	42,101	72,872
Costs of trading and other activities	44,605	-	-	44,605
	<u>414,815</u>	<u>1,284</u>	<u>42,101</u>	<u>458,200</u>

The "Costs of facilities to visitors" includes costs relating to the Cathedral's heritage and ministry.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**9. MINISTRY**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2024 Total Funds £</b>
Clergy stipends	18,147	135,070	153,217
Clergy working expenses	577	-	577
Clergy housing costs	10,044	-	10,044
Clergy support costs	108,695	-	108,695
Services	156,631	-	156,631
Music	321,660	15,547	337,207
Support Costs	145,306	-	145,306
	<u>761,060</u>	<u>150,617</u>	<u>911,677</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2023 Total Funds £</b>
Clergy stipends	7,083	136,980	144,063
Clergy working expenses	(3,548)	-	(3,548)
Clergy housing costs	11,362	-	11,362
Clergy support costs	162,716	-	162,716
Services	153,162	-	153,162
Music	312,721	4,632	317,353
Support Costs	107,699	-	107,699
	<u>751,195</u>	<u>141,612</u>	<u>892,807</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**10. CATHEDRAL AND PRECINCTS UPKEEP**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2024 Total Funds £</b>
Major repairs and restoration	199,291	616,411	17,043	832,745
Maintenance and interior upkeep	284,018	-	71,450	355,468
Cathedral insurance	69,363	-	31,812	101,175
Precincts, security and gardens upkeep	8,509	-	-	8,509
Support costs	33,679	24,133	6,997	64,809
Utility costs	155,105	-	57,377	212,482
	<u>749,965</u>	<u>640,544</u>	<u>184,679</u>	<u>1,575,188</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>2023 Total Funds £</b>
Major repairs and restoration	247,193	879,599	-	1,126,792
Maintenance and interior upkeep	344,163	-	27,683	371,846
Cathedral insurance	62,415	-	30,067	92,482
Precincts, security and gardens upkeep	10,576	-	-	10,576
Support costs	8,122	-	-	8,122
Utility costs	145,755	-	101	145,856
	<u>818,224</u>	<u>879,599</u>	<u>57,851</u>	<u>1,755,674</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**11. EDUCATION AND OUTREACH**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2024 Total Funds £</b>
Choir school costs	21	-	21
Educational activities	49,489	31,506	80,995
Archives and library	28,333	4,764	33,097
	<u>77,843</u>	<u>36,270</u>	<u>114,113</u>
	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2023 Total Funds £</b>
Choir school costs	300	-	300
Educational activities	104,518	8,513	113,031
Archives and library	26,859	-	26,859
	<u>131,677</u>	<u>8,513</u>	<u>140,190</u>



**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

## 12. OTHER EXPENDITURE ON MISSION

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £
Charitable giving	12,000	-	12,000
	<hr/>	<hr/>	<hr/>
	12,000	-	12,000
	<hr/>	<hr/>	<hr/>

	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £
Charitable giving	12,000	-	12,000
	<hr/>	<hr/>	<hr/>
	12,000	-	12,000

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

### 13. ADMINISTRATION AND FINANCE SUPPORT COSTS

The following costs are apportioned within the costs categories shown in notes 8 to 12.

	2024 £	2023 £
Salaries and employment costs	252,388	274,063
Telephone	10,568	24,289
Postage	405	1,361
Stationery	3,466	4,892
Depreciation	50,386	17,364
Sundry administration	17,947	24,263
Information and technology – Photocopier	33,047	36,860
– Computers	109,055	110,929
Personnel and training	6,917	26,815
Bank charges and interest	3,557	3,067
Governance costs	13,322	14,592
	<hr/> 501,058	<hr/> 538,495

The above costs are allocated to those activities which they directly support based on a time apportionment of the five members of staff in the Administration Department.

## 14. CHARITABLE GIVING

The Dean and Chapter made charitable donations totalling £12,000 (2023: £12,000).

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**15. INVESTMENT PROPERTY – CONSOLIDATED AND CATHEDRAL ONLY**

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
Valuation at 1 April	6,758,500	6,312,800
Reclassification between investment and non-investment property	-	92,500
Net increase on revaluation	25,000	353,200
	<hr/>	<hr/>
<b>At valuation 31 March</b>	<b>6,783,500</b>	<b>6,758,500</b>
	<hr/>	<hr/>

All investment properties are freehold. They have been valued on an open market basis on 31 March 2024 by Fisher German, Chartered Surveyors, who are the property advisors contracted by the Cathedral.

**16. UK INVESTMENTS – CONSOLIDATED AND CATHEDRAL ONLY**

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
Investments at market value		
1 April 2022	2,467,858	2,707,723
Additions	312,050	121,414
Proceeds from disposals	(711,879)	(153,070)
Net increase / (decrease) on revaluation	40,052	(208,209)
	<hr/>	<hr/>
Investments at market value	2,108,081	2,467,858
Cash	22,928	6,796
	<hr/>	<hr/>
<b>Total – consolidated</b>	<b>2,131,009</b>	<b>2,474,654</b>
Investment in subsidiary	16,190	16,190
	<hr/>	<hr/>
<b>Total – cathedral only</b>	<b>2,147,199</b>	<b>2,490,844</b>
	<hr/>	<hr/>

The above investment shares have been valued on the basis of prices published on the stock market on 31 March 2024.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**17. NON-INVESTMENT PROPERTY**

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
At valuation 1 April 2023	3,525,000	3,532,800
Reclassification between investment and non-investment property	-	(92,500)
Net increase on revaluation	-	84,700
	<hr/>	<hr/>
At valuation 31 March 2024	3,525,000	3,525,000
	<hr/>	<hr/>

All non-investment properties are freehold. They have been valued on an open market basis on 31 March 2024 by Fisher German, Chartered Surveyors, who are the property advisors contracted by the Cathedral.

**All non-investment properties are held as follows:**

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
<b>At 31 March</b>		
For Cathedral trading activities	245,000	245,000
For Cathedral clergy and staff housing	3,280,000	3,280,000
	<hr/>	<hr/>
	3,525,000	3,525,000
	<hr/>	<hr/>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**18. EQUIPMENT AND TOOLS**

	<b>2024 Total Funds £</b>	<b>2023 Total Funds £</b>
<i>Cost</i>		
At 1 April 2023	1,416,077	1,232,125
Additions	96,192	183,952
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2024	1,512,269	1,416,077
	<hr/>	<hr/>
<i>Depreciation</i>		
At 1 April 2023	570,957	532,760
Depreciation for the year	74,493	38,197
	<hr/>	<hr/>
At 31 March 2024	645,450	570,957
	<hr/>	<hr/>
<b>Net book value at 31 March 2024</b>	866,819	845,120
	<hr/>	<hr/>
<b>Net book value at 31 March 2023</b>	845,120	699,365
	<hr/>	<hr/>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**19. DEBTORS**

	<b>Consolidated</b>		<b>Cathedral-only</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	44,968	67,849	34,589	57,619
Other debtors	20,124	6,550	16,133	14,698
Prepayments and accrued income	414,428	355,448	419,520	355,448
	<u>482,951</u>	<u>429,847</u>	<u>470,242</u>	<u>427,765</u>

**20. CREDITORS**

	<b>Consolidated</b>		<b>Cathedral-only</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	186,715	237,350	179,816	226,019
Other creditors	319,038	661,239	300,030	630,235
Rent received in advance	24,020	-	24,020	-
	<u>529,772</u>	<u>898,589</u>	<u>503,865</u>	<u>856,254</u>

**21. LOANS – CONSOLIDATED**

	<b>2024</b>	<b>2023</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
Church Commissioners (secured on 10 College Green)	39,000	39,000
Bank loan (secured on 6 College Yard)	-	13,470
	<u>39,000</u>	<u>52,470</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**22. AUDITOR'S REMUNERATION**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Audit of Worcester Cathedral	12,000	11,513
	<hr/>	<hr/>

**23. PERSONNEL**

There are 57 (2023: 48) full or part time staff, equating to 34 full time equivalents (2023: 36) They are supported by 250 (2023: 250) volunteers.

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Salary costs were as follows:</b>		
Salary costs	1,123,846	1,025,553
Social security costs	89,598	81,008
Pension costs	47,288	44,359
	<hr/>	<hr/>
	1,260,732	1,150,920
	<hr/>	<hr/>

1 employee (2023: 1) had emoluments above £60,000, in the banding £60,000-£70,000.  
During the year £Nil termination payments were made to staff (2023: £Nil).

The stipends of the members of the Chapter are shown below.

	<b>Salary</b>	<b>NIC &amp; AL</b>	<b>Pension</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Stipends – 2024</b>				
The Very Rev Peter Atkinson	26,157	2,743	5,803	34,702
The Rev Canon Kimberly Bohan	23,936	2,255	6,133	32,324
The Rev Canon Dr Stephen Edwards	34,280	3,188	7,749	45,216
The Rev Canon John Paul Hoskins	31,381	2,466	7,127	40,974
	<hr/>	<hr/>	<hr/>	<hr/>
	115,753	10,653	26,811	153,217
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Stipends – 2023</b>				
The Very Rev Peter Atkinson	38,050	4,397	10,738	53,185
The Rev Canon Dr Stephen Edwards	29,783	2,757	8,590	41,130
The Rev Canon John Paul Hoskins	29,783	2,557	10,326	42,666
The Rev Canon Kimberly Bohan	5,364	540	1,179	7,083
	<hr/>	<hr/>	<hr/>	<hr/>
	102,980	10,251	30,833	144,064
	<hr/>	<hr/>	<hr/>	<hr/>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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**23. PERSONNEL (continued)**

The Stipends of the Dean and the Residentiary Canons are paid directly by the Church Commissioners and borne by them. The cost for the Rev Canon Kimberly Bohan is borne by the Cathedral and is invoiced by the Church Commissioners. This amount is therefore not included in the Church Commissioners grants shown in note 3. Lay members of Chapter were not remunerated. Travel expenses of £917 (2023: £12) were reimbursed to Chapter members during the year.

**Pension Costs**

The pension costs of the Dean and the Residentiary Canons relates to the Clergy pension scheme which is a defined benefit scheme. The costs of this scheme are borne by the Church Commissioners whereas the pension costs for The Reverend Canon K Bohan are reflected in the amounts invoiced by the Church Commissioners. Further information is given below.

The Cathedral makes contributions into a defined contribution pension scheme for employees. The costs are charged to expenditure as they fall due.

**Clergy Scheme**

Worcester Cathedral participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the scheme's assets and liabilities to each specific Responsible Body, and this means that contributions are accounted for as if the scheme were a defined contribution scheme. The pension costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year.

Worcester Cathedral is the responsible body for 1 member of the scheme (2023: 1) who joined the Cathedral during the year ended 31 March 2024.



**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**23. PERSONNEL (continued)**

A valuation of the Clergy Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- An average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. 2020 = 0%).

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded. The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

<b>% of pensionable stipends</b>	<b>January 2021 to December 2022</b>	<b>January 2022 to December 2023</b>
Deficit repair contributions	7.1%	0.0%

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022. As at December 2019 and December 2020, the deficit repair contributions payable under the recovery plan in force were set out in the table above. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is £nil.

The movement in the provision is set out in the below table:

	<b>2024 £</b>	<b>2023 £</b>
Balance sheet liability at 1 January	-	-
Deficit contribution paid	-	-
Remaining change to the balance sheet liability* (recognised in SOFA)	-	-
Balance sheet liability at 31 December	-	-

*\* Comprises change in agreed deficit recovery plan and change in discount rate and assumptions between year-ends.*

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**23. PERSONNEL (continued)**

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions.

No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

	<b>December 2023</b>	<b>December 2022</b>	<b>December 2021</b>
Discount rate	n/a	n/a	0.0%
Price inflation	n/a	n/a	n/a
Increase to total pensionable payroll	n/a	n/a	(1.5%)

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.

**24. OBLIGATIONS UNDER OPERATING LEASES**

The total of future minimum lease payments as follows:

	<b>2024 £</b>	<b>2023 £</b>
Not later than one year	122,686	104,812
Later than one year and not after five years	39,483	126,403
	<u>162,169</u>	<u>231,215</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £107,098 (2023: £101,775).

**25. CONNECTED ENTITIES**

Worcester Cathedral Enterprises Limited (registered company number 1298811) is a wholly owned trading subsidiary company controlled by the Cathedral. The company's independently audited accounts for the year ended 31 March 2024, included in these consolidated accounts, show:

	<b>2024 £</b>	<b>2023 £</b>
Turnover	326,377	299,721
Profit before taxation	6,649	8,130
Gross assets	60,705	78,690
Net assets	27,800	27,800
Ordinary share capital	4	4
Donation to the Cathedral	<u>6,649</u>	<u>8,130</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

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**25. CONNECTED ENTITIES (continued)**

The Friends of Worcester Cathedral registered with the Charity Commission, number 517009, is a connected entity not controlled by the Cathedral but wholly for its financial benefit. The charity's most recent available independently examined accounts which relate to the year-ended 31 March 2022 show:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gross income	31,761	31,551
Net income/(expenditure)	813	7,364
Amount granted to the Cathedral	25,336	19,500
Gross assets	257,657	278,214
Net assets	238,685	256,862

**26. RELATED PARTY TRANSACTIONS**

The members of the Chapter are the Trustees of Saint Oswald's Hospital in Worcester and the Cathedral makes charges for services of £39,293 (2023: £27,192).

During the year, rental income of £75,120 (2023: £99,883) was received from King's School Worcester, a School in which members of the Chapter of Worcester Cathedral are governors. Purchases of £102,771 (2023: £96,046) were made during the year from King's School Worcester.

During the year, purchases of £1,800 (2023: £825) were made from JDA Media, a company owned by James Atkinson, son of The Very Reverend Dr Peter Atkinson.

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS**

*Consolidated balance sheet analysed between funds - 2024*

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2024 £</b>
<b>FIXED ASSETS</b>				
Investment property	-	-	6,783,500	6,783,500
Other investments	-	1,257,839	873,170	2,131,009
Non-investment property	-	-	3,525,000	3,525,000
Equipment and tools	250,802	616,017	-	866,819
	<u>250,802</u>	<u>1,873,856</u>	<u>11,181,670</u>	<u>13,306,328</u>
<b>CURRENT ASSETS</b>				
Stocks	43,298	34,740	-	78,038
Debtors	245,202	105,696	128,622	479,520
Cash at bank and in hand	1,649	489,679	(219,961)	271,367
	<u>290,149</u>	<u>630,115</u>	<u>(91,339)</u>	<u>828,925</u>
<b>LIABILITIES: due within one year</b>				
Creditors	(285,343)	(168,771)	(75,658)	(529,772)
	<u>4,806</u>	<u>461,344</u>	<u>(166,997)</u>	<u>299,153</u>
<b>NET CURRENT ASSETS</b>				
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	255,608	2,335,200	11,014,673	13,605,481
<b>LIABILITIES: due after one year</b>				
Loans	-	-	(39,000)	(39,000)
<b>NET ASSETS</b>	<u>255,608</u>	<u>2,335,200</u>	<u>10,975,673</u>	<u>13,566,481</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

*Consolidated balance sheet analysed between funds - 2023*

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2023 £</b>
<b>FIXED ASSETS</b>				
Investment property	-	-	6,758,500	6,758,500
Other investments	-	1,236,638	1,238,016	2,474,654
Non-investment property	-	-	3,525,000	3,525,000
Equipment and tools	204,996	640,124	-	845,120
	<u>204,996</u>	<u>1,876,762</u>	<u>11,521,516</u>	<u>13,603,274</u>
<b>CURRENT ASSETS</b>				
Stocks	44,669	34,740	-	79,409
Debtors	371,623	35,008	23,216	429,847
Cash at bank and in hand	71,991	966,162	(104,107)	934,046
	<u>488,283</u>	<u>1,035,910</u>	<u>(80,891)</u>	<u>1,443,302</u>
<b>LIABILITIES: due within one year</b>				
Loan	-	-	(13,470)	(13,470)
Creditors	(428,614)	(468,065)	(1,910)	(898,589)
	<u></u>	<u></u>	<u></u>	<u></u>
<b>NET CURRENT ASSETS</b>	<u>59,669</u>	<u>567,845</u>	<u>(96,271)</u>	<u>531,243</u>
<b>TOTAL ASSETS LESS</b>				
<b>CURRENT LIABILITIES</b>	264,664	2,444,608	11,425,245	14,134,517
<b>LIABILITIES: due after one year</b>				
Loans	-	-	(39,000)	(39,000)
	<u>264,664</u>	<u>2,444,608</u>	<u>11,386,245</u>	<u>14,095,517</u>
<b>NET ASSETS</b>				

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

*Cathedral-only balance sheet analysed between funds - 2024*

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2024 £</b>
<b>FIXED ASSETS</b>				
Investment property	-	-	6,783,500	6,783,500
Other investments	16,190	1,257,839	873,170	2,147,199
Non-investment property	-	-	3,525,000	3,525,000
Equipment and tools	250,802	616,017	-	866,819
	<u>266,992</u>	<u>1,873,856</u>	<u>11,181,670</u>	<u>13,322,518</u>
<b>CURRENT ASSETS</b>				
Stocks	-	34,740	-	34,740
Debtors	235,924	105,696	128,622	470,242
Cash at bank and in hand	517	489,679	(219,961)	270,235
	<u>236,441</u>	<u>630,115</u>	<u>(91,339)</u>	<u>775,217</u>
<b>LIABILITIES: due within one year</b>				
Creditors	(259,436)	(168,771)	(75,658)	(503,865)
	<u>(22,995)</u>	<u>461,344</u>	<u>(166,997)</u>	<u>(503,865)</u>
<b>NET CURRENT ASSETS</b>				
	<u>(22,995)</u>	<u>461,344</u>	<u>(166,997)</u>	<u>(503,865)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
	243,997	2,335,200	11,014,673	13,593,870
<b>LIABILITIES: due after one year</b>				
Loans	-	-	(39,000)	(39,000)
	<u>-</u>	<u>-</u>	<u>(39,000)</u>	<u>(39,000)</u>
<b>NET ASSETS</b>				
	<u>243,997</u>	<u>2,335,200</u>	<u>10,975,673</u>	<u>13,554,870</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

*Cathedral-only balance sheet analysed between funds – 2023*

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2023 £</b>
<b>FIXED ASSETS</b>				
Investment property	-	-	6,758,500	6,758,500
Other investments	16,190	1,236,638	1,238,016	2,490,844
Non-investment property	-	-	3,525,000	3,525,000
Equipment and tools	204,996	640,124	-	845,120
	<u>221,186</u>	<u>1,876,762</u>	<u>11,521,516</u>	<u>13,619,464</u>
<b>CURRENT ASSETS</b>				
Stocks	-	34,740	-	34,740
Debtors	369,541	35,008	23,216	427,765
Cash at bank and in hand	49,045	966,162	(104,107)	911,100
	<u>418,586</u>	<u>1,035,910</u>	<u>(80,891)</u>	<u>1,373,605</u>
<b>LIABILITIES: due within one year</b>				
Creditors	(386,279)	(468,065)	(1,910)	(856,254)
Loans	-	-	(13,470)	(13,470)
	<u></u>	<u></u>	<u></u>	<u></u>
<b>NET CURRENT ASSETS</b>	<u>32,307</u>	<u>567,845</u>	<u>(96,271)</u>	<u>503,881</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<u>253,493</u>	<u>2,444,607</u>	<u>11,425,245</u>	<u>14,123,345</u>
<b>LIABILITIES: due after one year</b>				
Loans	-	-	(39,000)	(39,000)
	<u></u>	<u></u>	<u></u>	<u></u>
<b>NET ASSETS</b>	<u>253,493</u>	<u>2,444,607</u>	<u>11,386,245</u>	<u>14,084,345</u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

	<b>At 1 April 2023 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Extraordinary Item £</b>	<b>At 31 March 2024 £</b>
<b>Unrestricted funds</b>						
Designated Funds						
Voluntary Choir	5,347	-	(344)	-	-	5,003
College Hall						
Maintenance	11,051	-	-	-	-	11,051
Old Palace	-	711	(51)	-	-	660
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Sub-total for designated	16,398	711	(395)	-	-	16,714
General Funds	248,266	1,496,481	(2,077,853)	572,000	-	238,894
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Unrestricted</b>	264,664	1,497,192	(2,078,248)	572,000	-	255,608
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	<b>At 1 April 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Extraordinary Item £</b>	<b>At 31 March 2023 £</b>
<b>Unrestricted funds</b>						
Designated Funds						
Voluntary Choir	5,597	-	(250)	-	-	5,347
College Hall						
Maintenance	10,701	350	-	-	-	11,051
Old Palace	-	53,350	(76,765)	23,415	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Sub-total for designated	16,298	53,700	(77,015)	23,415	-	16,398
General Funds	415,768	1,196,922	(2,051,246)	686,822	-	248,266
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Unrestricted</b>	432,066	1,250,622	(2,128,261)	710,237	-	264,664
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

	<b>At 1 April 2023</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains / (losses)</b>	<b>Transfers</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>						
Chamber Choir	15,082	9,985	(9,517)	-	-	15,550
Bellringers	2,986	3,510	-	-	-	6,496
Development and Restoration Fund	921,207	58,143	(81,946)	19,523	-	916,927
Cathedral Library Fund	14,397	18	(402)	-	-	14,013
Church Commissioners Fund	-	-	-	-	-	-
Fabric Fund	299,186	12,615	(45,251)	-	-	266,550
Music Fund	1,114,771	24,917	(24,111)	1,462	(22,000)	1,095,039
Small Projects Fund	23,413	-	(4,665)	-	-	18,748
Adopt a Book Fund	21,085	7,034	(4,362)	-	-	23,757
Project Fund	32,481	604,728	(659,089)	-	-	(21,880)
<b>Total restricted</b>	<b>2,444,608</b>	<b>720,950</b>	<b>(829,343)</b>	<b>20,985</b>	<b>(22,000)</b>	<b>2,335,200</b>

	<b>At 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains / (losses)</b>	<b>Transfers</b>	<b>At 31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>						
Chamber Choir	13,084	6,630	(4,632)	-	-	15,082
Bellringers	2,740	787	(541)	-	-	2,986
Development and Restoration Fund	902,249	176,812	(77,649)	(80,205)	-	921,207
Cathedral Library Fund	18,232	-	(3,835)	-	-	14,397
Church Commissioners Fund	-	83,903	(83,903)	-	-	-
Fabric Fund	323,567	10,277	(34,658)	-	-	299,186
Music Fund	1,180,950	18,173	(32,415)	(29,937)	(22,000)	1,114,771
Small Projects Fund	23,413	-	-	-	-	23,413
Adopt a Book Fund	19,539	3,331	(1,785)	-	-	21,085
Project Fund	24,461	799,611	(791,591)	-	-	32,481
<b>Total restricted</b>	<b>2,508,235</b>	<b>1,099,524</b>	<b>(1,031,009)</b>	<b>(110,142)</b>	<b>(22,000)</b>	<b>2,444,608</b>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

Restricted Funds are held for the following purposes:

Development and Restoration Fund	For the development and restoration of the Cathedral and its ancillary buildings.
Cathedral Library Fund	For the general purposes of the Cathedral Library.
Fabric Fund	For the maintenance of the Cathedral and ancillary buildings.
Music Fund	For the purpose of supporting the music in the Cathedral.
Small Projects Fund	For the purpose of funding small projects in the Cathedral.
Adopt a Book Fund	For the purpose of supporting the conservation of books and manuscripts in the Cathedral Library.

	<b>At 1 April 2023</b>	<b>Net income</b>	<b>Gain/(losses)</b>	<b>Transfers</b>	<b>At 31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Endowed funds</b>					
General Endowment	7,702,551	94,215	37,880	(550,000)	7,284,646
Fabric Endowments	2,070,157	-	-	-	2,070,157
Choral Foundation	1,416,423	-	-	-	1,416,423
Stratton Library Endowment	197,114	7,449	(116)	-	204,447
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total endowed</b>	11,386,245	101,664	37,764	(550,000)	10,975,673
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

	<b>At 1 April 2022</b>	<b>Net income</b>	<b>Gain/(losses)</b>	<b>Transfers</b>	<b>At 31 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Endowed funds</b>					
General Endowment	7,379,352	664,210	347,226	(688,237)	7,702,551
Fabric Endowments	2,070,157	-	-	-	2,070,157
Choral Foundation	1,416,423	-	-	-	1,416,423
Stratton Library Endowment	206,155	6,416	(15,457)	-	197,114
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total endowed</b>	11,072,087	670,626	331,769	(688,237)	11,386,245
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**27. FUNDS (continued)**

**Endowment Funds**

Endowment Funds are held for the following purposes:

General Endowment Fund	For generating income which can be used for financing unrestricted expenditure of the Cathedral.
Fabric Fund	For generating income which can be used for financing expenditure on the fabric of the Cathedral building.
Choral Foundation Fund	For generating income which can be used for financing expenditure on music in the Cathedral.
Stratton Library Endowment	For generating income to be spent on the library.

**All funds**

	<b>At 1 April</b>	<b>Income</b>	<b>Expenditure</b>	<b>Net gains</b>	<b>Extraordinary item</b>	<b>At 31 March</b>
	<b>2023</b>					<b>2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>GRAND TOTAL</b>	14,095,517	2,566,549	(3,154,334)	58,749	-	13,566,481

	<b>At 1 April</b>	<b>Income</b>	<b>Expenditure</b>	<b>Net gains</b>	<b>Extraordinary item</b>	<b>At 31 March</b>
	<b>2022</b>					<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>GRAND TOTAL</b>	14,012,388	3,120,724	(3,258,871)	221,627	-	14,095,517

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**28. TOTAL RETURN**

With effect from 1 April 2016 the Chapter has adopted a total return basis for maintaining the endowments. As at that date it was determined that the endowment comprised the following:

- The Cathedral-Use property which was excluded from the Total Return
- A capital amount referred to as the Trust for investment below derived from the value of endowment investment property and other investments at 31 March 2009
- The total return being the difference between the Trust for Investment and the current fair value of the underlying assets.

Under the total return approach, a value of up to the value of the total return may be applied to fund the unrestricted net expenditure of the charity. The movements are set out in the tables on the following pages:

	<b>Cathedral - Use property £</b>	<b>Trust for Investment £</b>	<b>Unapplied Total return £</b>	<b>Total endowment £</b>
<b>At 1 April 2023:</b>				
Gift component of the permanent endowment	3,565,307	6,016,329	-	9,581,636
Stratton endowment	-	194,481	(16,904)	177,577
Unapplied total return	-	-	1,627,032	1,627,032
	<hr/>	<hr/>	<hr/>	<hr/>
Total	3,565,307	6,210,810	1,610,128	11,386,245
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Movement in the reporting period:</b>				
Investment return – income	-	-	340,884	340,884
Investment return: net gains	-	-	37,764	37,764
Other (losses)/gains	-	-	(239,220)	(239,220)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	-	-	139,428	139,428
	<hr/>	<hr/>	<hr/>	<hr/>
Unapplied total return allocated to income in the reporting period	13,470	-	(563,470)	(550,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net movements in reporting period</b>	13,470	-	(424,042)	(410,572)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2024:</b>				
Gift component of the permanent endowment	3,578,777	6,016,329	-	9,595,106
Stratton endowment	-	194,481	9,966	204,447
Unapplied total return	-	-	1,176,120	1,176,120
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total endowment per balance sheet</b>	3,578,777	6,210,810	1,186,086	10,975,673
	<hr/>	<hr/>	<hr/>	<hr/>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

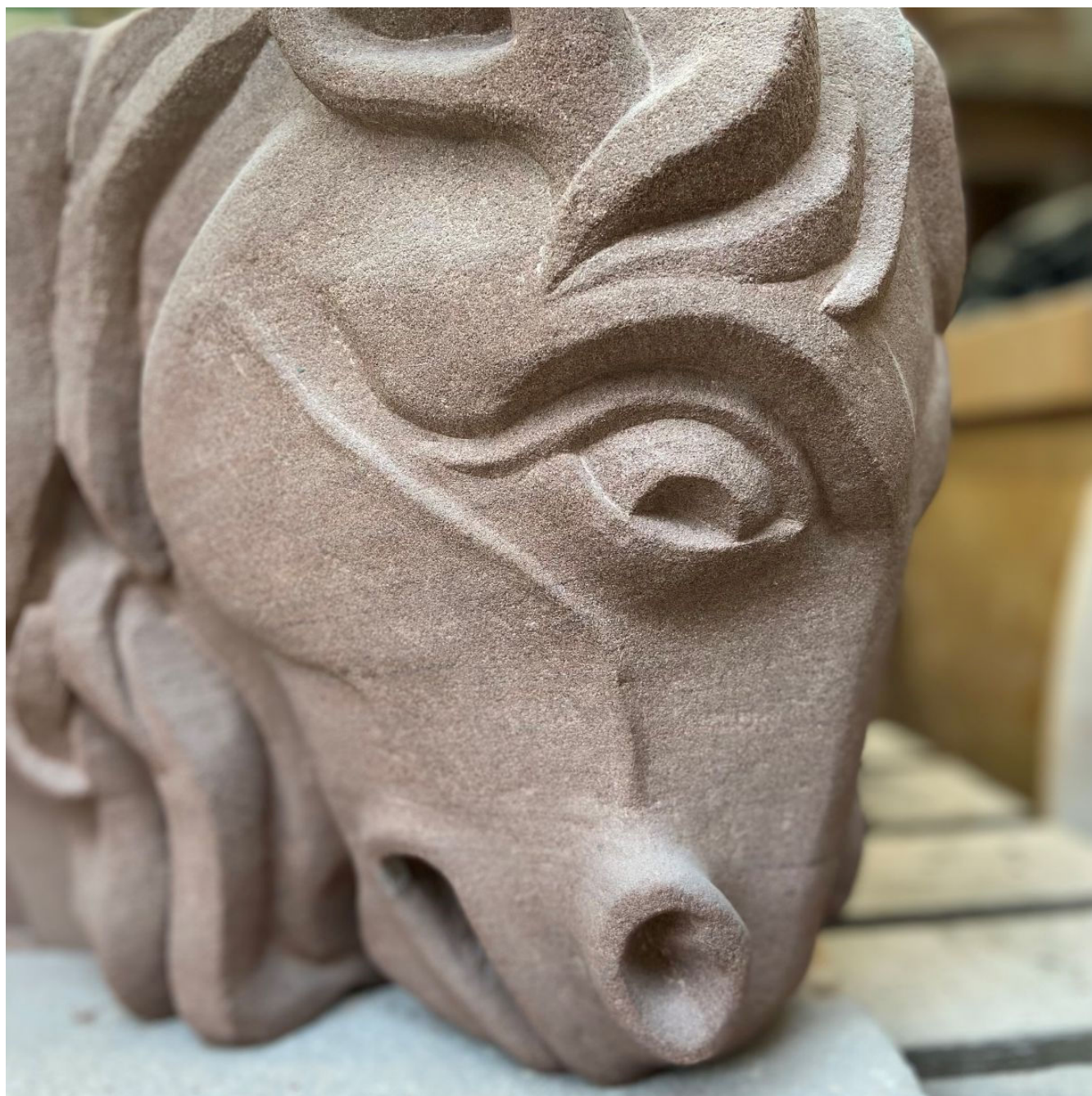
**28. TOTAL RETURN (continued)**

	<b>Cathedral – Use property £</b>	<b>Trust for Investment £</b>	<b>Unapplied Total return £</b>	<b>Total endowment £</b>
<b>At 1 April 2022:</b>				
Gift component of the permanent endowment	3,450,122	6,016,329	-	9,466,451
Stratton endowment	-	194,481	11,674	206,155
Unapplied total return	-	-	1,399,481	1,399,481
<b>Total</b>	<b>3,450,122</b>	<b>6,210,810</b>	<b>1,411,155</b>	<b>11,072,087</b>
<b>Movement in the reporting period:</b>				
Investment return – income	-	-	817,678	817,678
Investment return: net gains	84,700	-	247,069	331,769
Other gains	-	-	(147,052)	(147,052)
<b>Total</b>	<b>84,700</b>	<b>-</b>	<b>917,695</b>	<b>1,002,395</b>
Unapplied total return allocated to income in the reporting period	30,485	-	(718,722)	(688,237)
<b>Net movements in reporting period</b>	<b>115,185</b>	<b>-</b>	<b>198,973</b>	<b>314,158</b>
<b>At 31 March 2023:</b>				
Gift component of the permanent endowment	3,565,307	6,016,329	-	9,581,636
Stratton endowment	-	194,481	(16,904)	177,577
Unapplied total return	-	-	1,627,032	1,627,032
<b>Total endowment per balance sheet</b>	<b>3,565,307</b>	<b>6,210,810</b>	<b>1,610,128</b>	<b>11,386,245</b>

**Worcester Cathedral**  
**Notes to the Financial Statements (continued)**  
**For the year ended 31 March 2024**

**29. STATEMENT OF FINANCIAL ACTIVITIES FOR 2023 ANALYSED BETWEEN FUNDS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
<b>Income and endowments</b>					
Donations and legacies	455,816	43,652	-	499,468	510,159
Grants in support of mission:	448,277	1,018,125	-	1,466,402	1,869,159
Charges and fees arising in the course of mission	207,686	5,895	-	213,581	228,446
Trading and fundraising	17,991	-	-	17,991	82,170
Investments	15,930	31,852	770,578	818,360	373,220
Other income	104,572	-	-	104,572	124,929
<b>Total income</b>	<b>1,250,272</b>	<b>1,099,524</b>	<b>770,578</b>	<b>3,120,374</b>	<b>3,188,083</b>
<b>Expenditure on:</b>					
Raising funds	414,815	1,284	42,101	458,200	519,432
Ministry	751,195	141,612	-	892,807	939,504
Cathedral and precincts upkeep	818,224	879,599	57,851	1,755,674	1,839,626
Education and outreach	131,677	8,513	-	140,190	139,405
Other expenditure	12,000	-	-	12,000	69,223
<b>Total Expenditure</b>	<b>2,127,911</b>	<b>1,031,008</b>	<b>99,952</b>	<b>3,258,871</b>	<b>3,507,190</b>
<b>Net (expenditure) / income before investment gains</b>				<b>(138,497)</b>	<b>(319,107)</b>
Net gains on investments - realised	-	-	-	-	47,588
Net gains on investments - unrealised	-	(110,143)	(106,131)	(216,274)	-
Net gains on investment property	-	-	353,200	353,200	185,000
Net gains on non-investment property	-	-	84,700	84,700	82,500
<b>Net (expenditure) / income</b>	<b>(877,639)</b>	<b>(41,627)</b>	<b>1,002,395</b>	<b>83,129</b>	<b>(4,019)</b>
<b>Extraordinary item</b>	-	-	-	-	388,876
<b>Gross transfers between funds</b>	<b>710,237</b>	<b>(22,000)</b>	<b>(688,237)</b>	<b>-</b>	<b>-</b>
<b>Net increase in funds</b>	<b>(167,402)</b>	<b>(63,627)</b>	<b>314,158</b>	<b>83,129</b>	<b>384,857</b>
Total funds brought forward	432,066	2,508,238	11,072,087	14,012,388	13,627,531
<b>Total funds carried forward</b>	<b>264,664</b>	<b>2,444,608</b>	<b>11,386,245</b>	<b>14,095,517</b>	<b>14,012,388</b>



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