



**THE CATHEDRAL CHURCH**

**OF THE**

**BLESSED VIRGIN MARY OF LINCOLN**

**CONSOLIDATED ACCOUNTS**

**AND**

**ANNUAL REPORT**

**FOR THE YEAR ENDING**

**31 MARCH 2022**

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# **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

## **Annual Report for the Year Ended 31 March 2022**

The Chapter of Lincoln Cathedral present their Annual Report and accounts for Lincoln Cathedral ("the Cathedral"), together with the Auditor's Report, for the year ended 31 March 2022.

### **Mission Statement**

The Cathedrals Measure specifies and simplifies the objects of the Chapter of a cathedral:

- (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 pastoral, evangelistic, social and ecumenical aspects of mission of the Church of England all articulate the Five Marks of Mission of the Anglican Communion.

- To proclaim the Good News of the Kingdom
- To teach, baptise and nurture new believers
- To respond to human need by loving service
- To seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation
- To strive to safeguard the integrity of creation and sustain and renew the life of the earth

As the diocese aims to be faithful, joyful and confident in this work, so we will support the bishop in mission as we seek joyfully to proclaim the love of God in worship, outreach, service and welcome to all and faithfully to exercise our role as custodians of a sacred heritage building.

### **Aims, Objectives and Activities**

Lincoln Cathedral was created as an awe-inspiring beacon of worship and hope to the city and county of Lincoln, and to the many hundreds of thousands of pilgrims who have journeyed here over the centuries. Our building stands as testimony, despite war, earthquake, fire and plague, to the enduring faith and witness of the people of Lincolnshire and the grace of God through the ages. It was built as a place of safety and sanctuary where people may find healing and reconciliation. Its purpose, as it always has been, is to bring everyone who comes through its doors, whether visitor, pilgrim or worshipper, closer to God.

For many this experience is achieved through active worship and participating in the Cathedral community, encompassing the regular rhythm of thirty-five or so weekly services in the Cathedral as well as the great festivals.

Others will experience the love of God through the warmth of the welcome they receive in and around the Cathedral, the generous hospitality they encounter or by sitting for quiet reflection in this sacred space. Others still will be drawn closer to God through the learning and education activities organised by the Cathedral, or by special concerts, occasions or events they attend.

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In order to achieve this purpose, the Cathedral Chapter and all those who work at the Cathedral, whether staff or volunteer aim to:

- Sustain and resource the ministry of the bishop in his diocese
- Maintain and develop the pattern of daily prayer
- Care for the fabric of the Cathedral, as custodians for the benefit of future generations
- Enable the building to speak boldly and imaginatively
- Raise funds necessary to fulfil the Cathedral's potential
- Be a natural setting for exploration of and engagement with the issues of contemporary society
- Explore the ways in which the life of the Cathedral can be shared more widely
- Ensure best practice in all that we undertake

Chapter's priorities, in this financial year, were to:

- Continue without interval the pattern of Sunday services along with the 35 or so weekday services of Mattins, Holy Communion, lunchtime Eucharist and Evensong
- Complete the delivery Stage 2 of "Lincoln Cathedral Connected", a National Lottery Heritage Fund (NLHF) enabled project which encompasses the aims of fabric restoration, its interpretation and financial sustainability through enhanced visitor experience.
- Deliver the planned programme of work in respect the maintenance and restoration of the Cathedral fabric and its precincts in line with budgeted cost and timescales
- Further the strategic priority of financial sustainability, specifically by:
  - Implementing the changes to organisational structure to meet the demands of new facilities and plans, including the structure of the heritage Works Department to ensure efficient working practices and prioritising of works
  - Enabling business planning and maximising income from visitors, events and fundraising activities, as well as from retail, conferencing facilities and hospitality
  - Engage with a wide and diverse demographic of people through the delivery of a well-attended, diverse programme of events and educational activity

Despite the continuing impact of the Covid-19 pandemic, all the activities undertaken in this financial year supported these aims and objectives. In shaping the strategy and planning activities for the year Chapter has given due regard to the Charity Commission's guidance on public benefit.

### **Review of Activities**

#### **Liturgy and Music**

Lincoln Cathedral stands at the centre of Greater Lincolnshire, above all a place of worship and pilgrimage, to which all are welcome. The Cathedral would normally maintain a steadfast rhythm of daily services every day of the year. However, the enforced closure of the Cathedral to worshippers during several months of the year meant that this core ministry was unable to happen as it would usually, and the Cathedral has been very grateful for the support of volunteers in ensuring that the rhythm of worship could be maintained through online streaming. A mark of that success has been the continued online engagement with many people locally and from around the world.

The beginning of April 2021 fell during Holy Week, and at a point when our liturgical and musical life was still greatly limited. At that point, although the full round of daily prayer and worship was taking place in the Cathedral we were unable to have congregations present at choral services where more than three singers were present, and the choristers had been absent since Christmas 2020.

Although observed in full, the limits required in consideration of Covid-19 meant that Holy Week was marked in a very different way to normal – there was no large-scale procession from the Castle on

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Palm Sunday, the normal Chrism Eucharist was replaced by a scaled-back service where a representative from each deanery received oils that were blessed for use in the ministry of the Church at a touchingly intimate service, and the Easter Vigil was not accompanied with the normal Easter Confirmations. However, a relaxing of the restrictions on singing did mean that services on Easter Day could include more significant musical contribution, and the Bishop was present to preside and preach at the Easter Day Eucharist, and the congregation processed outside the west front to sing the final hymn at evensong together.

From that point onward the story from April 2021 to March 2022 has been of a gradual rebuilding of our liturgical life – maintaining the round of daily prayer, increasing the provision for choral worship, and serving the ministry of the bishop and wider communities of the diocese through hosting various diocesan and civic services and events.

#### **Priority 1: The work of the foundation: The rhythm of daily prayer for and on behalf of the diocese**

The essential foundation to the Cathedral's liturgical life is the work of the Cathedral Foundation in maintaining a round of daily prayer for and on behalf of the diocese. Throughout the various periods of restriction, this daily round of prayer had continued unbroken by the clergy of the Cathedral Foundation – assisted by the contributions of various cathedral musicians to online worship. By April 2021 the full round of daily services had been resumed within the Cathedral and, in the period leading up to Holy Week and Easter, had been complemented by the contribution of the lay vicars singing evensong on Tuesdays, Thursdays, Fridays and Sundays (streamed online, as congregations were unable to be present due to Covid-19 restrictions), and a cantor from the choir providing sung music at the morning Sung Eucharist on Sundays. After the spring half term break (from the beginning of June) this routine of services was increased with the addition of Choral Evensong sung by the lay vicars on Saturdays.

April 2021 saw the much welcome return of choristers singing with the lay vicars on Tuesdays, Fridays and at the morning Sung Eucharist on Sundays. Unfortunately, the rather ambiguous guidance on singing meant that it was not deemed possible to return to the full routine of chorister training until the beginning of the Autumn Term in September 2021. This meant that the Summer Term continued to be resourced on a minimum of rehearsal time – and it is to the huge credit of all involved that the standards of singing within liturgy have remained such that the choir made an inspiring contribution to our worshipping life throughout this period. However, the ongoing (and unseen) damage that a lack of regular rehearsal and training has had an impact both on the development of technical skills and breadth of repertoire that will take some significant time to recover. It was thus with great relief that regular training and rehearsals for the choristers restarted in the Song School from September 2021.

As well as a number of services where chanters or choristers were admitted to the foundation, there were two evensongs during the spring that included the installation of new canons who were welcomed into the foundation, and this was followed in September by a special service where the Director of Works was installed to his role as Clerk of the Fabric within the Cathedral Foundation. Another notable change in personnel was the move of Dr Colin Walsh to the role of Organist Emeritus, with the consequent admission of Jeffrey Makinson as the Cathedral's Organist. Dr Walsh has remained involved in the Cathedral's musical life – performing at recitals and accompanying services on various occasions.

There was a range of special services during the autumn, after which a revival of the annual Messiah performance by the Cathedral Choir heralded a busy Christmas period where the normal round of services was complemented by 'Carols for Care Homes' recording that was distributed to the local community. The new year brought the recording of material for BBC TV's Songs of Praise programme

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and both a recorded and live broadcast of Choral Evensong on BBC Radio 3 (marking Eastertide and Ash Wednesday respectively).

Daily the Duty Chaplains continue to offer a much valued presence for visitors and resource the daily eucharist at the Shrine of St Hugh. As well as the small and faithful group of 'regulars' who pray alongside the members of the foundation, the larger worshipping community that gathers for the Sunday eucharist continues to recover from the various limitations of the previous year (although, in common with many churches and other activities there has been a longer-lasting impact from the Covid-19 disruption). These opportunities for worship alongside the daily round of prayer and worship that are at the heart of the life of the Cathedral Foundation have been complemented by the return of less formal opportunities for prayer, reflection and worship, including Sacred Space (led by Canon David Dadswell) and Stillpoint (led by the Chancellor).

#### **Priority 2: Supporting the Bishop's ministry and the communities of the diocese**

The liturgical ministry of the Bishop has been supported in the normal way with a number of services resourced by the cathedral. As a consequence of the very different way that everyone has lived and worked the pattern of episcopal, diocesan and civic services was somewhat altered during the year 2021-22, but those that took place have included:

- Eucharist with blessing of oils (in place of the normal Chrism Eucharist in Holy Week)
- Ordinations to the diaconate and priesthood
- Diocesan Synod
- Annual Lay Ministry Service
- Farewell Service for the retiring Bishop of Lincoln

As well as providing a resource for the Bishop of Lincoln's liturgical and teaching ministry, a significant part of the Cathedral's work in supporting the wider life of the diocese is in hosting services for the wider civic community. Early in the year 2021-22, this saw the Cathedral respond swiftly to the announcement of the death of the Duke of Edinburgh – with the Lord Lieutenant, High Sheriff, Mayor of Lincoln attending evensong on the day of announcement. This was followed on the Sunday with special arrangements for the morning Sung Eucharist. Unfortunately (and ironically, given what is now known about other interpretations of the rules), plans for a streamed service of thanksgiving with 30 representatives of civic and community groups were dropped following official advice.

The year saw a return to holding services for the civic and wider community. During the autumn there were a number of special services in association with a number of community organisations. As well as routine services, such as the Battle of Britain Memorial Service, the County Harvest Thanksgiving and the Remembrance Sunday Service, 2021 saw the Cathedral host the annual National Police Memorial Day service. Coming early in the autumn term of 2021, this was a significant national service attended by representatives of police forces from throughout the British Isles, the Commissioner of the Metropolitan Police (who gave the Address), and the Home Secretary. The new year saw the wider community engaged in different ways with those involved in law and order attending the High Sheriff's Annual Legal Service and the Accession Day – which was a low-key mark of the beginning of the celebrations of the Queen's Platinum Jubilee.

#### **Looking further ahead: Strategic Planning**

In support of the activity reported above, in early 2021 a Recovery Plan was drawn up to help outline the process of recovering our worshipping life as the direct impact of Covid-19 reduced. Much of this plan has now been implemented and, alongside a wider strategic planning process by Chapter:

- Continued development of the Choral Foundation so that it is fully resourced in its work contributing to the daily pattern of prayer for the diocese through a weekly pattern of eight

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choral services, and supporting the liturgical ministry of the bishop and diocese through special services held in the cathedral, and promoting opportunities for worship to wider groups within the county and diocese.

- Developing existing additional opportunities for worship (such as Sacred Space), and exploring new possibilities (such as Messy Cathedral).
- Intentionally engaging visitors in the spirituality of the building and the life of prayer and worship that it supports.
- Exploring ways in which the cathedral can contribute to the training of organists and musicians – both to support the long-term future of the Cathedral’s choral foundation and the liturgical life of parishes in the diocese.
- Contributing to the ongoing training and resourcing of musicians and clergy in support of the wider work of the diocese.
- Building on the existing work, to promote organ music and performance at the Cathedral.
- Increasing, through its worshipping and musical profile, the presence of the Cathedral in the wider community.

The total number of Sunday communicants in the year (1 April 2021 to 31 March 2022) was only 9,617 (2021: 3,229). The beginning of the period restricted by lockdown, and there remained some nervousness in the regular Cathedral congregations about gatherings, and many continued to worship online through the broadcast of services through the Cathedral’s social media channels. During the year, this worship streamed online has reached many thousands of people.

The total attendance for all regular Sunday services between 1 April 2021 and 31 March 2022 was 25,641.

#### Events

No events took place in the first three months of the year due to ongoing government restrictions. Capacities were still being capped for the first half of the year before being lifted entirely for both indoor and outdoor events. Attendee numbers were affected by restrictions around events and gatherings, continuing self-isolation rules and reduced consumer confidence in returning to venues.

Fundraising events raised a net £9,393 surplus during the year. A total of 4,732 tickets were sold across 13 events which included a series of organ recitals, choral concerts, events around the *Museum of the Moon* and a harvest dinner.

#### Cathedral and precincts upkeep

The year following enforced lockdowns and frustration of projects across the cathedral and estate portfolio, was planned, productive and positive. The *Lincoln Cathedral Connected* scheme drew to a successful conclusion in March. The sensitive conservation and restoration work to the southern run of the Romanesque frieze and the Gallery of Kings was revealed from behind the scaffolding and workshops for the first time in five years. The West front of the cathedral was unveiled at the end of the financial year and was the first time in 36 years that all protection and access scaffolding for conservation works removed. It is hoped that no major conservation work will be required on the West front for several decades, presenting examples of the most important and unique medieval sculpture in the UK. The skill and expertise demonstrated by the Works Department in successfully delivering the project on time, within budget and to such a high quality has been remarkable. The teams’ efforts are a credit to the fabulous architecture and setting in the historic heart of Lincoln.

The Chapter house project started once the Northeast Transept; north wall scaffolding was removed

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in the previous year. A £1.2 million pound project will see the external envelope of the Chapter house be cleaned, conserved and the parapet carvings and pinnacles restored. The stonemasons have been working with specialist external carvers to develop their carving skills and enhance the in-house team. The medieval lancet windows, known as SG32 and SG33 have been progressing slowly with careful conservation cleaning and consolidation in the workshops, ready for the next stage of the project; inserting them back into the building. A new window for the Visitor centre was designed in-house and ready to be made in the first quarter of the following financial year. The piece is an acknowledgment to the significant funding made available by the National Lottery Heritage Fund and the David Ross Foundation.

A key objective for the year has been to continue to reduce the conservation deficit within the property portfolio in a financially sustainable manner. Close property projects have included several strategically planned schemes to address the condition and efficiency of windows, doors and external joinery. The focus has been on reducing water ingress, damp and other detrimental deteriorative effects to the properties. Rigorous project planning and building pathology knowledge is creating a huge positive impact on property projects and reducing overall project and ongoing maintenance spend. Several large internal renovation schemes have been delivered as tenants have changed. The Estate Strategy has been written and adopted by Dean and Chapter to enable the best use of the buildings within the portfolio and will realise a noticeable improvement across the estate. Larger schemes, such as the Priory, 12 Minster Yard and others have been planned and will be delivered imminently.

#### Visitors

Total admissions (footfall) was a reduction of 0.28% in comparison to 2019-20 – the last year of ‘normal’ trading conditions pre-pandemic.

The art installation ‘*Museum of the Moon*’ had a significant positive impact on footfall in February 2022, accounting for 28% of total footfall.

During the installation (three weeks), admission prices were amended to provide free admission for children under the age of 16, resulting in a positive impact of increased family audience throughout the month.

Paid visitor admissions in 2021/22 totalled 72,911.

Eventbrite sales represent advanced booking for guided tours. These began in June to allow capacity management. Group bookings remained low throughout the year as groups were still restricted and many coach companies were not offering group packages.

Total income from entry and advance entry tickets and tours totalled £667,964.

#### Lincoln Cathedral Connected

*Lincoln Cathedral Connected* is a £16.7m development and restoration project largely funded by the National Lottery Heritage Fund (NLHF). The project comprises conservation work at the West Front and Exchequergate Arch and the development of the Cathedral’s facilities significantly to enhance the visitor offering. A key objective is to improve access to the Cathedral, both intellectually and physically, allowing a greater number of people to enjoy what it has to offer, and enriching their lives as a result.

New facilities at the visitor centre, converted from a former Deanery most recently used as school premises, including a café and meeting rooms for hire, and brand-new buildings housing a shop, exhibition gallery and education facilities, opened during the year, following many years of planning, preparation and delivery. The results have been fabulous, with the café and shop both performing far

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beyond what they could achieve in their previous locations within the Cathedral. The project was due to be completed at the end of the financial year, but an extension was granted to allow the final parts of the work delayed by the Covid-19 pandemic to be completed.

A particularly important part of the project has been the restoration of the west front of the Cathedral, and in particular, the 12<sup>th</sup> century Romanesque Frieze – an internationally important piece of sculpture – and the medieval Gallery of Kings. The west front was finally scaffolding free in March 2022 after many years of being obscured.

The Dean's Green, closed for more than 50 years, has been landscaped and is open to the public, and has hosted a variety of events and activities during the year.

### **Education and outreach**

#### **Adult Learning**

During this financial year, the Vice Chancellor, The Revd Canon Neil Burgess oversaw the Learning and Engagement Team and adult learning in the cathedral, having generously postponed his retirement to support the ministry at Lincoln Cathedral. Adult Learning included a Lent Series in February and March, facilitated and led by the Precentor, The Revd Canon Nick Brown.

The Chancellor, The Revd Canon Dr Paul Overend, returned to work full time from 1 January, and began forming a partnership with Together for the Common Good, Caritas in the Diocese of Nottingham, Bishop Grosseteste University and the partnership has organised and publicised a lecture series exploring Catholic Social Teaching and Anglican social theology. This has since been developed with small group work and branded together with existing social engagement as Lincoln Cathedral Common Good Project.

There were also confirmation classes for adults from January led by the Chancellor and for choristers and other children from February led by the Precentor, both sharing with clerical colleagues.

### **Education**

#### Learning Centre

The Learning Centre with the visitor centre (developed as part of the Lincoln Cathedral Connected project) has proved to be a monumental success in engaging nurseries, schools and colleges in exciting cross-curricular education, as well as a 'messy' space for family fun holiday activities.

Since its opening in September 2021, the centre has welcomed around 6,000 school children and 100 bookings as part of the formal learning programme, and has welcomed hundreds of families taking part in school holiday workshops, trails and activities.

#### Formal Learning

Feedback received from teachers is consistently outstanding or very good. The facilities of the Learning Centre now offered as a result of NLHF and David Ross Foundation funding is hugely attractive for school groups. It is often mentioned as a great asset to the visit. Given that many heritage sites have suffered low numbers recently because of Covid-19 pandemic, we seem to have benefitted from being able to offer an innovative and unique programme together with a secure, welcoming environment for school groups. The Cathedral's success in achieving the prestigious Sandford Award received in 2020 is testament to this.

The flexible, airy space has brilliantly accommodated a huge variety of educational activity including an introduction space to start off the day with informative presentations for two or three classes at a

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time, multi-faith debates with a panel of five different faith leaders for year 10 and 11 students, early years children taking part in 'Owl and Pussycat' puppet Christian weddings, all ages building a giant model cathedral as part of a history lesson, 'Time Detective' groups discovering the four main types of historical evidence with artefacts and mapping and much more. It also provides a warm, clean lunch space for groups taking part in all-day workshops.

#### Using the Discovery Centre for formal learning

The Discovery Centre, developed as part of the Lincoln Cathedral Connected project, has been a huge asset to teaching with schools, as well as its role as a family-friendly interpretation centre. Its capacity for reinforced learning greatly complements tours of the Cathedral. Pupils can experience hands-on learning across all aspects of the Cathedral. For example, fundamental aspects of its architecture by building their own Norman or gothic arches, learning about Christian celebration through watching a real Christian marriage (filmed in the Cathedral last year) and then dressing-up as a priest or a wedding guest; or watch a film of the Eucharist that takes place every day, complemented with object handling on the mini altar.

#### Using the Exhibition Gallery for formal learning

The Exhibition Gallery, within a brand-new building developed as part of the Lincoln Cathedral Connected project, is a wonderful space revealing some of the glorious treasures of the Cathedral's collection. School groups can gain valuable learning experience in looking at real objects, and most particularly, significant documents that they have learned about in the Cathedral. Pupils have been able to gain enhanced knowledge on the history of the building and its significant historic people through incredible interactive technology and labelled artefacts

#### Additional Services to Schools

During lockdowns in 2020/21, we offered digital classroom workshops which went down very well. This year we developed a loans service to schools 'Cathedral on Tour' which enables schools to book a wide range of objects, documents, images and dress-up clothing. We also offer an outreach service to schools if they are unable to visit the Cathedral. The new digital 360 tours of the Cathedral are going live next term and will be available for schools to purchase for a limited time.

#### The Discovery Centre

One of our key areas for development was to enhance the Cathedral's reputation as a family-friendly organisation. The Discovery Centre had proven to be the embodiment of this. Visitors tell us that their children have wanted to visit repeatedly, and the dwell time of both adults and children is much higher than average.

The success of the Discovery Centre is based on the fact that it provides a welcoming space for everyone, not just for children. The activities have a multi-generational appeal. Visitors frequently tell us that it is a 'homely' space, which is really interesting given that the technology is quite prominent with the AV's and film projections.

This space continues to develop organically in response to visitors' feedback. The corner for younger children has grown for example, as this and area where adults can relax on the sofa whilst the little ones are very close by.

#### Informal Learning in the Learning Centre

The Learning Centre is a very inviting and flexible space for informal learning. Here visitors can enjoy messy play and art & craft activities without disturbing visitors seeking a more peaceful visit.

During the Museum of the Moon Exhibition in February 2022 half-term, the centre welcomed over 2,000 visitors taking part in craft activities, including crafts to complement the Rhubarb Theatre day in the Cathedral.

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During each school holiday, crafts and activities are designed to complement themes in other areas of the Cathedral or to celebrate national events

#### Library

##### Covid

Once Covid-19 restrictions started to be lifted in 2021 and staff returned to work, albeit on a part time basis, normal work resumed and library staff started to work through the backlog of requests for information/digital images/research enquiries and cataloguing that had built up over the previous year.

##### Collections care and management

The programme of book conservation with the Hull Bindery has resumed and a retained expert from the National Conservation Service is continuing his survey of the manuscript collection. Volunteers in the Exchequergate library have continued packaging fragile items, cleaning and lining wooden shelving to prevent further damage from rough surfaces. Staff and volunteers have been busy amending the corrupted records on the new (in 2019) library management system (CALM) and are also starting to add new records of yet uncatalogued sections of the library.

##### Researchers

In the early part of 2021 the library started welcoming researchers back into the Reading Rooms, within the then Covid restrictions. Opening hours for researchers are now back to pre-Covid levels and we are also again able to accommodate groups of students for workshops and teaching based around the collections as happened pre-Covid. Exchequergate in particular sees a steady flow of researchers, usually to study the manuscripts. Professor Mark Clark has been researching our rich collection of 12th Century manuscripts since 2018, which are of international significance in scholastic theology, Lincoln having the greatest concentration of evidence. Professor Clark's book is nearly complete and a £1,000,000 bid will be submitted to the European Research Council next year for the possible digitisation of some of the manuscripts.

##### Public Opening

The library opened to the public in May 2021, albeit only partially. Only a third of library volunteers felt comfortable about returning to volunteering because of Covid and as a result only the Medieval Library was fully open with only a view into the Wren Library. Longstanding issues with cracks in the Wren Library ceiling however, meant that the Wren Library was eventually fully closed and for a time the Medieval Library remained closed as well. The unavailability of the Wren and Medieval libraries during 2022 has meant that the exhibitions will be put onto the Cathedral website instead. New display boards for the Wren Library, designed and produced in 2021, have yet to be used. We continue to work closely with the Cathedral Curator, providing items for display, along with the associated interpretation, in the new exhibition centre.

##### Wren ceiling/floor

Repairs to the cracks in the plaster on the Wren ceiling started in February 2022 but soon stopped once it was discovered that the problem was more serious than had originally been thought. Five of the eight original supporting oak beams were found to be cracked. The request to the Cathedrals Fabric Commission for England (CFCE) to undertake the necessary work was submitted in the early part of 2022. The work required is more invasive than had originally been thought and necessitates the removal of the books into storage. The issues in the Wren library seem to stem from repair work that was undertaken in the 1980s.

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#### Medieval Library anniversary

2022 marks the 600<sup>th</sup> anniversary of the building of the Medieval Library and a programme of events and activities was drawn up in the New Year. Unfortunately, due to the closure of both the Wren and Medieval libraries, these were subsequently cancelled.

#### Volunteers

Although several volunteers have not returned to volunteering since Covid, most are still keen to get back into the library once it re-opens to the public. Library volunteers have been encouraged to volunteer in the new exhibition centre in the meantime. Volunteers who help behind the scenes in the Reading Rooms and Conservation room have returned, enabling the library to continue its essential work on stock management and care.

In conclusion, 2021/2022 has been a year of disruption and although we cannot currently welcome the public we continue to encourage use of the collections by researchers and University groups and to work behind the scenes making the collections accessible. We look forward to being able to celebrate the re-opening of the Wren and Medieval libraries in 2023.

#### **Collections**

The focus over the year 2021-2022 has been the completion of the NLHF Lincoln Cathedral Connected project, with the installation and the opening of the new Exhibition Gallery, and forward planning for the next three years of temporary exhibitions.

To support the opening of the new Exhibition Gallery, the Curator has recruited and processed more than 30 Exhibition Gallery Attendant volunteers, including key training sessions and mentoring. As of March 2022, the Gallery was operating at 90+%.

Alongside the completion of the Connected project, work has continued to update and maintain the Cathedral Inventory/Collections Catalogue (via CALM). The 2010 Inventory has now been fully updated and is now visible on the online catalogue (CALM-View), and work is underway to add the Works Archive and Stone Catalogue to the Inventory. To complete this work the Curator has trained a team of Collections Volunteers who are working on various elements of the cataloguing process and are creating individual records for each object/document. The majority of the large-scale architectural plans have been photographed in hi-resolution and are being catalogued, there are around 3000+ images to date.

Throughout the past 12 months the Curator has hosted three project placements, including a 12 week BA Conservation Student. This has helped to support the work of the Curator and (along with the Collections Volunteers) has helped to bridge the gaps in the work following the redundancy of the Collections Assistant in March 2022.

#### **Forward Plan**

The Lincoln Cathedral Connected project will in the main be completed in June 2022, and outstanding work is in progress.

Recruitment of Exhibition Gallery Attendants continues, however in June and July the overall operating percentage has decreased due to the end of the academic year and graduation of a number of core student volunteers. There is also the disadvantage of volunteers who contribute to childcare and take leave during the Summer months. The current operating percentage for July is 46%.

Funding and grants for cataloguing are being explored to cover the work currently being undertaken

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on the Works Archive and also to look at a larger scale project to catalogue the Dean & Chapter Archive, this would look to cover overall costs as well as an assistant position/internship that would support the Curator. The Curator as part of her CPD is looking at course to become an accredited Archivist, to ensure professional standards are maintained.

Future storage areas are being considered, including the Tithe Barn project, which the Curator is part of the working party and will contribute towards to scoping and development of this.

#### Lincoln Minster Shops

Income from retail, in the first quarter, was severely impacted by closures enforced by Government. In addition, stock was run low and a short closure was necessary to physically move the shop from its old location in the cathedral to the new space in the visitor centre. The new shop opened alongside the café on 28 June 2021 and benefitted from the pre-opening event for press and partners.

The shop is now benefitting from increased footfall as the visitor centre, driven by the café, gathers popularity amongst regular customers and the new visitor route from the Cathedral. The new inviting space is encouraging customers to browse and spend, and the introduction of the exhibition gallery has also been positive.

The *Museum of the Moon* had a positive impact on retail customers and spend with the shop benefiting generally from the increased footfall and new 'exit via the gift-shop' route.

March 2022 saw closures of three days for filming taking place in the Cathedral – the shop was compensated for loss of income, however this will have had an impact on spend per head. The café was closed for an additional two days for redecoration, which may have resulted in fewer customers during the weekend.

#### People

The Cathedral is exceptionally fortunate to enjoy the commitment and talent of around 600 volunteers spread across more than 30 different diverse and wide-ranging volunteer groups, co-ordinated by a dedicated Volunteer Officer. During normal years, our volunteers give a considerable amount of their time and expertise to the Cathedral and without them the institution would not be able to offer its excellent quality of visitor experience or number of tours and events. Certain areas of the Cathedral, for example the Treasury and the Library, could not be made available to the public without the time and commitment offered by volunteer stewards. However, the continuing Covid-19 pandemic meant that opportunities for volunteering were greatly restricted, though Chapter remains incredibly grateful both to those volunteers who were able to fulfil their role during a difficult year, and to all volunteers for their generosity.

Chapter remains committed to the principles of the Living Wage Foundation and remain dedicated to supporting and developing our people, whether employee, volunteer or placement. We were proud to support several apprentice posts furthering heritage conservation skills in the next generations. HES continued their project with an anticipated completion in March 2022. Previous trainees were granted extensions throughout 2021 to complete study considering the pandemic. The Cathedrals Workshop Fellowship (CWF) Covid cohort moved to virtual study during the pandemic, with Lincoln championing the first virtual study module. The Director of Works and Property is now well established as a conservation module leader.

Lincoln Cathedral is truly blessed by the dedication of its very skilled and committed people, who work as part of a single team, and the Chapter thanks them most sincerely for all that they do, particularly

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Annual Report for the Year Ended 31 March 2022**

during the challenging circumstances of 2021/22.

#### **Achievements and Performance**

The activities undertaken during the year and their achievements, reported above, are considered to have been successful in meeting the Cathedral's core purposes and moving forward in its delivery of key priorities.

#### **Investment Policy**

The Corporate Body of Lincoln Cathedral ("Lincoln Cathedral") seeks to produce the best financial return within an acceptable level of risk.

The investment objective for long term reserves is to generate a return in excess of inflation over the long term whilst generating an income to support the ongoing activities of Lincoln Cathedral. In this way, income generation should continue to be sustainable in perpetuity.

The current long-term investment target is RPI +3.5% or better over a 10-year cycle. The investment objective for short-term reserves is to preserve real capital value with minimal levels of risk, ensuring high liquidity of assets in order to meet short-term cash flow needs. The long-term investment portfolio has been performing in line with this target but has been substantially impacted at year end by shock impact of the pandemic. This has subsequently shown signs of recovery.

Lincoln Cathedral operates within the ethical guidance of the Church of England.

#### **Financial Review**

The Statement of Financial Activities ('SoFA') shows a net loss before gains/(losses) on investments of £6.2m (2021: £3.1m surplus).

This substantial net loss is driven by the review of the carrying value of the visitor centre that was brought into use during the year. The reduction in value of this asset amounted to £8.21m (Note 6) and is described as a conservation deficit, being 'the amount by which the cost of repair or conversion to optimum viable use of a heritage asset exceeds its market value'. This conservation deficit has impacted the Lincoln Cathedral Connected restricted funds and is reflected by reduced tangible fixed assets, in the balance sheet and as an expense within the SoFA Precinct and upkeep costs (Note 3)

There are gains on investment portfolio holdings (Note 7) across funds at year end, totaling £1.5m, being continued recovery of investments following the market's reaction to the outbreak of the coronavirus pandemic and subsequent UK lockdown in late March 2020. In addition to these gains, there is an upward revaluation of residential investment property of 6%, a resulting £1.2m uplift, which is a result of increased housing demand outside of London.

The generous giving of ordinary individuals and businesses continues to be the heart of the Cathedral's finances and we remain thankful for support during these challenging times. The SoFA includes £1.7m of NLHF grant funding, (2021: £2.67m) in support of the Lincoln Cathedral Connected project, which entered the final stages of project delivery, completing in June 2022.

The unrestricted and designated funds show a positive outturn for the year of £621,561 (2021 £920,886) after investment gains. This was driven by the successful re-opening to visitors within the year, strong property rental income, generous legacies (£209k) and the ability to hold some fundraising events during the year, whilst making every effort to keep costs tightly controlled. Core areas of our work continued to be supported by covid grants through to June 2021. Levels of required conservation for the Cathedral and its precinct remain a challenge.

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Annual Report for the Year Ended 31 March 2022**

Expenditure excluding the conservation deficit of the visitor centre totalled £4.7m for the year (2021: £4.4m). The increased level of spending is seen within the cost of raising funds and services & music, as activities began to return to a more usual level following such severe disruption in 2020/21.

#### **Reserves Policy**

The Chapter consider that they should hold sufficient reserves in the unrestricted funds to fund working capital and potential liabilities identified from its review of major risks, and to cover shortfalls in unpredictable voluntary income. An acceptable range of free reserves is three to six months of fixed operational costs, less 'reasonably certain' income for Lincoln Cathedral. This currently equates to a range of £0.9m - £1.8m of unrestricted fund reserves.

The unrestricted fund, excluding designated funds and unrestricted funds of subsidiaries, stood at £2.1m at 31 March 2022 (2021: £1.6m). The unrestricted fund is considered broadly to equate to the free reserves of the charity with all but a small proportion of the investment assets held by the fund being realisable within a short timeframe, in the case of unforeseen circumstances.

A small number of designated funds are held, as described in note 22, representing specific projects and/or working capital requirements for specific ongoing activities. Designated funds are reviewed each year to ensure the funds are utilised as appropriate.

The level of free reserves was not considered to be sufficient as at 31 March 2020 as the balance represented around two months of budgeted base operating costs not otherwise met by restricted fund reserves. The significant depletion reflected the volatility in the market value of investments following the initial shock of the coronavirus pandemic and it was determined that significant steps would be taken to reduce base operating costs to prevent further depletion.

The level of reserves as at 31 March 2022 are considered to be just in excess of the requirements of the reserves policy, representing around seven months of budgeted base operating costs not otherwise met by restricted fund reserves. The economic outlook remains challenging and the use of reserves is likely within the short-term which will bring reserve levels in line with policy.

Reserve levels will continue to be closely monitored to ensure an adequate level of capital is maintained to support the future work of the Cathedral.

Chapter have considered areas of uncertainty and consider that there are no material uncertainties about the Cathedral's ability to continue as a going concern (See Note 1). The Chapter considered forecasts to 31 March 2024 and regularly receive ongoing management accounts in order to assess financial performance and position. This financial information allows management and Chapter to consider and undertake remedial action should it become necessary. There are considered to be sufficient cash and reserves over this period, having given due regard to the current outlook and recent post balance sheet activity.

Focused work continues to mitigate identified operational risks and to drive future financial sustainability.

## THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

### Annual Report for the Year Ended 31 March 2022

#### Principal Risks and Uncertainties

The Chapter keeps under review the major risks and uncertainties that the Cathedral faces and can be summarised under the following categories:

- **Governance:** Continuity for members of Chapter is being reviewed and has included a skills audit outlining the requirements for new Chapter members. Induction and communication require strengthening which will be supported by the Nominations Committee established in December 2021. A Remuneration Committee has also been established to recommend appropriate procedures, policies and benchmarks to determine employment terms and conditions, remuneration and succession planning.
- **Operational:** Operational risks are being managed with the introduction of a revised organisational structure, regular reporting of top strategic risks and a review of policies and procedures.
- **Finance:** Income and expenditure are mapped against budget on a regular basis and reports provided to Chapter. Chapter aims to provide a balanced budget and to work in line with the Reserves Policy. The property conservation deficit is being managed and reported to Masters' Committee.

The Audit and Risk Committee met during the year, and made progress in its work plan, providing additional assurance in respect to internal controls and risk management to Chapter.

#### Plans for the future

The future continues to require a reimagining of the Cathedrals operations and a "new normal". The Chapter's strategic plan, entitled *Transform and Thrive*, has set out the priorities for the next five years following consultation with key stakeholders:

- **Confidence:** The Cathedral will be confident about its mission and worship, and all the work it does to support it.
- **Activities:** All activities - worship, fabric works, events, governance and maintenance - will be well planned and co-ordinated across all departments with clear, agreed processes.
- **Staff and volunteers:** Staff and volunteers will be well trained to fulfil their role, supported at all levels and across all departments, will be developed to thrive, and will model the Cathedral's values.
- **Collaboration:** There will be an environment of collaboration and support, so that all work together to achieve the very best for Lincoln Cathedral.
- **Capacity and rationalisation:** We will only do those things which support the mission and worship of the Cathedral and are within the abilities and capacities of staff and volunteers to deliver.
- **Net Zero 2030:** We will do our utmost to reduce our impact on the planet, and to strive to meet the Net Zero 2030 target.
- **Inclusive:** We will be inclusive, welcoming all who come to worship, pray, visit or attend an event, and ensure a range of activities to achieve this.
- **Sacred space:** Lincoln Cathedral is a holy place, and all activities will honour the space and the worship which takes place within it.

Our building stands as testimony, despite war, earthquake, fire and plague to the enduring faith and witness of the people of Lincolnshire and the grace of God down through the ages. The Kingdom of God remains the sustaining vision for Christians and the current situation challenges us to consider how we can participate in the life of God and reach out with God's love to those facing loss and

## THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

### Annual Report for the Year Ended 31 March 2022

uncertainty as we seek to contribute to God's mission in the world.

To be financially and operationally resilient, several issues remain the Chapter's focus:

- Continue to offer worship and daily prayer to God whilst meeting the challenge to adapt the way we offer worship
- Continue to engage with a diverse demographic of people and grow our volunteering opportunities, enhancing the Cathedral Community.
- Deliver critical works in respect to the maintenance and restoration of the Cathedral fabric and its precinct and plan for remedial actions, in line with available resources, to recover from the lockdown period and continue to meet key funding deadlines.
- Further the strategic priority of financial sustainability, specifically by
  - Maximising available funding; targeting core operations and infrastructure investment
  - Diversifying income streams where possible and implementing strategies for the long-term objectives of the Cathedral's property portfolio in order to manage risk and maximise yield without compromise to conservation
  - Minimising fixed and committed costs to enhance resilience and ability to respond to pressures on finite resources
  - Continuing a review of the management and organisational structure in place with a view to optimising efficiencies and ensuring scalable operating models.

To achieve these aims it will be necessary to reconsider the ways in which we engage people. Particularly, the outcomes of the NLHF project activity deliverables, which predicated new audiences and a growth in revenue from increased visitor numbers, will be re-envisioned to meet a changed need for digital engagement and increase focus on community outreach both as a direct response to the negative impact of the pandemic and recognising restrictions in travel and tourism activity. Education and outreach activities will continue to be developed across all age ranges and areas of Cathedral life.

The challenge to raise money for the programme of repairs and restoration of the Cathedral fabric as well as the day-to-day operations is on-going. To that end, promotion of the legacy campaign will continue in conjunction with local solicitors and estate managers as well as applications to grant and trust making bodies and the development of membership schemes, "Adopt A" programmes and congregational giving. The pandemic has highlighted the need to further develop 'regular giving' as a more reliable and predictable method of donation to support the Cathedral's core operations.

We will continue to significantly invest in IT infrastructure to enable greater remote work and to encourage efficient working with greater accessibility to operational data.

Governance will continue to be strengthened, with the ambition to adopt the provisions of the Cathedrals Measure 2021 within 2023/24, which will bring the Cathedral under the regulation of the Charity Commission, as well as the Church Commissioners. This work has already begun, with the establishment of several new committees that are required by the measure.

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Annual Report for the Year Ended 31 March 2022**

#### **Structure, governance and management**

The Cathedral is an ecclesiastical corporation governed by a Constitution and Statutes under the Cathedrals Measure 1999 which came into force on 17th November 2000 and was amended in 2005. Chapter, the College of Canons and the Cathedral Council continue to provide the leadership, management, and the checks and balances required by the Constitution and Statutes.

#### **Role of the Cathedral in the Diocese**

Lincoln Cathedral is the seat of the bishop of Lincoln and a centre of worship and mission for the city and diocese. The Cathedral is a place founded on daily prayer offered to God for and on behalf of the diocese, and:

- nurturing and sustaining a variety of worshipping congregations;
- supporting diocesan life and episcopal ministry; and
- enabling civic and community celebration and commemoration

#### **Organisational Structure**

##### **Visitor**

The Bishop is the Visitor of the Cathedral. As Visitor they are entitled to attend and speak at meetings of the Cathedral Council, but not to vote.

##### **Body Corporate**

The Cathedral Chapter is the governing body of the Cathedral directing and overseeing the administration of its affairs. It consists of the Dean, our Residentiary Canons and at least four lay person, one of whom must be the chair of the finance committee. The Chapter meets regularly, with the Chief Operating Officer & Administrator, Chief Financial Officer and a Minute Secretary in attendance.

The Cathedral Council has a duty to further and support the work of the Cathedral, spiritual, pastoral, evangelistic, social and ecumenical by reviewing and advising upon the direction and oversight of that work by the Chapter.

The College of Canons also gives counsel both to the Bishop and to the Chapter on any matter concerning the cathedral as the seat of the Bishop. The College of Canons consists of the dean, every suffragan bishop, every archdeacon and every canon.

The Chapter, Cathedral Council and College of Canons together form the legal entity of Lincoln Cathedral.

##### **Committees**

The Chapter is supported in its work by a number of committees:

- Finance Committee

The Lincoln Cathedral Finance Committee is a non-executive advisory committee of the Chapter. In this role, Chapter delegates to the Committee the financial advice and strategic recommendations with regard to expenditure, income and fundraising, investments and investment property. The Committee takes the role as a critical friend, providing expert and supportive advice.

The Finance Committee is in turn supported by

- Investment Sub-Committee, who advise and provide oversight on the Cathedral's investment strategy, policies and performance.

## THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

### Annual Report for the Year Ended 31 March 2022

- Property Asset Committee, who assist and assure the Chapter in respect of the strategic management of the Cathedral's residential, commercial and industrial estate, in compliance with relevant legislation.

- Audit & Risk Committee

The Audit & Risk Committee is a non-executive advisory committee of the Chapter who assist Chapter in its oversight of the integrity of decision-making, review the quality of external audit and to review internal controls, ensuring robust risk management.

- Fabric Advisory Committee

The Fabric Advisory Committee assist the Chapter in the care and conservation of the Cathedral as required by section 4 ( 1) of the Care of Cathedrals Measure 1990, as amended by the Care of Cathedrals (Amendment) Measure 2005, helping to formulate proposals for works. This includes any continuous programme of repairs, conservation of adornments, provision of safety precautions, conduct of surveys and assessing priority of works.

- Remuneration Committee

Principle purposes of the committee include considering and recommending to Chapter:

- Terms and conditions of employment, remuneration and succession planning of staff and the procedures, policies and benchmarks through which these are determined.
- Establishing and keeping under review a remuneration policy and its appropriateness, including pay structures and their annual review; and
- Changes in remuneration for members of the Senior Management Team as well as housing and benefits for residentiary clergy with due consideration of up-to-date information about remuneration in other institutions of comparable scale and complexity.

#### **Administration of the Cathedral**

Lincoln Cathedral Senior Leadership Team ('SLT') is the senior management group of the Cathedral, established in November 2020. SLT has delegated authority from Chapter for developing and delivering against the Cathedral's strategic priorities and plan, other strategies and its budget. It is the duty of the Dean as Chairman of the Chapter to govern and direct on its behalf and the Senior Leadership Team supports the Dean in that responsibility. The Chapter Clerk & Administrator is the senior officer of the Chapter responsible for the day to day management of the Cathedral's affairs in with the policies laid down by Chapter and for implementing its decisions. The SLT is chaired by the Chapter Clerk & Administrator and normally meets fortnightly, unless extraordinary circumstances prevent this, and is accountable to Chapter.

#### **Appointment and induction of new Chapter members**

New Chapter members are carefully selected to provide a balance of skills to meet both anticipated challenges ahead and strategic direction and development. All Chapter members are given appropriate induction and opportunities for relevant training. Work continues to develop formal systems of induction to ensure consistency.

#### **Investment Powers**

Under the Cathedral's Measure 1999 the Chapter may invest the Cathedral's funds in any of the following:

- Land.
- Funds administered for the Central Board of Finance of the Church of England CCLA

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Annual Report for the Year Ended 31 March 2022**

Investment Management Ltd.

- Investments in which trustees may invest under the general power of investment in the Trustees Act 2000.
- The improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself and its ancillary buildings unless a total return approach under the Church of England (Miscellaneous Provisions) Measure 2014 has been adopted.

#### **Statement of the responsibilities of Chapter**

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

- Preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities and funds at the end of each financial year of the Cathedral and its subsidiary 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 non-compliance.
- Selecting suitable accounting policies and then applying them consistently.
- Making judgements and estimates that are reasonable and prudent.
- Keeping proper accounting records from which, the financial position of the Cathedral can be ascertained with reasonable accuracy at any time.
- Safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

## Annual Report for the Year Ended 31 March 2022

### Reference and Administrative details

<b>Legal title</b>	The Corporate Body of the Cathedral Church of the Blessed Virgin Mary of Lincoln
<b>Office address</b>	Chapter Office, 28 Eastgate, Lincoln, LN2 4AA
<b>Chapter</b>	The Very Revd Christine Wilson, Dean The Revd Canon Nicholas Brown, Precentor and Subdean The Revd Canon Dr Paul Overend, Chancellor The Revd Canon Dr Neil Burgess, Vice Chancellor (Appointed 11 May 2021, Retired 31 January 2022) The Revd Canon David Dadswell (Appointed 11 May 2021) Canon Amanda (Harvey) Dowdy Canon Simon Parkes Canon Mark Suthern Canon Stuart Welch The Revd Canon Paul Noble (Appointed 11 May 2021)
<b>Chapter Clerk and Administrator</b>	William Harrison (Resigned 6 January 2023)
<b>Architect and Surveyor of the Fabric</b>	Nicholas Rank
<b>Consultant Archaeologist</b>	Dr Jonathan Clark
<b>Director of Music and Master of the Choristers</b>	Aric Prentice
<b>Director of Works and Property</b>	Michael Sheppard (Resigned 29 November 2022)
<b>Librarian</b>	Julie Taylor
<b>Finance Committee</b>	Canon Simon Parkes, Chairman The Very Revd Christine Wilson, Dean The Revd Canon Nick Brown, Precentor Peter Denby William Harrison (Resigned 6 January 2023) John Lockwood MBE DL Neil Rhodes Edward Strange
<b>Audit &amp; Risk Committee</b>	Neil Rhodes Anthony Tomlinson Gary Headland (Resigned 23 November 2021) Suzanne Kane (Resigned 23 November 2021) Neville Reyner (Appointed 04 March 2022)
<b>Fabric Advisory Committee</b>	Professor Clifford Price, Chairman Catherine Dyas, Secretary Dr Mike Ashton Judy Burg Professor John Chilton Canon Harvey Dowdy Dr Kate Giles Hannah Harte Professor David Stocker Simon Walters Dr Paul Williamson

# THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

## Annual Report for the Year Ended 31 March 2022

**Auditor** BHP LLP  
2 Rutland Park  
Sheffield, S10 2PD

### Other Professional advisors

**Bankers** National Westminster Bank PLC  
225 High Street  
Lincoln, LN2 1AZ

**Solicitors** Chattertons  
1 Flavian Road  
Lincoln, LN2 4GR

**Investment Managers** Cazenove Capital Management Limited  
12 Moorgate  
London, EC2R 6DA

**Property Management  
Advisors** Savills LLP  
Olympic House  
Doddington Road  
Lincoln, LN6 3SE

**Insurers** Ecclesiastical Insurance Office PLC  
Beaufort House  
Brunswick Road  
Gloucester, GL1 1JZ



The Very Revd Christine Wilson  
Dean of Lincoln  
14 March 2023

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Independent Auditor's Report to the Members of The Cathedral Church of the Blessed Virgin Mary of Lincoln**

#### **Opinion**

We have audited the financial statements of The Cathedral Church of the Blessed Virgin Mary of Lincoln (the 'parent entity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the entity only balance sheet, the consolidated cash flow statement and notes to the financial statements, including 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:

1. give a true and fair view of the state of the group's and parent entity's affairs as at 31 March 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
3. have been prepared in accordance with the requirements of the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Independent Auditor's Report to the Members of The Cathedral Church of the Blessed Virgin Mary of Lincoln**

#### **Other information**

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

We have nothing to report in this regard.

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

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

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

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

#### **Responsibilities of Chapter**

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

In preparing the financial statements, Chapter are responsible for assessing the group's and parent entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Chapter either intend to liquidate the group or parent entity or to cease operations, or have no realistic alternative but to do so.

## **THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN**

### **Independent Auditor's Report to the Members of The Cathedral Church of the Blessed Virgin Mary of Lincoln**

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

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

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

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

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

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

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;

## THE CATHEDRAL CHURCH OF THE BLESSED VIRGIN MARY OF LINCOLN

### Independent Auditor's Report to the Members of The Cathedral Church of the Blessed Virgin Mary of Lincoln

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

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

#### Use of our report

This report is made solely to Chapter's members, as a body, in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals (December 2018) specified by the Church Commissioners under Section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to Chapter members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of Chapter as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Marshall (Mar 30, 2023 17:03 GMT+1)

Jane Marshall (Senior Statutory Auditor)  
For and on behalf of BHP LLP  
2 Rutland Park  
Sheffield  
S10 2PD

Date: Mar 30, 2023

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Statement of Financial Activities**  
**For the year ending 31 March 2022**

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>	<b>2</b>					
Donations and legacies		437,305	613,276	-	<b>1,050,581</b>	1,433,745
Grants in support of mission		226,697	2,322,060	-	<b>2,548,757</b>	3,463,825
Charges and fees arising in the course of mission		79,521	-	-	<b>79,521</b>	36,102
Trading and fundraising		1,402,730	32,853	-	<b>1,435,583</b>	509,057
Investments		985,599	547,612	59,257	<b>1,592,468</b>	1,434,375
Other Income		55,427	1,200	-	<b>56,627</b>	676,793
<b>Total income</b>		<b>3,187,279</b>	<b>3,517,001</b>	<b>59,257</b>	<b>6,763,537</b>	7,553,897
<b>EXPENDITURE ON:</b>	<b>3</b>					
Raising funds		1,328,390	192,553	41,728	<b>1,562,671</b>	1,228,005
Ministry		580,997	115,241	-	<b>696,238</b>	594,872
Cathedral and precincts upkeep		607,824	9,784,255	-	<b>10,392,079</b>	2,401,243
Education and outreach		115,796	162,278	-	<b>278,074</b>	206,647
<b>Total expenditure</b>		<b>2,633,007</b>	<b>10,254,327</b>	<b>41,728</b>	<b>12,929,062</b>	4,430,767
<b>NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS</b>		554,272	(6,737,326)	17,529	(6,165,525)	3,123,130
Net (losses)/gains on investments	<b>5, 7</b>	67,289	1,014,177	1,568,358	2,649,824	6,818,156
<b>Net income/(expenditure)</b>		<b>621,561</b>	<b>(5,723,149)</b>	<b>1,585,887</b>	<b>(3,515,701)</b>	9,941,286
<b>Gross transfers between funds</b>	<b>21</b>	-	-	-	-	-
<b>Net movement in funds</b>		<b>621,561</b>	<b>(5,723,149)</b>	<b>1,585,887</b>	<b>(3,515,701)</b>	9,941,286
Total funds brought forward		1,969,392	26,070,236	29,554,239	<b>57,593,867</b>	47,652,581
<b>Total funds carried forward</b>		<b>2,590,953</b>	<b>20,347,087</b>	<b>31,140,126</b>	<b>54,078,166</b>	57,593,867

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Consolidated Balance Sheet**  
**As at 31 March 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Investment assets:						
Property	5	-	-	23,752,361	23,752,361	22,408,001
Investments	7	1,046,643	16,248,325	5,469,713	22,764,681	19,151,152
		1,046,643	16,248,325	29,222,074	46,517,042	41,559,153
<b>Tangible fixed assets</b>						
Heritage assets		-	-	-	-	-
Property	6	-	1,364,136	1,969,062	3,333,198	11,345,001
Equipment and plant	8	88,181	676,731	-	764,912	155,496
		88,181	2,040,867	1,969,062	4,098,110	11,500,497
<b>Total fixed assets</b>		<b>1,134,824</b>	<b>18,289,192</b>	<b>31,191,136</b>	<b>50,615,152</b>	<b>53,059,650</b>
<b>Current assets</b>						
Stock		119,678	-	-	119,678	98,506
Debtors	9	661,040	703,067	16,694	1,380,801	2,194,509
Property held for resale	5	-	-	-	-	-
Cash at bank and in hand		1,724,795	1,474,167	(67,704)	3,131,258	4,090,094
Total current assets		2,505,513	2,177,234	(51,010)	4,631,737	6,383,109
<b>Liabilities due within one year</b>						
Loans		(407,707)	(6,100)	-	(413,807)	(906,100)
Creditors		(639,677)	(113,239)	-	(752,916)	(938,792)
	10	(1,047,384)	(119,339)	-	(1,166,723)	(1,844,892)
Net current assets/(liabilities)		1,458,129	2,057,895	(51,010)	3,465,014	4,538,217
<b>Total assets less current liabilities</b>		2,592,953	20,347,087	31,140,126	54,080,166	57,597,867
<b>Liabilities due after one year</b>						
Defined benefit scheme liability	14	(2,000)	-	-	(2,000)	(4,000)
<b>Total net assets</b>		<b>2,590,953</b>	<b>20,347,087</b>	<b>31,140,126</b>	<b>54,078,166</b>	<b>57,593,867</b>
<b>The funds of the cathedral:</b>						
HLF Catalyst Endowment Fund		-	-	1,914,673	1,914,673	1,703,621
Endowment		-	-	29,225,453	29,225,453	27,850,618
General fund		2,092,286	-	-	2,092,286	1,584,269
Designated funds		498,667	-	-	498,667	385,123
Alfred Griffin Legacy fund		-	1,690,264	-	1,690,264	1,713,604
Fabric fund		-	13,286,458	-	13,286,458	12,337,935
Lincoln Cathedral Connected		-	1,559,742	-	1,559,742	8,540,107
Lincoln Cathedral Music Fund		-	2,724,337	-	2,724,337	2,419,966
Other restricted funds		-	1,086,286	-	1,086,286	1,058,624
<b>Total cathedral funds</b>	22	<b>2,590,953</b>	<b>20,347,087</b>	<b>31,140,126</b>	<b>54,078,166</b>	<b>57,593,867</b>

The financial statements were approved and authorised for issue by the Chapter on 14 March 2023 and signed on their behalf by



The Very Revd Christine Wilson  
Dean



Simon Parkes (Mar 29, 2023 19:21 GMT+1)

Mr Simon Parkes  
Chairman, Finance Committee

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Entity Only Balance Sheet**  
**As at 31 March 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Fixed assets</b>						
Investment assets:						
Property	5	-	-	23,752,361	23,752,361	22,408,001
Investments	7	1,046,643	13,698,236	5,469,713	20,214,592	16,999,812
		1,046,643	13,698,236	29,222,074	43,966,953	39,407,813
<b>Tangible fixed assets</b>						
Heritage assets		-	-	-	-	-
Property	6	-	1,364,136	1,969,062	3,333,198	11,345,001
Equipment and plant	8	76,529	676,731	-	753,260	141,890
		76,529	2,040,867	1,969,062	4,086,458	11,486,891
<b>Total fixed assets</b>		<b>1,123,172</b>	<b>15,739,103</b>	<b>31,191,136</b>	<b>48,053,411</b>	<b>50,894,704</b>
<b>Current assets</b>						
Stock		64,711	-	-	64,711	59,571
Debtors	9	642,068	683,129	16,694	1,341,891	2,091,680
Cash at bank and in hand		1,356,493	1,300,838	(67,704)	2,589,627	3,776,574
Total current assets		2,063,272	1,983,967	(51,010)	3,996,229	5,927,825
<b>Liabilities due within one year</b>						
Loans		(407,707)	(6,100)	-	(413,807)	(906,100)
Creditors		(423,501)	(104,500)	-	(528,001)	(877,948)
	10	(831,208)	(110,600)	-	(941,808)	(1,784,048)
Net current assets		<b>1,232,064</b>	<b>1,873,367</b>	<b>(51,010)</b>	<b>3,054,421</b>	<b>4,143,777</b>
<b>Total assets less current liabilities</b>		<b>2,355,236</b>	<b>17,612,470</b>	<b>31,140,126</b>	<b>51,107,832</b>	<b>55,038,481</b>
<b>Liabilities due after one year</b>						
Defined benefit scheme liability	14	(2,000)	-	-	(2,000)	(4,000)
<b>Total net assets</b>		<b>2,353,236</b>	<b>17,612,470</b>	<b>31,140,126</b>	<b>51,105,832</b>	<b>55,034,481</b>
<b>The funds of the cathedral:</b>						
HLF Catalyst Endowment Fund		-	-	1,914,673	1,914,673	1,703,621
Endowment		-	-	29,225,453	29,225,453	27,850,618
General fund		2,092,286	-	-	2,092,286	1,584,269
Designated funds		260,950	-	-	260,950	258,420
Alfred Griffin Legacy fund		-	1,690,264	-	1,690,264	1,713,604
Fabric fund		-	13,286,458	-	13,286,458	12,337,935
Lincoln Cathedral Connected		-	1,559,742	-	1,559,742	8,540,107
Other restricted funds		-	1,076,006	-	1,076,006	1,045,907
<b>Total cathedral funds</b>	22	<b>2,353,236</b>	<b>17,612,470</b>	<b>31,140,126</b>	<b>51,105,832</b>	<b>55,034,481</b>

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Statement of Cash Flows**  
**For the year ending 31 March 2022**

	Note	Total Funds 2022 £	Total Funds 2021 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	11	1,716,083	1,226,268
<b>Cash flows from investing activities</b>			
Rent received net of costs		376,668	515,103
Investment income received net of costs		700,455	599,294
Purchase of plant and equipment		(770,875)	(97,965)
Property under construction costs		(370,839)	(590,842)
Proceeds from sale of investments		3,478,655	408,014
Purchase of investments		(5,614,219)	(64,775)
Net cash provided by/(used in) investing activities		(2,200,155)	768,829
<b>Cash flows from financing activities</b>			
Receipt/(Repayment) of borrowing		(492,293)	50,000
Receipt of endowment		17,529	4,594
Net cash provided by financing activities		(474,764)	54,594
Change in cash and cash equivalents in the reporting period		(958,836)	2,049,691
Cash and cash equivalents at the beginning of the reporting period		4,090,094	2,040,403
Cash and cash equivalents at the end of the reporting period		3,131,258	4,090,094
<b>Analysis of cash and cash equivalents</b>		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Cash in hand		3,131,258	4,019,346
Notice deposits (less than 3 months)		-	70,748
Total cash and cash equivalents		3,131,258	4,090,094
<b>Analysis of change in net debt</b>	<b>As at 1 April 2021</b>	<b>Cash flows</b>	<b>As at 31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash in hand	4,090,094	(958,836)	3,131,258
Debt due within one year	(906,100)	492,293	(413,807)
	3,183,994	(466,543)	2,717,451

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**1 Accounting Policies**

The principal accounting policies adopted in the preparation of the financial statements are as follows:

**Basis of preparation**

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments and investment property, in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals, dated December 2018, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The Cathedral meets the definition of a public entity under FRS 102.

The accounts are presented in sterling, which is the functional currency of the cathedral, and rounded to the nearest pound.

**Consolidation**

The accounts consolidate the results of the Cathedral and its subsidiaries. Further details are provided at Note 18. The results of the subsidiaries are consolidated on a line by line basis.

In addition, the Cathedral is connected with various entities that do not meet the criteria for consolidation. Further details are provided at Note 19.

**Going concern**

The Chapter has considered whether the use of the going concern basis of accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the cathedral's ability to continue as a going concern. They have carried out this assessment for a period of at least one year from the date of approval of these accounts, having reviewed financial forecasts to 31 March 2024 which indicate sufficient cash reserves. Management accounts are regularly considered for financial position and performance, allowing remedial action to be taken should it be necessary. The Chapter have concluded that there are no material uncertainties about the cathedral's ability to continue as a going concern.

**Judgements and key sources of estimation uncertainty**

Chapter makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are property valuations and allocation of support costs to restricted and endowment funds.

The useful life and residual value of an asset is subject to judgement. Property values are also subject to judgement on their state of repair, future rental yield and estimated costs to sell. Allocation of support costs are subject to estimated splits of staff time per the expenditure accounting policy.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**1 Accounting Policies (cont..)**

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds which Chapter have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Cathedral's work or for specific projects. This would include monies raised for specific campaigns.

Endowment funds are restricted in that there is no power to convert the capital into income. They must be held permanently (unless they become expendable by petition or prior design) and cannot be disposed of, although the constituent assets may change over time.

**Income recognition**

Income is recognised when there is entitlement to the funds, any performance conditions have been met, it is probable that income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as when notification has been made by the executor(s) that a distribution will be made, when a distribution is received from the estate or when probate has been granted depending on which is earlier. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified but cannot be reliably measured the legacy is treated as a contingent asset and disclosed if material. Where a legacy is subject to the interest of a life tenant the legacy would not be recognised as income until the death of the life tenant.

Income received in advance of events or services is deferred until the criteria for income recognition is met. Coronavirus Job Retention Scheme (CJRS) income is recognised in the period to which the claim relates.

**Donated goods and services**

Donated professional services and donated facilities are recognised as income when control exists over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Cathedral which is quantified as the amount the Cathedral would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**1 Accounting Policies (cont..)**

**Third party receipts and payments**

In line with the above, where funding is provided by third parties (e.g. the funding by the Church Commissioners of stipends and associated payroll costs of the Dean, the Commissioners' canons or other clerical or lay staff) these are shown as both income and expenditure.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Cost of raising funds comprise the cost of trading activities, investment property costs, visitor facilities, fundraising event costs and the cost of the development phase of the Lincoln Cathedral Connected project in so far as they relate to the proposed improvements to visitor facilities.

Ministry includes costs associated within the Cathedral clergy as well as services and music Cathedral and precincts upkeep consists of the major projects and restoration of the Cathedral's fabric as well as the Cathedral's maintenance and upkeep.

Education and outreach includes relevant costs as well as the maintenance and running costs of the Wren Library.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs (Note 4) are those functions that assist the work of the cathedral but do not directly undertake either charitable or fundraising activities. Indirect support cost allocation is based on an approximate split of staff time being

Raising funds	35%
Ministry	30%
Cathedral & precincts upkeep	30%
Education & outreach	5%

**Cathedral and inventory**

Heritage assets include the Cathedral and ancillary buildings and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. No value has been attributed to these assets acquired before 31 December 2018, because information on their historic cost is not available.

Items donated to the inventory since 1 January 2019 are valued in the year of acquisition and shown as heritage assets unless there is insufficient information available to reliably estimate the value of the asset.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**1 Accounting Policies (cont..)**

**Tangible fixed assets**

With the exception of Lincoln Minster Shops Limited, purchases of tools and equipment (including office equipment) of less than £10,000 are written off in the year of purchase within the fund to which they relate.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful economic lives on the following bases:

Fixtures, fitting and equipment	18 - 50% straight line
Freehold buildings	0%

**Property**

The endowment property, which excludes the Cathedral itself, includes both investment and non-investment property. Investment property is included at fair value as at 31 March 2022. Chapter considers that appropriate professional guidance has been sought to recommend reasonable estimates of fair value.

Non-investment property is carried at cost.

The Quarry is stated at the cost to acquire access which was obtained in 2008. The access is the land known as 51 Riseholme Road. In the opinion of the Cathedral's administrative body the residual value of the land is such that no write down is deemed necessary.

Depreciation is not charged on the basis of immateriality. The Cathedral has a policy of regular maintenance to maintain properties at their existing value and, given the locale of the Cathedral Close, high residual values are expected.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities and are allocated to the relevant fund.

The Cathedral does not acquire put options, derivatives or other complex financial instruments.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**1 Accounting Policies (cont..)**

**Investments (cont...)**

The main form of financial risk faced by the Cathedral is that of volatility in equity markets and investment markets due to wider economic conditions, the attitudes of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or subsectors.

**Debtors**

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

**Stock**

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

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

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

**Employment benefits**

When employees have rendered service to the Cathedral, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The entity contributes to a defined benefit plan (CEFPS) for the benefit of some of its employees. A liability for the entity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Further details are provided at Note 14.

Contributions under defined contribution plans are expensed as they become payable.

**Corporation tax**

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

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**2 Income and Endowments**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Donations and legacies</b>					
Congregational giving	43,234	-	-	<b>43,234</b>	16,002
Donations	165,105	131,109	-	<b>296,214</b>	301,025
Tax recoverable under Gift Aid on voluntary contributions	9,707	9,255	-	<b>18,962</b>	25,344
Income from Friends	10,105	10,000	-	<b>20,105</b>	20,500
Legacies	209,154	462,912	-	<b>672,066</b>	1,070,874
	<b>437,305</b>	<b>613,276</b>	-	<b>1,050,581</b>	1,433,745
<b>Grants in support of mission</b>					
Church Commissioners' grants	199,833	-	-	<b>199,833</b>	317,944
Heritage Lottery Fund grants	-	1,916,273	-	<b>1,916,273</b>	2,666,847
Other revenue and capital grants	26,864	405,787	-	<b>432,651</b>	479,034
	<b>226,697</b>	<b>2,322,060</b>	-	<b>2,548,757</b>	3,463,825
<b>Charges and fees arising in the course of mission</b>					
Facilities and other fees	57,480	-	-	<b>57,480</b>	12,861
Magna Carta	22,041	-	-	<b>22,041</b>	23,241
	<b>79,521</b>	-	-	<b>79,521</b>	36,102
<b>Trading and fundraising</b>					
Charges to visitors	606,113	10,121	-	<b>616,234</b>	110,405
Gift Aid on entrance charges	51,730	-	-	<b>51,730</b>	5,889
Income from lettings of cathedral and other buildings	-	-	-	-	-
Income from fundraising events	71,176	20,103	-	<b>91,279</b>	8,550
Gross income cathedral shop, restaurant and conferencing centre	629,210	-	-	<b>629,210</b>	310,202
Cathedral Quarry	-	2,629	-	<b>2,629</b>	4,898
Cathedral publications	16,113	-	-	<b>16,113</b>	1,767
Outside contracts - Close property maintenance	28,388	-	-	<b>28,388</b>	67,346
	<b>1,402,730</b>	<b>32,853</b>	-	<b>1,435,583</b>	509,057
<b>Investments</b>					
Income from investment property	829,613	417	-	<b>830,030</b>	763,746
Income from other investments	155,965	547,192	59,257	<b>762,414</b>	670,296
Interest receivable on short-term deposits	21	3	-	<b>24</b>	333
	<b>985,599</b>	<b>547,612</b>	<b>59,257</b>	<b>1,592,468</b>	1,434,375
<b>Other income</b>					
Coronavirus Job Retention Scheme	50,120	-	-	<b>50,120</b>	672,632
Other items	5,307	1,200	-	<b>6,507</b>	4,161
	<b>55,427</b>	<b>1,200</b>	-	<b>56,627</b>	676,793
<b>Total income</b>	<b>3,187,279</b>	<b>3,517,001</b>	<b>59,257</b>	<b>6,763,537</b>	7,553,897

Of the £7,553,897 received for the year ended 31 March 2021 £2,847,742 related to unrestricted income, £4,672,803 to restricted income and £33,352 was received in to endowment (See Note 24).

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**3 Expenditure**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
<b>Raising funds</b>					
Cost of facilities for visitors	101,351	51,548	-	152,899	191,662
General marketing costs	22,090	12,526	-	34,616	95,086
Investment property costs	415,444	-	37,918	453,362	248,643
Investment management costs	9,047	31,596	3,810	44,453	37,652
Cost of fundraising	237,725	18,435	-	256,160	139,494
Gross costs of cathedral shop, restaurant and conferencing centre	479,441	8,331	-	487,772	285,564
Cathedral Quarry	-	5,066	-	5,066	6,018
Cathedral publications	12,703	-	-	12,703	987
Outside contracts - Close property maintenance	28,388	-	-	28,388	67,346
Allocated support costs (note 4)	22,201	65,051	-	87,252	155,553
	<b>1,328,390</b>	<b>192,553</b>	<b>41,728</b>	<b>1,562,671</b>	<b>1,228,005</b>
<b>Ministry</b>					
Clergy stipends and working expenses	171,951	-	-	171,951	142,458
Clergy housing costs	21,146	-	-	21,146	29,299
Clergy support costs	32,516	1,175	-	33,691	21,200
Services and music	267,303	109,524	-	376,827	276,760
Allocated support costs (note 4)	88,081	4,542	-	92,623	125,155
	<b>580,997</b>	<b>115,241</b>	<b>-</b>	<b>696,238</b>	<b>594,872</b>
<b>Cathedral and precincts upkeep</b>					
Major repairs and restoration	41,430	1,269,305	-	1,310,735	1,139,934
Conservation deficit	-	8,210,142	-	8,210,142	-
Maintenance and interior upkeep	456,481	206,962	-	663,443	992,301
Cathedral insurance	109,913	-	-	109,913	104,698
Allocated support costs (note 4)	-	97,846	-	97,846	164,310
	<b>607,824</b>	<b>9,784,255</b>	<b>-</b>	<b>10,392,079</b>	<b>2,401,243</b>
<b>Education and outreach</b>					
Library and archives	65,264	54,534	-	119,798	43,675
Educational activities	45,513	91,447	-	136,960	119,258
Charitable giving	-	6,600	-	6,600	23,305
Allocated support costs (note 4)	5,019	9,697	-	14,716	20,409
	<b>115,796</b>	<b>162,278</b>	<b>-</b>	<b>278,074</b>	<b>206,647</b>
<b>Total expenditure</b>	<b>2,633,007</b>	<b>10,254,327</b>	<b>41,728</b>	<b>12,929,062</b>	<b>4,430,767</b>

Of the £4,430,767, amount expended for the year ended 31 March 2021, £2,080,023 related to unrestricted income, £2,321,986 to restricted income and £28,758 was expended from endowment (See Note 24).

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
**For the year ending 31 March 2022**

**4 Allocated support costs**

	<b>Raising funds</b>	<b>Ministry</b>	<b>Cathedral &amp; precincts upkeep</b>	<b>Education &amp; outreach</b>	<b>Total 2022</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Human Resources	64,050	54,900	54,900	9,150	<b>183,000</b>	297,689
Office costs	33,970	29,118	29,118	4,853	<b>97,059</b>	72,129
Finance	(14,601)	1,213	1,559	165	<b>(11,664)</b>	16,055
Governance	3,833	7,392	12,269	548	<b>24,042</b>	79,554
Total cost for year ended 31 March 2022	<b>87,252</b>	<b>92,623</b>	<b>97,846</b>	<b>14,716</b>	<b>292,437</b>	465,427
Total cost for year ended 31 March 2021	155,553	125,155	164,310	20,409	465,427	

Human Resources are allocated on the basis of staff time, the remaining elements are allocated on a basis of direct cost and attributable staff time.

**5 Investment property**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowment Funds</b>	<b>Total Funds 2022</b>	<b>Total Funds 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance Sheet value at 1 April 2021	-	-	22,408,001	<b>22,408,001</b>	18,194,840
Transferred from non-investment property	-	-	330,000	<b>330,000</b>	580,125
Transferred to non-investment property	-	-	(157,500)	<b>(157,500)</b>	(207,000)
Disposal proceeds	-	-	-	-	(395,259)
Revaluation adjustment	-	-	1,171,860	<b>1,171,860</b>	4,235,295
Balance Sheet value at 31 March 2022	-	-	23,752,361	<b>23,752,361</b>	22,408,001
<b>Of which</b>					
Current Asset Held for Sale	-	-	-	-	-
Fixed Asset	-	-	23,752,361	<b>23,752,361</b>	22,408,001
	-	-	23,752,361	<b>23,752,361</b>	22,408,001

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
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**6 Non-investment property**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
Balance Sheet value at 1 April	-	9,203,439	2,141,562	<b>11,345,001</b>	11,127,284
Transferred from investment property	-	-	157,500	<b>157,500</b>	207,000
Transferred to investment property	-	-	(330,000)	<b>(330,000)</b>	(580,125)
Conservation deficit	-	(8,210,142)	-	<b>(8,210,142)</b>	-
Acquisitions	-	370,839	-	<b>370,839</b>	590,842
Balance Sheet value at 31 March	-	1,364,136	1,969,062	<b>3,333,198</b>	11,345,001

All non investment properties are held on a freehold basis and are used as follows:

	<b>Quarry £</b>	<b>Cathedral Use £</b>	<b>Trading £</b>	<b>Total £</b>
Balance Sheet value at 1 April 2021	170,477	10,817,774	356,750	<b>11,345,001</b>
Transferred from investment property	-	157,500	-	<b>157,500</b>
Transferred to investment property	-	(330,000)	-	<b>(330,000)</b>
Additions - Asset under Construction	-	370,839	-	<b>370,839</b>
Conservation deficit	-	(8,210,142)	-	<b>(8,210,142)</b>
Valuation as at 31 March 2022	170,477	2,805,971	356,750	<b>3,333,198</b>

Of the above Cathedral Use non-investment property £8,210,142 conservation deficit relates to a valuation adjustment of the Cathedral's bespoke visitor centre. The valuation was performed by Savills in accordance with VPGA 1 of the RICS Valuation - Global Standards. This has been treated as expenditure in the statement of financial activities (SoFA). The valuation of £950,000 as at 31 December 2022 recognises the challenging economic backdrop and that the enterprise is recently established and not yet maturely trading.

**Heritage assets**

As stated in the accounting policies, no value has been placed on the cathedral and ancillary buildings and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. The cathedral buildings are the cathedral, chapter house, cloisters and libraries.

The Care of Cathedrals Measure 2011 requires cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the cathedral church. There have been no additions in the year.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
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**7 Investments**

<b>Consolidated</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2022 £</b>
Investments at market value 1 April	924,981	13,655,945	4,570,226	<b>19,151,152</b>
Disposal proceeds	(438,893)	(1,740,475)	(1,299,287)	<b>(3,478,655)</b>
Additions at cost	493,266	3,318,901	1,802,052	<b>5,614,219</b>
Revaluation adjustment	67,289	1,014,178	396,498	<b>1,477,965</b>
Transfers	-	(224)	224	-
Investments at market value 31 March	<b>1,046,643</b>	<b>16,248,325</b>	<b>5,469,713</b>	<b>22,764,681</b>

**Investments at 31 March comprise the following**

(Market Values):

Charities Property Fund	34,302	1,953,689	815,226	<b>2,803,217</b>
Cazenove Investment	173,937	690,057	122,201	<b>986,195</b>
M & G:				
- Charifund Income units	38,918	829,838	15,565	<b>884,321</b>
- Charifund Accumulation units	176,308	215,561	200,094	<b>591,963</b>
- Global Dividend Units	-	1,381,549	581,013	<b>1,962,562</b>
COIF Charities Fixed Interest Fund	6,935	-	8,124	<b>15,059</b>
Trojan	-	282,069	164,563	<b>446,632</b>
Fidelity	160,134	675,151	119,725	<b>955,010</b>
Atlas GI	-	305,189	129,918	<b>435,107</b>
Schroder Asian Income	-	669,302	291,596	<b>960,898</b>
Vontobel Fund SICAV - Twentyfour	88,641	155,359	-	<b>244,000</b>
PIMCO Global Libor Bond Fund	98,624	172,857	-	<b>271,481</b>
RMAF	-	6,726,220	2,930,526	<b>9,656,746</b>
Other Holdings <£50,000	153,571	1,698,540	-	<b>1,852,111</b>
Investors in Lincoln	-	-	14,000	<b>14,000</b>
Capital	115,273	492,944	77,162	<b>685,379</b>
	<b>1,046,643</b>	<b>16,248,325</b>	<b>5,469,713</b>	<b>22,764,681</b>

All investments are held within the UK.

<b>Entity Only</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2022 £</b>
Investments at market value 1 April	924,981	11,504,605	4,570,226	<b>16,999,812</b>
Disposal proceeds	(438,893)	(1,042,001)	(1,299,287)	<b>(2,780,181)</b>
Additions at cost	493,266	2,399,394	1,802,052	<b>4,694,712</b>
Revaluation adjustment	67,289	836,462	396,498	<b>1,300,249</b>
Transfers	-	(224)	224	-
Investments at market value 31 March	<b>1,046,643</b>	<b>13,698,236</b>	<b>5,469,713</b>	<b>20,214,592</b>

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**8 Equipment and plant**

<b>Consolidated</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2022 £</b>
Cost at 1 April	218,231	140,077	-	358,308
Additions	68,957	701,918	-	770,875
Disposals	(135,654)		-	(135,654)
Cost at 31 March	151,534	841,995	-	993,529
Depreciation at 1 April	177,983	24,829	-	202,812
Depreciation for the year	21,024	140,435	-	161,459
On disposals	(135,654)		-	(135,654)
Depreciation at 31 March	63,353	165,264	-	228,617
<b>Net book value at 31 March 2022</b>	<b>88,181</b>	<b>676,731</b>	<b>-</b>	<b>764,912</b>
<b>Net book value at 31 March 2021</b>	<b>40,248</b>	<b>115,248</b>	<b>-</b>	<b>155,496</b>

<b>Entity Only</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds 2022 £</b>
Cost at 1 April	36,812	140,077	-	176,889
Additions	68,957	701,918	-	770,875
Disposals	-	-	-	-
Cost at 31 March	105,769	841,995	-	947,764
Depreciation at 1 April	10,170	24,829	-	34,999
Depreciation for the year	19,070	140,435	-	159,505
On disposals	-	-	-	-
Depreciation at 31 March	29,240	165,264	-	194,504
<b>Net book value at 31 March 2022</b>	<b>76,529</b>	<b>676,731</b>	<b>-</b>	<b>753,260</b>
<b>Net book value at 31 March 2021</b>	<b>26,642</b>	<b>115,248</b>	<b>-</b>	<b>141,890</b>

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
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**9 Debtors due within one year**

	<b>2022</b>		<b>2021</b>	
	<b>Group</b>	<b>Entity</b>	<b>Group</b>	<b>Entity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>136,405</b>	<b>94,353</b>	54,722	52,569
Amounts due from connected entities	-	<b>100,680</b>	-	13,848
Taxation	-	<b>34,448</b>	-	1,563
Other debtors	-	-	-	-
Legacy debtors	<b>553,159</b>	<b>553,159</b>	851,284	851,284
Prepayments and accrued income	<b>691,237</b>	<b>559,251</b>	1,288,503	1,172,416
	<b>1,380,801</b>	<b>1,341,891</b>	<b>2,194,509</b>	<b>2,091,680</b>

**10 Creditors due within one year**

	<b>2022</b>		<b>2021</b>	
	<b>Group</b>	<b>Entity</b>	<b>Group</b>	<b>Entity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>321,085</b>	<b>292,208</b>	335,065	307,765
Amounts owed to connected entities	-	<b>569</b>	-	6,210
Accruals and deferred income	<b>354,593</b>	<b>142,964</b>	304,902	275,202
Taxation and social security	<b>36,336</b>	<b>51,505</b>	52,522	42,468
Other creditors	<b>40,902</b>	<b>40,755</b>	246,303	246,303
Loans	<b>413,807</b>	<b>413,807</b>	906,100	906,100
	<b>1,166,723</b>	<b>941,808</b>	<b>1,844,892</b>	<b>1,784,048</b>

**11 Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>Total Funds 2022 £</b>	<b>Total Funds 2021 £</b>
Net (expenditure)/income before investment gains for the reporting period	<b>(6,165,525)</b>	3,123,130
Adjustments for:		
Depreciation charges	<b>161,459</b>	17,276
Conservation deficit	<b>8,210,142</b>	-
Income added to Endowment capital	<b>(17,529)</b>	(4,594)
Income from property and investments	<b>(1,533,211)</b>	(1,400,690)
Investment property costs & management fees	<b>456,087</b>	286,295
(Increase)/Decrease in stock	<b>(21,172)</b>	9,452
Decrease/(increase) in debtors	<b>813,708</b>	(274,616)
(Decrease)/increase in creditors	<b>(187,876)</b>	(529,985)
<b>Net cash provided by operating activities</b>	<b>1,716,083</b>	<b>1,226,268</b>

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
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**12 Staff numbers**

The average number of paid employees during the year to 31 March were as follows:

			<b>2022</b>	<b>2021</b>
	<b>Full time</b>	<b>Part time</b>	<b>FTE</b>	<b>FTE</b>
Residentiary Canons	4	-	4.0	3.0
Chapter Office	6	6	9.3	8.0
Raising funds (exc. trading)	5	-	5.0	5.0
Connected Project Team	4	2	4.7	5.4
Trading	3	1	3.6	3.7
Visitor Services	1	8	3.0	2.4
Vergers & interior upkeep	4	1	4.6	6.1
Music & Services	3	14	9.0	6.8
Library & Education	2	-	2.0	2.0
Works Department	13	5	13.6	19.3
	<b>45</b>	<b>37</b>	<b>58.8</b>	<b>61.7</b>

During the year to 31 March 2021 the average number of staff was 82 (2021: 93).

The number of unpaid volunteers during the year was approximately 550 (2021: 600). A reliable estimate of the monetary value of their work cannot be made.

**13 Staff costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and stipends	1,668,436	1,899,776
Apprenticeship Levy	568	331
Employer's national insurance	139,662	146,146
Contribution to defined contribution schemes	79,014	92,577
Operating costs of defined benefit pension schemes	40,050	31,645
	<b>1,927,730</b>	<b>2,170,475</b>
Termination payments	-	32,500
Redundancy payments	34,992	154,662
<b>Total cost of paid staff</b>	<b>1,962,722</b>	<b>2,357,637</b>

No employees had employee benefits in excess of £60,000 (2021: Nil). Pension costs are allocated to activities in proportion to the related staffing cost.

Termination and redundancy payments are recognised when, by legislation or by contractual or other agreements with employees or their representatives, a commitment is made to make such a payment. During the year 5 redundancy payments had been committed (2021: 27) to and no termination payments were made (2021: 1).

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**14 Pensions**

**Church of England Funded Pension Scheme (CEFPS)**

Lincoln Cathedral participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. 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 specific Responsible Body, and this means contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £42,050 2021: £33,645), plus the figures highlighted in the table below as being recognised in the SoFA, giving a total charge of £40,050 for 2022 (2021: £31,645).

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- An average discount rate of 3.2%pa;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a.;
- Mortality in accordance with 95% of the S2NMA\_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter" of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below

% of pensionable stipends	January 2018 to 31 December 2020	January 2021 to 31 December 2022
Deficit repair contributions	11.90%	7.10%

As at 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

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**14 Pensions contd...**

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2021 is set out in the table below.

	2021 £	2020 £
Balance sheet liability at 1 January	4,000	6,000
Deficit contribution paid	(2,000)	(3,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	1,000
<b>Balance sheet liability at 31 December</b>	<b>2,000</b>	<b>4,000</b>

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

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

	December 2021	December 2020	December 2019
Discount rate	0.0% pa	0.2% pa	1.1% pa
Price inflation	N/a	3.1% pa	2.8% pa
Increase to total pensionable payroll	-1.5% pa	1.6% pa	1.3% pa

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

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**14 Pensions contd...**

**Church Workers Pension Fund - Pension Builder 2014**

Lincoln Cathedral participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

**Pension Builder Classic** provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

**Pension Builder 2014** is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (See Note 13).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
**Notes to the Financial Statements**  
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**15 Related party disclosures**

Indemnity Insurance:

Insurance is in place to protect the cathedral from loss arising from the neglect or default of members of the Council, Chapter or College of Canons and to indemnify those persons against the consequences of any neglect or default on their part. This is at no incremental cost to the Cathedral.

The Chapter is considered to be key management (See Notes 16 and 17 for relevant disclosure). There are 3 members of the senior leadership team who have children within the cathedral choir, as part of the arms length agreement with all choristers, instrument lessons are reimbursed and choristers receive a 'pocket money' for their services. During the year £1,097 expenses have been paid in respect to 4 children and £84 of chorister pocket money.

Transactions with consolidated entities can be found at Note 18. There were no other related party transactions in either year.

**16 Remuneration of members of the Chapter**

The remuneration of, and pension provision for, clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board. Such payments are made under the authority of the Cathedrals Measure 1999 and the Cathedral constitution.

	<b>Stipend</b>	<b>Pension</b>
	<b>£</b>	<b>£</b>
The Very Revd Christine Wilson	41,651	12,601
The Revd Canon Nicholas Brown	32,378	10,081
The Revd Canon Dr Paul Overend	32,628	10,084
The Revd Canon Neil Burgess	24,471	10,118

**17 Expenses of members of the Chapter**

In respect of the year ended 31 March 2022 the following aggregate expenses were incurred by the Cathedral in respect of 3 (2021: 6) members of the Chapter:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Clergy housing expenses reimbursed	2,960	7,394
Relocation expenses reimbursed	-	6,606
Travel, hospitality and conference costs	779	78
Books, equipment and sundry services costs	676	1,124
	<b>4,415</b>	<b>15,202</b>

These expenses include those reimbursed to members of the Chapter as well as similar payments made direct to third parties.

**The Cathedral Church of the Blessed Virgin Mary of Lincoln**  
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**18 Consolidated entities**

The following entities have been consolidated within these financial statements:

<i>Control</i>	<i>Entity</i>	<i>Purpose</i>
100%	Lincoln Minster Shops Ltd	To operate the trading activities of Lincoln Cathedral and contribute surpluses in support of its objectives
100%	Lincoln Cathedral Quarry Limited	To operate the trading activities of Lincoln Cathedral's quarry and contribute surpluses in support of fabric maintenance and restoration
100%	Lincoln Cathedral Music Fund	To support the provision of music at Lincoln Cathedral
	Lincoln Cathedral Learning Arts	To support the mission and wider charitable purposes of Lincoln Cathedral
100%	Culture and Events CIO ("Lincoln Cathedral CIO")	

The Cathedral provides administrative services to and receives donations from its trading subsidiaries.

During the year, an administrative fee of £86,502 (2021: £10,600) was charged to Lincoln Minster Shops Limited. The Cathedral received the following gift aid donations from its trading subsidiaries:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Lincoln Minster Shops Ltd	48,147	141,744
Lincoln Cathedral Quarry Limited	-	12,167

Lincoln Cathedral Music Fund contributed £109,076 (2021: £76,204 ) towards the cost of the Cathedral's music provision. Of this, £24,658 (2021: £5,830 ) specifically relates to the funding of choral scholars.

Lincoln Cathedral CIO contributed £Nil (2021: £Nil ) towards the Cathedral's mission and £Nil (2021: £Nil) toward the cost of the Cathedral's fabric restoration. These reduced levels were a direct result of paused fundraising activities during the coronavirus pandemic.

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**19 Non-controlled entities**

The following entities are not controlled by the Cathedral but are principally for its financial benefit and have been summarised for information.

**The Association of Friends of Lincoln Cathedral**

The Association of Friends of Lincoln Cathedral makes grants as funds permit to the Dean and Chapter of Lincoln Cathedral towards the worship, maintenance, preservation, improvement or repairs of the fittings, ornaments, furniture and monuments in Lincoln Cathedral, and the furthering of schemes to set forward its beauty, safety or utility.

	31 December 2021 £	31 December 2020 £
Gross income	21,424	57,782
Expenditure:		
Fundraising events	289	354
Contribution to Lincoln Cathedral	11,203	3,000
Other grants	5,255	(36,976)
Administrative and miscellaneous expenditure	2,867	2,539
	19,614	(31,083)
Net income/(expenditure)	1,810	88,865
Net assets	417,707	415,897

The above is extracted from independently examined accounts for the years ended 31 December.

**20 Auditor's remuneration**

The financial statements include the following amounts in relation to auditor's remuneration.

	2022 £	2021 £
Audit services	36,652	32,840
Other assurance services	-	-
Other financial services		
Accounts Preparation	1,750	-
Advisory	-	-
	38,402	32,840
Funded by:		
Restricted funds	16,563	14,250
Unrestricted & designated funds	21,839	18,590

**21 Transfer between funds**

In line with Note 22, the following transfers were made between connected entities in order to support the Cathedral's mission:

	Corporate Body of Lincoln Cathedral: Fund	
	Unrestricted £	Fabric £
<b>Gift aid payment, in line with taxable profits:</b>		
Lincoln Minster Shop	48,147	-
Lincoln Cathedral Quarry Ltd	-	-
<b>Donation:</b>		
Lincoln Cathedral LACE CIO	-	-

Additionally a transfer of £74,800 was made from the from the Fabric Fund to the Lincoln Cathedral Connected fund, being the ultimate installment of a five year matched-funding commitment to the £17m National Lottery Heritage Fund (NLHF) Connected project. The funding specifically relates to the extensive fabric conservation works to the Cathedral's West Front.

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**22 Funds**

	Brought forward 1 April 2021	Income	Expenditure	Gains/(losses)	Transfers	Carried forward 31 March 2022
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
Unrestricted fund	1,584,269	2,470,674	(2,078,093)	67,289	48,147	2,092,286
Lincoln Minster Shops Ltd	79,031	629,210	(479,442)	-	(48,147)	180,652
Lincoln Cathedral CIO	47,672	71,282	(61,889)	-	-	57,065
<b>Designated funds</b>						
Dean's Discretionary Fund	164,826	-	(880)	-	-	163,946
Theological Society	2,811	-	-	-	-	2,811
Lincoln Cathedral Publications	82,210	16,113	(12,703)	-	-	85,620
Organists Recital Fund	3,178	-	-	-	-	3,178
Charities Fund	2,880	-	-	-	-	2,880
Other designated funds	2,515	-	-	-	-	2,515
	<b>1,969,392</b>	<b>3,187,279</b>	<b>(2,633,007)</b>	<b>67,289</b>	<b>-</b>	<b>2,590,953</b>
<b>Restricted</b>						
Fabric Fund	12,337,935	929,356	(711,357)	805,324	(74,800)	13,286,458
Library	622,763	20,861	(39,231)	25,120	-	629,513
Library Manuscript	3,178	-	-	-	-	3,178
Lincoln Cathedral Choir Association	10,571	2,135	(530)	-	-	12,176
Lincoln Cathedral Community Association	8,869	11,205	(6,600)	-	-	13,474
Seamen's Chapel	8,662	431	(250)	781	-	9,624
Airmen's Chapel	70,364	3,176	-	5,752	-	79,292
St John the Baptist Chapel	14,280	1,849	-	3,349	-	19,478
St. Anne's Chapel	17,392	780	-	1,413	-	19,585
Cathedral Choir Visits Fund	5,588	-	-	-	-	5,588
Soldiers' Chapel	27,482	1,233	-	2,098	-	30,813
George Skelton Memorial Fund	35,212	1,362	-	2,241	-	38,815
Fleming Day Trust Fund	24,953	1,120	-	2,028	-	28,101
Harries Legacy	117,881	4,572	(1,175)	7,070	-	128,348
Silverware and Chalice Fund	1,663	-	-	-	-	1,663
Scholar Furniture	129	-	-	-	-	129
Alfred Griffin Legacy Fund	1,713,604	15,205	(19,832)	(18,713)	-	1,690,264
Lincoln Cathedral Connected	8,540,107	2,084,348	(9,139,513)	-	74,800	1,559,742
Culture Recovery Fund	76,920	188,023	(208,714)	-	-	56,229
<b>Entity only subtotal</b>	<b>23,637,553</b>	<b>3,265,656</b>	<b>(10,127,202)</b>	<b>836,463</b>	<b>-</b>	<b>17,612,470</b>
Music Fund	2,419,966	248,715	(122,058)	177,714	-	2,724,337
Lincoln Cathedral Quarry Ltd	12,717	2,630	(5,067)	-	-	10,280
	<b>26,070,236</b>	<b>3,517,001</b>	<b>(10,254,327)</b>	<b>1,014,177</b>	<b>-</b>	<b>20,347,087</b>
<b>Endowment funds</b>						
Endowment Fund	27,746,618	3,820	(37,918)	1,408,933	-	29,121,453
HLF Catalyst Endowment Fund	1,703,621	55,437	(3,810)	159,425	-	1,914,673
Music Endowment	104,000	-	-	-	-	104,000
	<b>29,554,239</b>	<b>59,257</b>	<b>(41,728)</b>	<b>1,568,358</b>	<b>-</b>	<b>31,140,126</b>
<b>Consolidated total</b>	<b>57,593,867</b>	<b>6,763,537</b>	<b>(12,929,062)</b>	<b>2,649,824</b>	<b>-</b>	<b>54,078,166</b>
<b>Entity only total</b>	<b>55,034,481</b>	<b>5,811,700</b>	<b>(12,260,606)</b>	<b>2,472,110</b>	<b>48,147</b>	<b>51,105,832</b>

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**22 Funds (cont...)**

	<b>Brought forward 1 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains/(losses)</b>	<b>Transfers</b>	<b>Carried forward 31 March 2021</b>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
Unrestricted fund	551,971	2,516,747	(1,779,390)	153,167	141,774	1,584,269
Lincoln Minster Shops Ltd	172,660	310,202	(262,057)	-	(141,774)	79,031
Lincoln Cathedral CIO	49,478	1,023	(2,829)	-	-	47,672
<b>Designated funds</b>						
Dean's Discretionary Fund	181,586	18,000	(34,760)	-	-	164,826
Theological Society	2,811	-	-	-	-	2,811
Lincoln Cathedral Publications	81,427	1,770	(987)	-	-	82,210
Organists Recital Fund	3,178	-	-	-	-	3,178
Charities Fund	2,880	-	-	-	-	2,880
Other designated funds	2,515	-	-	-	-	2,515
	<b>1,048,506</b>	<b>2,847,742</b>	<b>(2,080,023)</b>	<b>153,167</b>	<b>-</b>	<b>1,969,392</b>
<b>Restricted</b>						
Fabric Fund	10,213,062	1,235,382	(371,095)	1,335,629	(75,043)	12,337,935
Library	570,460	16,384	(16,670)	52,589	-	622,763
Library Manuscript	3,178	-	-	-	-	3,178
Lincoln Cathedral Choir Association	10,391	200	(20)	-	-	10,571
Lincoln Cathedral Community Association	13,792	17,119	(22,042)	-	-	8,869
Seamen's Chapel	6,458	400	-	1,804	-	8,662
Airmen's Chapel	54,137	2,944	-	13,283	-	70,364
St John the Baptist Chapel	4,833	1,714	-	7,733	-	14,280
St. Anne's Chapel	13,404	724	-	3,264	-	17,392
Cathedral Choir Visits Fund	4,834	754	-	-	-	5,588
Soldiers' Chapel	21,181	1,143	-	5,158	-	27,482
George Skelton Memorial Fund	29,611	167	-	5,434	-	35,212
Fleming Day Trust Fund	19,232	1,038	-	4,683	-	24,953
Harries Legacy	100,496	861	(1,725)	18,249	-	117,881
Silverware and Chalices Fund	1,663	-	-	-	-	1,663
Scholar Furniture	129	-	-	-	-	129
Alfred Griffin Legacy Fund	1,453,448	218,336	(2,384)	44,204	-	1,713,604
Lincoln Cathedral Connected	7,388,633	1,978,871	(902,197)	-	74,800	8,540,107
Heritage Emergency Fund	-	250,000	(250,000)	-	-	-
Culture Recovery Fund	-	743,089	(666,169)	-	-	76,920
<b>Entity only subtotal</b>	<b>19,908,942</b>	<b>4,469,126</b>	<b>(2,232,302)</b>	<b>1,492,030</b>	<b>(243)</b>	<b>23,637,553</b>
Music Fund	2,005,606	198,778	(83,665)	299,247	-	2,419,966
Lincoln Cathedral Quarry Ltd	13,594	4,899	(6,019)	-	243	12,717
	<b>21,928,142</b>	<b>4,672,803</b>	<b>(2,321,986)</b>	<b>1,791,277</b>	<b>-</b>	<b>26,070,236</b>
<b>Endowment funds</b>						
Endowment Fund	23,152,809	3,542	(25,313)	4,615,580	-	27,746,618
HLF Catalyst Endowment Fund	1,419,124	29,810	(3,445)	258,132	-	1,703,621
Music Endowment	104,000	-	-	-	-	104,000
	<b>24,675,933</b>	<b>33,352</b>	<b>(28,758)</b>	<b>4,873,712</b>	<b>-</b>	<b>29,554,239</b>
<b>Consolidated total</b>	<b>47,652,581</b>	<b>7,553,897</b>	<b>(4,430,767)</b>	<b>6,818,156</b>	<b>-</b>	<b>57,593,867</b>
<b>Entity only total</b>	<b>45,411,243</b>	<b>7,038,995</b>	<b>(4,076,197)</b>	<b>6,518,909</b>	<b>141,531</b>	<b>55,034,481</b>

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**22 Funds cont...**

<b>Unrestricted funds</b>	<b>Description, nature and purposes of the fund</b>
Unrestricted Fund	the unrestricted reserves after allowing for designated funds
Lincoln Minster Shops Ltd	the shareholder funds held within the trading subsidiary
Lincoln Cathedral CIO	the funds held within the charitable organisation
Dean's Discretionary Fund	to support welfare, mission and infrastructure investment
Theological Society	to support educational lectures
Lincoln Cathedral Publications	a working capital account for publications projects
Organists Recital Fund	a working capital account for organ recital events
Charities Fund	to support third party charity works
Other designated funds	immaterial amounts sets aside for specific purposes in the future
<b>Restricted funds</b>	<b>Description, nature and purposes of the fund</b>
Fabric Fund	for the purpose of maintaining and preserving the fabric of Lincoln Cathedral
Library	for use in connection with the running and maintenance of the Lincoln Cathedral Wren Library
Library Manuscript	restricted income for use in respect to specific manuscripts
Lincoln Cathedral Choir Association	monies received in support of the Lincoln Cathedral Choir
Lincoln Cathedral Community Association	formed under Section 9(3) of the Cathedrals Measure 1999 the association supports the mission of the Cathedral as well as giving c.25% of its income to the diocese and other charities
Seamen's Chapel	for use against costs incurred in respect of the Seamen's Chapel
Airmen's Chapel	for use against costs incurred in respect of the Airmen's Chapel
St John the Baptist Chapel	for use against costs incurred in respect of the St John the Baptist Chapel and specifically for the Retro Choir Reordering project
St. Anne's Chapel	for use against costs incurred in respect of the St Anne's Chapel
Cathedral Choir Visits Fund	monies raised to support Cathedral choir visits and tours
Soldiers' Chapel	for use against costs incurred in respect of the Soldiers' Chapel
George Skelton Memorial Fund	for use against music department costs incurred in respect to choir school fees
Fleming Day Trust Fund	for use against costs incurred in respect of the Fleming Day Chapel
Harries Legacy	is for the benefit of clergy widows and orphans of the Diocese
Silverware and Chalices Fund	the provision of silverware in the sanctuary
Scholar Furniture	monies given to furnish the choral scholarly
Alfred Griffin Legacy Fund	for the preservation of cathedral buildings
Lincoln Cathedral Connected	a project to improve the Cathedral's setting and visitor experience match funded by the National Lottery Heritage Fund (NLHF)
Heritage Emergency Fund	NLHF funding to support emergency costs in response to the covid-19 pandemic
Culture Recovery Fund	funding to support cultural organisations through the impact of the covid-19 pandemic
Music Fund	funds held to create a permanent foundation to support Lincoln Cathedral's choir, organists and organ
Lincoln Cathedral Quarry Ltd	the shareholder funds held within the trading subsidiary, for support of the Fabric Fund.
<b>Endowment Funds</b>	<b>Description, nature and purposes of the fund</b>
Endowment Fund	the income from this endowment fund is applied to support the unrestricted fund
HLF Catalyst Endowment Fund	for the purposes of funding repair work necessary for the conservation of the Western and Central Towers as planned for 2037 when the fund will become expendable
Music Endowment	the income from this endowment fund may be applied in support of music at Lincoln Cathedral

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**23 Donations from Charitable Trusts**

We note with gratitude support provided from the following Trusts during the year:

Association of Friends of Lincoln Cathedral	The Joseph Nickerson Charitable Foundation
Bayfield Charitable Trust	The Kochan Trust
Benefact Trust (Allchurches Trust)	National Lottery Heritage Fund
Bergne-Coupland Charity	Paypal Giving Fund
Church Commissioners	Ross Foundation
Department of Culture, Media and Sport	Rothwell Lee Charity and Grantham Castlegate
Duchy of Lancaster	Chapel Trust
Hamish Ogston Foundation	Stabila Charity
Investors in Lincoln	
JAT Caulfield Trust	

**24 Statement of Financial Activities Comparative Summary**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
Donations and legacies	367,571	1,066,174	-	<b>1,433,745</b>
Grants in support of mission	373,942	3,089,883	-	<b>3,463,825</b>
Charges and fees arising in the course of mission	36,102	-	-	<b>36,102</b>
Trading and fundraising	485,989	23,068	-	<b>509,057</b>
Investments	907,345	493,678	33,352	<b>1,434,375</b>
Other Income	676,793	-	-	<b>676,793</b>
<b>Total income</b>	<b>2,847,742</b>	<b>4,672,803</b>	<b>33,352</b>	<b>7,553,897</b>
<b>EXPENDITURE ON:</b>				
Raising funds	811,565	387,682	28,758	<b>1,228,005</b>
Ministry	441,309	153,563	-	<b>594,872</b>
Cathedral and precincts upkeep	763,580	1,637,663	-	<b>2,401,243</b>
Education and outreach	63,569	143,078	-	<b>206,647</b>
<b>Total expenditure</b>	<b>2,080,023</b>	<b>2,321,986</b>	<b>28,758</b>	<b>4,430,767</b>
Net gains/(losses) on investments	153,167	1,791,277	4,873,712	<b>6,818,156</b>
<b>Net income/(expenditure)</b>	<b>920,886</b>	<b>4,142,094</b>	<b>4,878,306</b>	<b>9,941,286</b>
<b>Gross transfers between funds</b>	-	-	-	-
<b>Net movement in funds</b>	<b>920,886</b>	<b>4,142,094</b>	<b>4,878,306</b>	<b>9,941,286</b>
Total funds brought forward	1,048,506	21,928,142	24,675,933	<b>47,652,581</b>
Total funds carried forward	1,969,392	26,070,236	29,554,239	<b>57,593,867</b>

**25 Commitments**

There was one capital commitment of £4,098 outstanding at the year end that has not been recognised as a liability; this related to minor works within the visitor centre.