

St Edmundsbury Cathedral

Annual Report & Consolidated Financial Statements

Year Ended

31 December 2015

Annual report and consolidated financial statements for the year ended 31 December 2015

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Legal and administrative information

Full name

The Cathedral Church of St James and St Edmund, Bury St Edmunds
(commonly known as St Edmundsbury Cathedral)

Cathedral office

Angel Hill, Bury St Edmunds, Suffolk, IP33 1LS

Visitor

The Right Reverend David Thomson, Acting Bishop of St Edmundsbury and Ipswich (temporary appointment ended May 2015)

The Right Reverend Martin Seeley, Bishop of St Edmundsbury and Ipswich (appointed May 2015)

Cathedral Chapter

The Very Reverend Dr FEF Ward Dean of St Edmundsbury

The Reverend Canon PC Banks (Canon Precentor)

The Reverend Canon MJ Vernon (Sub Dean & Canon Pastor)

The Venerable David Jenkins (resigned September 2015)

The Reverend Canon Charles Jenkin (appointed November 2015)

Mr S Alderman

Mrs B Pycraft (appointed December 2015)

Mr GDR Cockram

Mr A Kimber (resigned September 2015)

Mr M Soons

Mrs E Steele

Legal adviser to the Cathedral Chapter

Mr MWM Batty of Greene & Greene Solicitors, Bury St Edmunds

Joint Administrators

Mr A Kimber (Administrator and Director of Commerce) / Ms S-J Allison (Administrator and Head of HR)

Director of Music

Mr J Thomas MA (Cantab) PGCE FRCO

Finance Committee

The Very Reverend Dr FEF Ward Dean of St Edmundsbury

Mr GDR Cockram

Mrs M Gough

Mrs J Horseman Sewell (resigned September 2015)

Mr A Kimber (appointed October 2015)

Mr M Soons

The Rev Canon MJ Vernon

Mr M Winter

Legal and administrative information (*continued*)

Fabric Advisory Committee

Voting members:

Mrs L August
Lady Carlisle
Mr R Griffiths
Dr J Hall
Mr W Hart
Dr J Litten(Chair)
Mr B Morton
Dr A Powers
Mrs M Statham

Non-voting members:

The Very Reverend Dr FEF Ward
The Reverend Canon PC Banks
The Reverend Canon MJ Vernon

In attendance:

Mrs S Cockram (Secretary)
The Cathedral Architect
The Cathedral Archivist
The Cathedral Surveyor
Mr R Carr

Architect

Mr P Orchard BA, BArch, RIBA, Cons. Accred.
The Whitworth Co-Partnership, 18 Hatter Street, Bury St Edmunds, Suffolk IP33 1NE

Archivist

Mrs M Statham, 5 Southgate Street, Bury St Edmunds, Suffolk, IP33 2AF

Auditors

Izod Bassett, 105 High Street, Needham Market, Suffolk, IP6 8DQ

Bankers

Lloyds TSB Bank plc, 28-34 Risbygate Street, Bury St Edmunds, Suffolk, IP33 3AH

Solicitors

Greene & Greene, 80 Guildhall Street, Bury St Edmunds, Suffolk IP33 1QB

Stockbrokers

JM Finn & Co, 60 Abbeygate Street, Bury St Edmunds, Suffolk IP33 1LB

Surveyor to the Fabric

Mr A Redman MA BSc, FRICS, IHBC, Cons. Accred.
The Whitworth Co-Partnership, 18 Hatter Street, Bury St Edmunds, Suffolk IP33 1NE

Report of the Cathedral Chapter for the year ended 31 December 2015

Structure, governance and management

Governing Statutes

On 15 January 1914 the Parish Church of St James in the town of Bury St Edmunds was declared to be the Cathedral Church of the new Diocese of St Edmundsbury and Ipswich. The rules and regulations under which the Cathedral is governed are known as statutes. The legislation under which the statutes are drawn up has altered from time to time. A present constitution and statutes, drawn up by a transitional Council established under the Cathedral Measure 1999, came into force on 19 November 2000. The Cathedral's corporate body ("The Corporation") comprises three institutions: the Chapter, the Council and the College of Canons.

Role in the Diocese

The Cathedral is the mother church of the Anglican Diocese of St Edmundsbury and Ipswich. It is the seat of the Bishop and a centre of worship and mission. The Cathedral is used for major Diocesan services such as ordinations and installations and by the Diocesan Synod. It is also used by the Diocese as a venue for civic events, concerts, ceremonies and lectures, hospitality and social events. The Cathedral is a parish church as well as a Cathedral. We seek to develop our town centre ministry and to continue to connect across the Diocese and further afield with our link Diocese in Tanzania.

The Chapter

The Chapter comprises the Dean, all the Residentiary Canons of the Cathedral, four lay members elected at an Annual Parochial Church Meeting and one lay and one ordained person appointed by the Bishop. It is the duty of the Chapter to direct and oversee the smooth running of the Cathedral. The Chapter has the power to acquire and dispose of property on behalf of the corporate body. Ongoing training is available to existing members, and appropriate training is provided by the Association of English Cathedrals for new members.

The Council

The Council consists of a lay Chairman, the Dean, four Chapter members appointed by the Chapter, two elected members of the College of Canons, three lay persons elected by the Cathedral community, two members of the House of Laity of the Diocesan Synod, two members of the House of Clergy of the Diocesan Synod and eight persons appointed by the Bishop, the Dean and the Chairperson of the Council. It shall be the duty of the Council to further and support the work of the Cathedral and in particular to receive and consider the annual budget and the annual report and financial statements.

The College of Canons

The College of Canons comprises the Dean, the Suffragan Bishops of the Diocese, the Canons of the Cathedral and the Archdeacons of the Diocese. The College of Canons receives and considers the annual report and financial statements and performs such other functions as may be prescribed.

Risk Management

The Chapter reviews the major risks to which the Cathedral is exposed and oversees the systems and procedures established to manage these risks on an ongoing basis. The Head of HR assumes the role of Safeguarding Officer.

Report of the Cathedral Chapter for the year ended 31 December 2015

Structure, governance and management (*continued*)

Statement of the Responsibilities of the Chapter

The Chapter is responsible under requirements laid down by the Church Commissioners under 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 related entities;
- stating that they have complied in all material respect with the regulations on the subject prepared by the Cathedrals' Administration and Finance Association or describing which recommendations have not been complied with and giving reasons for the non-compliance;
- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- keeping proper accounting records from which the financial position of the Cathedral can be ascertained at any time; and
- safeguarding the assets of the Cathedral and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Investment powers

Under the Cathedral Measures 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 by CCLA Investment Management Ltd.
- Investments in which the trustees may invest under the general power of investment provided by the Trustee 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.

Related parties

The Cathedral is the parent entity of St Edmundsbury Cathedral Enterprises Limited, a company that carries out trading and commercial activities for the benefit of St Edmundsbury Cathedral.

The charity also controls The Cathedral Fund, Bury St Edmunds, a registered charity whose objectives are the enlargement, restoration and repair of the Cathedral. The trustees of The Cathedral Fund, Bury St Edmunds are the members of the Cathedral Chapter.

The consolidated financial statements include the results of both St Edmundsbury Cathedral Enterprises Limited and The Cathedral Fund, Bury St Edmunds.

The Foundation of St Edmund, The Friends of St Edmundsbury Cathedral, and the Friends of St Edmundsbury Cathedral Choir, although associated entities, are not controlled by the Chapter. Their results are not included in the consolidated financial statements but a summary of their accounts is shown in note 18c.

Report of the Cathedral Chapter for the year ended 31 December 2015

Structure, governance and management (*continued*)

The Foundation of St Edmund is an independently constituted charity regulated under the Charity Commission whose charitable objects are:

- (a) The application of funds or property to the support of such Charitable Purposes connected with the Cathedral as the Directors shall, from time to time in their absolute discretion, determine and
- (b) the application of funds or property to such other Charitable Purposes as the Directors shall from time to time determine.

The Finance Committee

The Finance Committee reports to Chapter, its function being to advise on financial, investment and property management. It prepares and monitors budgets and income and expenditure forecasts.

The Fabric Advisory Committee

The Fabric Advisory Committee is a statutory body, which reports to the Cathedrals' Fabric Commission. It has 8 voting members, four appointed by Chapter and four by the Cathedral Fabric Commission for England. The Dean and three Canons are non-voting members of the committee and the Surveyor to the Fabric, the Cathedral Architect, the Cathedral Archivist, a consultant archaeologist, a member of Chapter, and a secretary also attend meetings. No work may be carried out on the Cathedral that would materially affect its architectural, archaeological, artistic or historic character nor may any object of architectural, archaeological or artistic interest be sold, lent or disposed of without the approval of either the Commission or the Fabric Advisory Committee.

Objectives

Mission Statement (from Constitution and Statutes)

St Edmundsbury Cathedral is a Christian community united in worship together with our Bishop and the Diocese of St Edmundsbury and Ipswich. It is a house of prayer, which represents an Anglican presence in the County of Suffolk and the wider community, through the preaching of God's Word, the celebration of the sacraments, the beauty of worship, and our Christian ministry to all those who come here. It is a living sign of the Body of Christ: building charity, unity and peace through Word and Sacrament.



The Crown and Arrows

Chapter's strategy for the Cathedral combines the image of St Edmund's Crown and Arrows with the great commandment of Jesus.

Jesus said 'You shall love the Lord your God with all your heart, and with all your soul, and with all your strength, and with all your mind; and your neighbour as yourself.' Luke 10.27

Report of the Cathedral Chapter for the year ended 31 December 2015

Objectives (*continued*)

The Crown

- Loving our neighbour as ourselves – our Engagement with the World

The Arrows

- Loving God with all our heart – our Social Life
- Loving God with all our Soul – our Spiritual Life
- Loving God with all our Strength – our Material Life
- Loving God with all our Mind – our Intellectual Life

Statement of Intention

St Edmundsbury Cathedral aims to be a centre of excellence, exercising its mission in the following key ways:

The Crown: loving neighbour as self - our engagement with the World

- 1) As the Mother Church of the Diocese of St Edmundsbury and Ipswich and a focus for the mission and ministry of the Bishop.
- 2) As a beacon of faith in Suffolk and East Anglia.
- 3) As a place of peace, tranquillity and safety for all.

Loving God with Heart - our Social life

- 4) As a welcoming and inclusive Parish Church and Cathedral. Encouraging our various congregations to be a community, and drawing others into the body of Christ.
- 5) As a Christian community that is aware of and responsible for the issues affecting the Church, locally, nationally and wider, supporting charities, and offering individuals pastoral care.

Loving God with Soul: our Spiritual life

- 6) Our worship reflects the best Cathedral traditions in liturgy, music, arts and architecture.
- 7) We welcome visitors and pilgrims and encourage them to see the reality of God.
- 8) We provide a space for reflection and prayer, stimulating engagement with the building and its heritage.

Loving God with Strength: our Material life

- 9) We have a culture of love, joy, peace, patience, kindness, generosity, faithfulness, gentleness and self-control (the fruits of the Spirit, Galatians 5. 22-23).
- 10) Our staff and volunteers work together as one body.
- 11) We effectively manage the stewardship gifts we are given to care for and develop the fabric of the building, and develop our entrepreneurial initiatives.

Loving God with Mind: our Intellectual life

- 12) In promoting – life-long Christian learning, we work with schools, and nurture children and adults as they grow in faith from baptism and confirmation into the likeness of Christ.
- 13) Through the Edmund Study Centre and its work in theology and arts, in partnership with the Diocese and other agencies, we inspire interest, develop pilgrimage and stimulate growth in discipleship and ministry.

Report of the Cathedral Chapter for the year ended 31 December 2015

Review of the year

2015 was a year of re-building. Several key members of staff left to pursue careers elsewhere and this enabled the Chapter to change the leadership structure and some of the departmental functions. This has brought about positive changes in many areas.

Engagement

- *February* - we had a service of commemoration for the RAF Regiment's Afghanistan campaign.
- *March* - saw us host the service for the Courts of Justice with The Rt Hon Baroness Hale, DBE, Deputy President of the Supreme Court, as the speaker.
- *May* – we hosted a charity ball for Focus12.
- *June* – we hosted West Suffolk College's awards evening.
- *July* – we celebrated the 10th anniversary of our Tower completion with a party.
- *September* – we hosted West Suffolk College's graduation ceremony.
- *October* – we held the Royal School of Church Music Celebration day and the Diocesan Choirs' festival.
- *October* – we were the location for the Counties annual Harvest Festival service and presentation of long service awards.
- *October* – we hosted the Diocesan Education service.
- *November* – was the Thanksgiving service for the life of Bishop Clive and at the end of the month the annual Bury St Edmunds Christmas Fair.
- *December* – we had a number of school and local organisations carol services.
- *December* – we signed the contract to become only the 4th Cathedral in this country to have a LEGO scale model created.

Social Life

- *July* – Friends Annual Day
- *July* – Tower 10 years party
- *July* – was our annual Patronal festival.
- *October* - we received the very sad news that the Right Reverend Clive Young our former suffragan Bishop had passed away.
- *December* – we held a concert of RAF Honington Band and their Military Wives Choir.

Spiritual Life

- *January* – we held our Epiphany Carol Service
- *March* – saw our Palm Sunday procession through the great churchyard before the 10am Eucharist.
- *April* – Holy Week led by the Very Revd Christopher Lewis, retired Dean of Christchurch, Oxford and the Diocesan Chrism Eucharist on Maundy Thursday.
- *May* – we celebrated the Ascension Day Eucharist at St Mary's Church.
- *June* - was a very special month as we held the Enthronement of Bishop Martin, our new Diocesan Bishop.
- *July* – Priests and Deacons were ordained in the cathedral.
- *November* – was our Advent Procession service.

Report of the Cathedral Chapter for the year ended 31 December 2015

Material Life

- *January* – the revamped, renamed Pilgrims’ Kitchen opened
- *March* – confirmation of grant from WW1 fund to enable North Aisle Roof works to be started.
- *July* – we said farewell to our Curate Reverend Carl Melville who moved on to finish his curacy in a local parish environment.
- *September* – Justine Horseman-Sewell (Administrator) left
- *September* – Marie Taylor started as events co-ordinator.
- *September* - Sarah-Jane Allison joined as Head of HR / Sebastien Blanquet joined as catering manager.
- *October* - Tony Kimber joined as Administrator and Director of Commerce.
- *November* – we split the Administration role between Tony Kimber and Sarah-Jane Allison freeing up both of them to cover other roles as well.
- *November* – Marie Taylor took on the role of Events and Marketing Manager.
- *November* – Duncan Withers (Head verger) left.
- *November* – Andrew Whitfield joined as part time verger.
- *December* – we replaced a number of damaged floor boards at the east end of the nave.
- *December* – along with the north aisle roof repairs we also took the opportunity to install roof alarms across the Cathedral site. This bought us fully in line with our insurance responsibilities.

Intellectual Life

- *The Edmunds Centre for Arts and Theology* – was renamed as the Edmund Study Centre, and several study days were held.
- *Gallery* – our community gallery was full throughout 2015 with exhibitions from local artists, and art groups.
- *February* – Charles Taylor held an introduction to Latin inscription day entitled ‘Let us praise famous men’
- *March* – Mark Cazalet held a workshop entitled ‘colour and light’
- *April* – Stephen Dart held an introduction day for our Ancient Library.
- *September* – Riding Lights performance of Baked Alaska.
- *November* – Art workshop and Edmund Lecture entitled ‘Imagination – the great sacramental gift’ was given by Mark Cazalet as a prelude to his year as artist in residence in 2016.

The Discovery Centre continued the amazing work it does and in 2015 it engaged with over 7,000 children from many schools across the Diocese.

Strategic planning

The Chapter continued to pursue its strategic planning process with regular meetings of the Strategy Group reporting back to Chapter. It was decided to carry out a Self Evaluation Framework analysis based on a process recommended by the Association of English Cathedrals.

2016 will see our LEGO project ‘Recreating History Brick by Brick’ launch and create many opportunities for us to change our visitor demographic so we grow younger, as well as generate more revenue for ongoing works and to provide for more child focussed work both in the Cathedral and through our outreach programme.

2016 will see the launch of our Tower Tour programme, enabling us to offer groups of 10 to 12 physically-able visitors to climb the 202 steps (170ft) up to the top of the tower and see the amazing views of the town and surrounding area.

Report of the Cathedral Chapter for the year ended 31 December 2015

Cathedral Enterprises Ltd

We plan to carry out work to our retail frontage allowing for open access through from the gallery into the tourist information point and then the shop, creating a view from the gallery right the way to the Cathedral, and increasing the potential retail footprint by c.30%.

Plans are in development to evolve and grow our offering in Pilgrims' Kitchen still further with some ideas being:

- Sunday Roasts
- Summer BBQ's
- Wedding reception packages
- Baptism parties
- Birthday parties

We also plan to redecorate and renovate the Lecture Room to enable us to attract more meeting and conference clients.

Financial review

Financial activity for the year

Unrestricted income in 2015 was £899,703, which represents a slight decrease (1.8%) on 2014 which can be attributed to a reduction in grant income. The main income sources are Church Commissioners grant towards salaries, congregational collections and giving, visitor donations, Cathedral Enterprises Ltd trading activities.

In 2014 designated funds sat at £54,796 as funds for certain projects had been received, but the projects weren't completed, this was turned around in 2015, with projects being completed and hence the fund showed a negative movement of £53,460.

Restricted Income in 2015 increased in line with a successful application for £300K of World War 1 commemoration funding to repair our north aisle roof.

Nett income from property investments amounted to £24,368, and property values are:

- £195K for investment properties – 36 Rockingham Road
- £4,895K for non-investment properties – Abbey House / 31-33 Angel Hill & Clergy Housing

Investment policy

The Cathedral's investment policy is that:

- Gilts, equities and other securities intended for use within the following 12 months, and any with a value less than £10K be converted to cash once received.
- Anything not allocated or exceeding £10K should be retained as investments until there is a compelling reason to convert, or they are designated for a project.
- All investments should be reviewed on a 12 monthly basis.

Chapter policy to only accept ethical investments, and only to use ethical investment routes.

Report of the Cathedral Chapter for the year ended 31 December 2015

Financial review (*continued*)

Reserves policy

The Chapters policy on reserves is to maintain sufficient funding for the Cathedral and Cathedral Enterprises Ltd day to day running costs for a period of 12 to 16 weeks, currently between £207K and £277K. At 2015 year end reserves are sitting at 13 weeks.

Total unrestricted funds as of year-end are £1,944,672 of which £1,661,333 is held in fixed assets net of borrowing.

The net current assets are £283,339 of which £59,207 are designated. The remaining £224,132 are available to meet day to day costs. This is at the low end of Chapter's reserves policy and the aim is to increase this through 2016.

On behalf of the Cathedral Chapter

The Very Reverend Dr Frances Ward
Dean of St Edmundsbury

15 June 2016

Independent auditors' report to the Chapter of St Edmundsbury Cathedral

We have audited the financial statements of The Cathedral Church of St James and St Edmund, Bury St Edmunds for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities, Group and Cathedral Balance Sheets, the Consolidated Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Cathedral Chapter as a body, in accordance with the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the Cathedral Chapter those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or resume responsibility to anyone other than the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Cathedral Chapter and Auditors

As explained more fully in the Cathedral Chapter's Responsibilities Statement, set out on page 5, the Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Audit Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Cathedral's and its group's affairs at 31 December 2015 and of its financial activities for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the provisions of the guidelines specified by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999;

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Cathedrals Measure 1999 requires us to report to you if, in our opinion:

- the information given in the Chapter's Annual Report is inconsistent in any material respect with the financial statements; or
- the Cathedral has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

IZOD BASSETT

*Chartered Accountants
and Statutory Auditor*

105 High Street, Needham Market, Suffolk, IP6 8DQ

15 June 2016

Consolidated statement of financial activities for the year ended 31 December 2015

| | Note | General funds | Designated funds | Restricted & Endowment funds | 2015 Total | 2014 Total (note 2) |
|--|------|------------------|------------------|------------------------------|--------------------|---------------------|
| | | £ | £ | £ | £ | £ |
| Income | 3 | | | | | |
| Donations and legacies | | 356,539 | 22,150 | 35,232 | 413,921 | 437,393 |
| Grants receivable | | 250 | 11,847 | 523,202 | 535,299 | 316,165 |
| Charges and fees arising in the course of mission | | 33,980 | - | - | 33,980 | 29,922 |
| Trading and fundraising | | 422,178 | - | - | 422,178 | 466,364 |
| Investments | | 28,077 | 306 | 1,418 | 29,801 | 29,766 |
| Other income | | 58,679 | - | - | 58,679 | 27,574 |
| Total income | | 899,703 | 34,303 | 559,852 | 1,484,358 | 1,307,184 |
| Expenditure | 4 | | | | | |
| Raising funds | | (551,883) | - | (58,987) | (610,870) | (575,533) |
| Ministry | | (183,464) | (4,377) | (190,106) | (377,947) | (421,342) |
| Cathedral and precincts upkeep | | (156,744) | (20,178) | (318,887) | (495,809) | (267,054) |
| Education and outreach | | (55,507) | (12,112) | (30,021) | (97,640) | (61,896) |
| Community, parish and congregation | | (21,354) | (887) | (15,062) | (37,303) | (30,770) |
| Other expenditure on mission | | (2,967) | - | - | (2,967) | (2,923) |
| Total expenditure | | (971,919) | (37,554) | (613,063) | (1,622,536) | (1,359,518) |
| Net income/ (expenditure) before investment gains | 5 | (72,216) | (3,251) | (62,711) | (138,178) | (52,334) |
| Gains/(losses) on investments | | | | | | |
| Non-investment property | | - | - | - | - | 61,000 |
| Investment property | | - | - | - | - | - |
| Investments | 7 | - | - | (3,446) | (3,446) | (6,912) |
| Gross transfer between funds | 15 | 61,000 | (50,209) | (10,791) | - | - |
| Net movement in funds | | (11,216) | (53,460) | (76,948) | (141,624) | (15,578) |
| Funds brought forward | | 1,896,681 | 112,667 | 3,239,051 | 5,248,399 | 5,232,821 |
| Funds carried forward | | 1,885,465 | 59,207 | 3,162,103 | 5,106,775 | 5,248,399 |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. An analysis by fund of the comparatives figures for 2014 is shown in note 2.

Consolidated balance sheet as at 31 December 2015

| | Note | General funds | Designated funds | Restricted & Endowment funds | 2015 Total | 2014 Total |
|---|------|------------------|------------------|------------------------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Fixed assets | | | | | | |
| Investment assets | | | | | | |
| Property | 6 | 195,000 | - | - | 195,000 | 195,000 |
| Investments | 7 | - | - | 89,637 | 89,637 | 94,622 |
| | | <u>195,000</u> | <u>-</u> | <u>89,637</u> | <u>284,637</u> | <u>289,622</u> |
| Tangible fixed assets | | | | | | |
| Property | 8 | 1,915,000 | - | 2,980,000 | 4,895,000 | 4,895,000 |
| Equipment and furniture | 9 | 55,033 | - | 77,982 | 133,015 | 136,720 |
| | | <u>1,970,033</u> | <u>-</u> | <u>3,057,982</u> | <u>5,028,015</u> | <u>5,031,720</u> |
| Total fixed assets | | <u>2,165,033</u> | <u>-</u> | <u>3,147,619</u> | <u>5,312,652</u> | <u>5,321,342</u> |
| Current assets | | | | | | |
| Stock | 10 | 55,131 | - | - | 55,131 | 48,759 |
| Debtors | 11 | 82,508 | - | - | 82,508 | 116,937 |
| Cash at bank and in hand | | 241,941 | 59,207 | 14,484 | 315,632 | 428,905 |
| | | <u>379,580</u> | <u>59,207</u> | <u>14,484</u> | <u>453,271</u> | <u>594,601</u> |
| Creditors: amounts falling due within one year | 12 | (155,448) | - | - | (155,448) | (163,844) |
| Net current assets | | <u>224,132</u> | <u>59,207</u> | <u>14,484</u> | <u>297,823</u> | <u>430,757</u> |
| Total assets less current liabilities | | <u>2,389,165</u> | <u>59,207</u> | <u>3,162,103</u> | <u>5,610,475</u> | <u>5,752,099</u> |
| Creditors: amounts falling due after one year | | | | | | |
| Loans from third parties | 13 | (503,700) | - | - | (503,700) | (503,700) |
| Net assets | | <u>1,885,465</u> | <u>59,207</u> | <u>3,162,103</u> | <u>5,106,775</u> | <u>5,248,399</u> |
| Fund balances | 19 | <u>1,885,465</u> | <u>59,207</u> | <u>3,162,103</u> | <u>5,106,775</u> | <u>5,248,399</u> |

The financial statements were approved by the Chapter on 15 June 2016.

The Very Reverend Dr Frances Ward
Dean of St Edmundsbury

Cathedral balance sheet as at 31 December 2015

| | Note | General funds | Designated funds | Restricted & Endowment funds | 2015 Total | 2014 Total |
|---|------|------------------|------------------|------------------------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Fixed assets | | | | | | |
| Investment assets | | | | | | |
| Property | 6 | 195,000 | - | - | 195,000 | 195,000 |
| Investments | 7 | - | - | 89,637 | 89,637 | 94,622 |
| Subsidiary undertakings | | 100 | - | - | 100 | 100 |
| | | <u>195,100</u> | <u>-</u> | <u>89,637</u> | <u>284,737</u> | <u>289,722</u> |
| Tangible fixed assets | | | | | | |
| Property | 8 | 1,915,000 | - | 2,980,000 | 4,895,000 | 4,895,000 |
| Equipment and furniture | 9 | 1,309 | - | 77,982 | 79,291 | 83,896 |
| | | <u>1,916,309</u> | <u>-</u> | <u>3,057,982</u> | <u>4,974,291</u> | <u>4,978,896</u> |
| Total fixed assets | | <u>2,111,409</u> | <u>-</u> | <u>3,147,619</u> | <u>5,259,028</u> | <u>5,268,618</u> |
| Current assets | | | | | | |
| Debtors | 11 | 173,652 | - | 224 | 173,876 | 178,509 |
| Cash at bank and in hand | | 218,938 | 59,207 | 13,692 | 291,837 | 393,696 |
| | | <u>392,590</u> | <u>59,207</u> | <u>13,916</u> | <u>465,713</u> | <u>572,205</u> |
| Creditors: amounts falling due within one year | 12 | <u>(127,394)</u> | <u>-</u> | <u>-</u> | <u>(127,394)</u> | <u>(129,016)</u> |
| Net current assets | | <u>265,196</u> | <u>59,207</u> | <u>13,916</u> | <u>338,319</u> | <u>443,189</u> |
| Total assets less current liabilities | | <u>2,376,605</u> | <u>59,207</u> | <u>3,161,535</u> | <u>5,597,347</u> | <u>5,711,807</u> |
| Creditors: amounts falling due after one year | | | | | | |
| Loans from third parties | 13 | <u>(503,700)</u> | <u>-</u> | <u>-</u> | <u>(503,700)</u> | <u>(503,700)</u> |
| Net assets | | <u>1,872,905</u> | <u>59,207</u> | <u>3,161,535</u> | <u>5,093,647</u> | <u>5,208,107</u> |
| Fund balances | | <u>1,872,905</u> | <u>59,207</u> | <u>3,161,535</u> | <u>5,093,647</u> | <u>5,208,107</u> |

The financial statements were approved by the Chapter on 15 June 2016.

The Very Reverend Dr Frances Ward
Dean of St Edmundsbury

Consolidated cash flow statement for the year ended 31 December 2015

| | 2015 | | 2014 | |
|---|----------|-----------------------|----------|-----------------------|
| | £ | £ | £ | £ |
| Cash flows from operating activities: | | | | |
| Net income/(expenditure) for the year | | (138,177) | | (52,334) |
| Adjustments for: | | | | |
| Depreciation | 20,038 | | 14,941 | |
| Income from property and investments | (29,801) | | (29,766) | |
| Property and investment management costs | 18,904 | | 9,726 | |
| Profit on sale of fixed assets | (11,589) | | - | |
| (Increase)/decrease in stocks | (6,372) | | 1,698 | |
| (increase)/decrease in debtors | 34,429 | | (10,590) | |
| Increase/(decrease) in creditors | (8,396) | | 50,371 | |
| | | <u>17,213</u> | | <u>36,380</u> |
| Net cash used in operating activities | | (120,965) | | (15,954) |
| Cash flows from investing activities: | | | | |
| Rents received net of costs | 5,464 | | 14,575 | |
| Invest income received net of costs | 5,433 | | 5,466 | |
| Proceeds from the sale of property and equipment | 11,589 | | 227,000 | |
| Purchase of equipment | (16,333) | | (20,927) | |
| Proceeds from sale of investments | 1,539 | | - | |
| | | <u>7,692</u> | | <u>226,114</u> |
| Net cash provided by investing activities | | 7,692 | | 226,114 |
| Cash flows from financing activities | | | | |
| Repayment of borrowing | | - | | (52,385) |
| | | <u>-</u> | | <u>(52,385)</u> |
| Change in cash and cash equivalents in the year | | (113,273) | | 157,775 |
| Cash and cash equivalents at the beginning of the year | | 428,905 | | 271,130 |
| | | <u>428,905</u> | | <u>271,130</u> |
| Cash and cash equivalents at the end of the year | | 315,632 | | 428,905 |
| | | <u><u>315,632</u></u> | | <u><u>428,905</u></u> |

Notes to the consolidated financial statements for the year ended 31 December 2015

1. Accounting policies

Basis of preparation

The consolidated accounts have been prepared in accordance with the February 2015 Accounting and Reporting Regulations for English Anglican Cathedrals and specified by the Church Commissioners under Section 27 of the Cathedral Measure 1999. The consolidated accounts have been prepared under the historical cost accounting rules except for the valuation of investment assets and property which are shown at market value.

Group financial statements

These financial statements consolidate the result of the charity and its wholly owned subsidiary St Edmundsbury Cathedral Enterprises Limited and its connected charity St Edmundsbury Cathedral Fund on a line by line basis. A separate Statement of Financial Activities, for the charity itself is not presented because the charity has taken advantage of the exemption afforded by the Church Commissioners guidelines.

Income

Voluntary income is accounted for at the time of receipt. Income from grants is accounted for in the period in which they are receivable. Investment income is accounted for on the accruals basis.

Donations, legacies and similar incoming resources

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Funds held for restricted and designated purposes

Restricted funds are funds subject to specific conditions imposed by the donor and binding on the Cathedral. A designated fund is an unrestricted fund which has been designated for a specific purpose, the use of which is at the discretion of the Council.

Fixed assets

The Cathedral and its ancillary buildings are heritage assets and accordingly no value has been attributed to them in the financial statements.

Other Cathedral properties are included at market value, based on professional valuations carried out by Bedford Estate Agents as at 31 December 2014. No depreciation is provided in respect of these properties as their regular revaluation will recognise any diminution in value.

Depreciation is provided on all other fixed assets to write off their cost over their estimated useful lives using the straight line method as follows:-

| | |
|----------------------------|----------------|
| Equipment | - 3 to 5 years |
| Motor vehicle | - 4 years |
| Cathedral Centre equipment | - 10 years |
| Musical instruments | - 30 years |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

1. Accounting policies (*Continued*)

Consecrated land and buildings

Consecrated and beneficed property is excluded from the accounts by Section 96(2) of the Charities Act 1993. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities.

Investments

Investments are stated at market value.

Value Added Tax

The Cathedral is registered for Value Added Tax, although due to the nature of its activities, only a proportion of input tax suffered on expenses may be recovered. Income is shown net of VAT but expenditure includes the proportion of irrecoverable VAT.

Repair, restoration and maintenance of the cathedral

Repairs and maintenance cost incurred on the Cathedral are written off in the year the cost is incurred.

Resources expended

Expenditure is accounted for on an accruals basis.

Cost of generating funds relate to the costs associated with the provision of amenities for visitors together with the costs of managing the property.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. staff costs by an estimate of the time spent.

Stock

Purchased stock is valued at the lower of cost or net realisable value.

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

2. Statement of financial activities for year ended 31 December 2014

| | General funds | Designated funds | Restricted & Endowment funds | 2014 Total |
|---|------------------|---------------------|---------------------------------------|--------------------|
| | £ | £ | £ | £ |
| Income | | | | |
| Donations and legacies | 324,362 | 13,108 | 99,923 | 437,393 |
| Grants receivable | 43,500 | - | 272,665 | 316,165 |
| Charges and fees arising in the course of mission | 29,922 | - | - | 29,922 |
| Trading and fundraising | 466,364 | - | - | 466,364 |
| Investments | 25,294 | 196 | 4,276 | 29,766 |
| Other income | 27,574 | - | - | 27,574 |
| Total income | 917,016 | 13,304 | 376,864 | 1,307,184 |
| Expenditure | | | | |
| Raising funds | (487,829) | - | (87,704) | (575,533) |
| Ministry | (164,408) | (8,714) | (248,220) | (421,342) |
| Cathedral and precincts upkeep | (191,557) | (26,267) | (49,230) | (267,054) |
| Education and outreach | (46,971) | (2,382) | (12,543) | (61,896) |
| Community, parish and congregation | (16,309) | (842) | (13,619) | (30,770) |
| Other expenditure on mission | (2,923) | - | - | (2,923) |
| Total expenditure | (909,997) | (38,205) | (411,316) | (1,359,518) |
| Net incoming/ (outgoing) resources before investment gains | 7,019 | (24,901) | (34,452) | (52,334) |
| Gains/(losses) on investments | | | | |
| Non-investment property | - | 61,000 | - | 61,000 |
| Investment property | - | - | - | - |
| Investments | - | - | 6,912 | 6,912 |
| Gross transfer between funds | (4,115) | 18,697 | (14,582) | - |
| Net movement in funds | 2,904 | 54,796 | (42,122) | 15,578 |
| Funds brought forward | 1,893,777 | 57,871 | 3,281,173 | 5,232,821 |
| Funds carried forward | 1,896,681 | 112,667 | 3,239,051 | 5,248,399 |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

3. Income

| | General funds | Designated funds | Restricted & Endowment funds | 2015 Total | 2014 Total |
|---|------------------|---------------------|---------------------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Donations and legacies | | | | | |
| Congregational collections and giving | 176,564 | - | - | 176,564 | 182,678 |
| Donations | 166,675 | 22,150 | 25,732 | 214,557 | 176,169 |
| Income from appeals and fund raising | 12,800 | - | - | 12,800 | 74,880 |
| Income from Friends | - | - | 9,500 | 9,500 | 2,972 |
| Legacies | 500 | - | - | 500 | 694 |
| | <u>356,539</u> | <u>22,150</u> | <u>35,232</u> | <u>413,921</u> | <u>437,393</u> |
| Grants receivable | | | | | |
| Church commissioners | - | - | 275,880 | 275,880 | 272,665 |
| Government grants for roof repairs | - | 11,847 | 247,322 | 259,169 | - |
| Diocese | - | - | - | - | 33,000 |
| Other revenue grants | 250 | - | - | 250 | 10,500 |
| | <u>250</u> | <u>11,847</u> | <u>523,202</u> | <u>535,299</u> | <u>316,165</u> |
| Charges and fee arising in the course of mission | | | | | |
| Facility and other fees | 33,980 | - | - | 33,980 | 29,922 |
| Trading and fundraising | | | | | |
| Gross income of shop and refectory | 393,385 | - | - | 393,385 | 411,626 |
| Magna Carta event income | - | - | - | - | 38,549 |
| Income from visitors | 4,069 | - | - | 4,069 | 2,535 |
| Exhibitions | 24,724 | - | - | 24,724 | 13,654 |
| | <u>422,178</u> | <u>-</u> | <u>-</u> | <u>422,178</u> | <u>466,364</u> |
| Investments | | | | | |
| Property | 24,368 | - | - | 24,368 | 24,301 |
| Investments | 3,709 | 306 | 1,418 | 5,433 | 5,465 |
| | <u>28,077</u> | <u>306</u> | <u>1,418</u> | <u>29,801</u> | <u>29,766</u> |
| Other income | | | | | |
| Insurance claim proceeds | 10,167 | - | - | 10,167 | 27,574 |
| Sale of slates | 36,923 | - | - | 36,923 | - |
| Profit on sale of fixed assets | 11,589 | - | - | 11,589 | - |
| Total income | <u>58,679</u> | <u>-</u> | <u>-</u> | <u>58,679</u> | <u>27,574</u> |
| Total income | <u>899,703</u> | <u>34,303</u> | <u>550,352</u> | <u>1,484,358</u> | <u>1,307,184</u> |

Notes to the consolidated financial statements for the year ended 31 December 2015 (Continued)

4. Expenditure on mission

| | General funds | Designated funds | Restricted funds | 2015 Total | 2014 Total |
|---|----------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Costs of facilities for visitors | 26,933 | - | - | 26,933 | 29,708 |
| Magna Carta event | - | - | - | - | 36,708 |
| Shop, refectory and conference centre | 403,549 | - | 19,827 | 423,376 | 379,289 |
| Cost of services directly recoverable | 998 | - | - | 998 | 717 |
| General marketing costs | 27,423 | - | - | 27,423 | 6,785 |
| Investment property costs | 18,904 | - | - | 18,904 | 9,726 |
| Cost of appeals and fundraising | 26,869 | - | - | 26,869 | 46,054 |
| Support costs | 47,207 | - | 39,160 | 86,367 | 49,382 |
| | <u>551,883</u> | <u>-</u> | <u>58,987</u> | <u>610,870</u> | <u>558,369</u> |
| Ministry | | | | | |
| Clergy stipends and working expenses | 12,475 | - | 123,742 | 136,217 | 130,664 |
| Clergy housing costs | 13,485 | - | - | 13,485 | 13,690 |
| Clergy support costs | 5,582 | - | 5,021 | 10,603 | 16,058 |
| Services and music costs | 122,759 | 4,377 | 37,245 | 164,381 | 216,120 |
| Support costs | 29,163 | - | 24,098 | 53,261 | 29,425 |
| | <u>183,464</u> | <u>4,377</u> | <u>190,106</u> | <u>377,947</u> | <u>408,579</u> |
| Cathedral and precincts upkeep | | | | | |
| Major repairs and restoration | - | 20,178 | 275,636 | 295,814 | 51,871 |
| Maintenance and interior upkeep | 75,019 | - | 30,452 | 105,471 | 104,008 |
| Cathedral insurance | 39,517 | - | - | 39,517 | 38,878 |
| Precinct, security and gardens upkeep | 4,262 | - | 750 | 5,012 | 1,789 |
| Support costs | 37,946 | - | 12,049 | 49,995 | 65,227 |
| | <u>156,744</u> | <u>20,178</u> | <u>318,887</u> | <u>495,809</u> | <u>261,773</u> |
| Education and outreach | | | | | |
| Educational activities | 42,391 | 338 | 25,000 | 67,729 | 54,714 |
| Archives and library | 320 | 1,505 | - | 1,825 | 1,048 |
| Charitable and other giving | 4,591 | 10,269 | - | 14,860 | 1,780 |
| Support costs | 8,205 | - | 5,021 | 13,226 | 2,154 |
| | <u>55,507</u> | <u>12,112</u> | <u>30,021</u> | <u>97,640</u> | <u>59,696</u> |
| Community, parish & congregation | | | | | |
| Community, parish & congregation | 2,113 | 887 | - | 3,000 | 3,543 |
| Support costs | 19,241 | - | 15,062 | 34,303 | 20,626 |
| | <u>21,354</u> | <u>887</u> | <u>15,062</u> | <u>37,303</u> | <u>24,169</u> |
| Other expenditure | | | | | |
| Bank charges and interest payable | 253 | - | - | 253 | 152 |
| Other items | 2,714 | - | - | 2,714 | 2,771 |
| | <u>2,967</u> | <u>-</u> | <u>-</u> | <u>2,967</u> | <u>2,923</u> |
| Total expenditure on mission | <u>971,919</u> | <u>37,554</u> | <u>613,063</u> | <u>1,622,536</u> | <u>1,315,509</u> |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

5. Net income /(expenditure) for the year is stated after charging:

| | 2015 | 2014 |
|----------------------------|---------------|---------------|
| | £ | £ |
| Auditors remuneration for: | | |
| - audit services | 6,150 | 6,150 |
| - other services | 3,180 | 3,180 |
| Depreciation | <u>20,038</u> | <u>14,941</u> |

6. Investment property (Group and Cathedral)

| | General funds | Designated funds | Restricted & Endowment funds | Total funds |
|--|----------------|------------------|------------------------------|----------------|
| | £ | £ | £ | £ |
| Freehold Property | | | | |
| At valuation 1 January and 31 December 2015 | <u>195,000</u> | <u>-</u> | <u>-</u> | <u>195,000</u> |

7. Investments (Group and Cathedral)

| | General funds | Designated funds | Restricted & Endowment funds | Total funds |
|------------------------------------|---------------|------------------|------------------------------|---------------|
| | £ | £ | £ | £ |
| <i>Investments at market value</i> | | | | |
| 1 January 2015 | - | - | 94,622 | 94,622 |
| Disposals | | | (1,539) | (1,539) |
| Net decrease on revaluation | - | - | (3,446) | (3,446) |
| 31 December 2015 | <u>-</u> | <u>-</u> | <u>89,637</u> | <u>89,637</u> |

Investments comprise fixed interest securities of £85,637 (2014: £89,083), loan stock of £nil (2014: £1,539) and unquoted shares of £4,000 (2014: £4,000).

8. Non investment property (Group and Cathedral)

| | General funds | Designated funds | Restricted & Endowment funds | Total funds |
|--|------------------|------------------|------------------------------|------------------|
| | £ | £ | £ | £ |
| Freehold Property | | | | |
| At valuation 1 January and 31 December 2015 | | | | |
| for clergy and staff housing and offices | 1,565,000 | - | 2,980,000 | 4,545,000 |
| for trading activities | 350,000 | - | - | 350,000 |
| | <u>1,915,000</u> | <u>-</u> | <u>2,980,000</u> | <u>4,895,000</u> |

Included above is clergy housing at 3 Crown Street, Bury St Edmunds, currently valued at £465,000. This property was purchased in 1989 with the assistance of loans from the Church Commissioners and the Diocesan Board of Finance. The loans are re-valued in line with the property value and on disposal two-thirds and one-sixth of the net proceeds are repayable respectively.

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

9. Equipment

| (a) Group | General funds | Designated funds | Restricted & Endowment funds | Total funds |
|---|------------------|---------------------|---------------------------------------|----------------|
| | £ | £ | £ | £ |
| Cost | 295,783 | - | 101,639 | 397,422 |
| Depreciation | (240,428) | - | (20,274) | (260,702) |
| Net book value at 1 January 2015 | 55,355 | - | 81,365 | 136,720 |
| Additions | 16,333 | - | - | 16,333 |
| Depreciation | (16,655) | - | (3,383) | (20,038) |
| Net book value at 31 December 2015 | 55,033 | - | 77,982 | 133,015 |
| Cost | 312,116 | - | 101,639 | 413,755 |
| Depreciation | (257,083) | - | (23,657) | (280,740) |
| Net book value at 31 December 2015 | 55,033 | - | 77,982 | 133,015 |
| (b) Cathedral | | | | |
| Cost | 141,844 | - | 101,639 | 243,483 |
| Depreciation | (139,313) | - | (20,274) | (159,587) |
| Net book value at 1 January 2015 | 2,531 | - | 81,365 | 83,896 |
| Additions | - | - | - | - |
| Depreciation | (1,222) | - | (3,383) | (4,605) |
| Net book value at 31 December 2015 | 1,309 | - | 77,982 | 79,291 |
| Cost | 141,844 | - | 101,639 | 243,483 |
| Depreciation | (140,535) | - | (23,657) | (159,587) |
| Net book value at 31 December 2015 | 1,309 | - | 77,982 | 79,291 |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

10. Stocks

| | Group | | Cathedral | |
|------------------|---------------|--------|------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| | £ | £ | £ | £ |
| Goods for resale | 55,131 | 48,759 | - | - |

11. Debtors: amounts falling due within one year

| | | | | |
|---|---------------|---------|----------------|---------|
| Trade debtors | 23,949 | 63,858 | 24,278 | 53,171 |
| Amounts owed by subsidiary undertakings and related parties | 112 | - | 92,368 | 72,730 |
| Prepayments | 15,819 | 11,056 | 14,602 | 10,642 |
| Accrued income | 27,264 | 41,821 | 27,264 | 41,821 |
| Other debtors | 15,364 | 201 | 15,364 | 145 |
| | 82,508 | 116,937 | 173,876 | 178,509 |

12. Creditors: amounts falling due within one year

| | | | | |
|---------------------------------|----------------|---------|----------------|---------|
| Trade creditors | 100,321 | 45,754 | 96,249 | 29,926 |
| Amounts owed to related parties | - | - | - | 53 |
| Other taxes and social security | 22,313 | 20,231 | 7,216 | 18,296 |
| Other creditors | 7,790 | 10,271 | 7,786 | 8,991 |
| Accruals and deferred income | 25,024 | 87,588 | 16,143 | 71,750 |
| | 155,448 | 163,844 | 127,394 | 129,016 |

13. Creditors: amounts falling due after more than one year

Group and Cathedral

| | 2015 | 2014 |
|--|----------------|---------|
| | £ | £ |
| <i>Diocesan Board of Finance and Church Commissioners</i> | | |
| Secured, interest free loans repayable on sale of 3 Crown Street | 387,500 | 387,500 |
| <i>Lloyds TSB Bank</i> | | |
| Secured, interest bearing loan on 36 Rockingham Road | 116,200 | 116,200 |
| | 503,700 | 503,700 |

These loans are due for repayment as follows:

| | | |
|-------------------------|----------------|---------|
| In one year | 20,052 | 20,052 |
| In two to five years | 43,750 | 43,750 |
| In more than five years | 439,898 | 439,898 |

Notes to the consolidated financial statements for the year ended 31 December 2015 (Continued)

14. Employees

(a) Number of full time equivalent employees

The average number of employees during the year was 32, comprising St Edmundsbury Cathedral 18 and St Edmundsbury Cathedral Enterprises Limited 14 (including 7 directors). (2014: St Edmundsbury Cathedral 20 and St Edmundsbury Cathedral Enterprises Limited 15 (including 7 directors)).

| (b) Emoluments | 2015 | 2014 |
|--|-----------------------|----------------|
| | £ | £ |
| St Edmundsbury Cathedral | 534,611 | 458,579 |
| St Edmundsbury Cathedral Enterprises Limited | 156,502 | 117,347 |
| | <u>691,113</u> | <u>575,926</u> |

The emoluments total includes employers NI contributions and pension contributions of £39,290 and £47,280 respectively.

The directors of St Edmundsbury Cathedral Enterprises Limited did not receive any remuneration for the year. No employee earned more than £60,000 in the year.

Trustee remuneration (members of the Cathedral Chapter are also regarded as trustees for charitable purposes)

During the year 3 (2014: 3) of the Cathedral's clergy, who are also trustees, received the following remuneration (included above) in their capacity as Cathedral clergy:

| | 2015 | 2014 |
|---|-----------------------|----------------|
| | £ | £ |
| Stipends (including employers NI contributions) | 94,335 | 92,448 |
| Pension contributions | 29,407 | 27,598 |
| | <u>123,742</u> | <u>120,046</u> |

15. Transfers

The transfers between unrestricted and restricted funds relates to various inter-fund transfers, as shown in note 19.

16. Financial commitments

As at 31 December 2015 there was no future expenditure committed under contract by the Cathedral Chapter but not provided in these financial statements (2014: £nil).

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

17. Related entities

(a) Wholly owned trading subsidiary

The Cathedral has a wholly owned trading subsidiary, St Edmundsbury Cathedral Enterprises Limited. This company's principal activities relate to the Cathedral shop, the refectory and conference facilities. Most of the subsidiary's taxable profits are donated to the Cathedral under gift aid. The financial statements of the company for the year ended 31 December 2015 are consolidated in these financial statements. An extract from the company's financial statements is provided below:

| | 2015 £ | 2014 £ |
|--|----------------------|----------------------|
| Turnover | 393,258 | 411,626 |
| Cost of sales | <u>(151,213)</u> | <u>(158,660)</u> |
| Gross profit | 242,045 | 252,966 |
| Administrative expenses | <u>(266,302)</u> | (195,294) |
| Other income | <u>27,558</u> | 2,696 |
| Profit before contributions to Cathedral | 3,301 | 60,368 |
| Rent | <u>(19,200)</u> | (19,200) |
| Administration fee | <u>(12,000)</u> | (12,000) |
| Profit/(loss) on ordinary activities after taxation | (27,899) | 29,168 |
| Retained profit brought forward | <u>40,459</u> | <u>11,291</u> |
| Retained profit carried forward | <u>12,560</u> | <u>40,459</u> |
| Balance Sheet | | |
| Fixed assets | 53,724 | 52,824 |
| Current assets | 79,023 | 93,886 |
| Current liabilities | <u>(120,087)</u> | <u>(106,151)</u> |
| Total net assets | <u>12,660</u> | <u>40,559</u> |
| Share Capital | 100 | 100 |
| Profit and loss account | <u>12,560</u> | <u>40,459</u> |
| | <u>12,660</u> | <u>40,559</u> |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

18. Related entities (*Continued*)

(b) *Connected Charity*

The Cathedral Fund, Bury St Edmunds is a separate registered charity which has been utilised to administer a number of fund-raising appeals for the development of the Cathedral in previous years. The financial statements of the Cathedral Fund which reflect the income and expenditure for the year ended 31 December 2015 are consolidated in these financial statements. An extract of this charity's financial statements are provided below:

| | Restricted fund | |
|--|------------------------|-------------|
| | 2015 | 2014 |
| | £ | £ |
| Total income | - | - |
| Charitable expenditure | (224) | (280) |
| | <hr/> | <hr/> |
| Net expenditure for the year | (224) | (280) |
| Fund balances at 1 January 2015 | 792 | 1,072 |
| | <hr/> | <hr/> |
| Fund balances at 31 December 2015 | 568 | 792 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Balance Sheet | | |
| Current assets | 792 | 1,292 |
| Current liabilities | (224) | (500) |
| | <hr/> | <hr/> |
| Total net assets | 568 | 792 |
| | <hr/> <hr/> | <hr/> <hr/> |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

18. Related entities (*Continued*)

(c) *Associated organisations*

The following associated entities are independent registered charities and are not controlled by the Chapter. They are therefore not included in these consolidated financial statements.

Foundation of St Edmund
Friends of St Edmundsbury Cathedral
Friends of St Edmundsbury Cathedral Choir.

A summary of the latest available unaudited financial statements for these associated organisations are shown below:

| | Foundation of St Edmund | Friends of St Edmundsbury Cathedral | Friends of St Edmundsbury Cathedral Choir |
|------------------------------|------------------------------------|--|--|
| Year ended | 31/12/15 | 31/12/15 | 31/08/15 |
| | £ | £ | £ |
| Gross income | <u>9,324</u> | <u>37,614</u> | <u>16,096</u> |
| Net income/(expenditure) | <u>(6,375)</u> | <u>(877)</u> | <u>12,147</u> |
| Amount paid to the Cathedral | <u>14,445</u> | <u>11,895</u> | <u>-</u> |
| Net assets | <u>128,488</u> | <u>122,550</u> | <u>34,648</u> |

Notes to the consolidated financial statements for the year ended 31 December 2015 (Continued)

19 Summary of funds – (a) Restricted Funds and Endowment Funds

| | Balance at 1.1.15 £ | Unrealised gain/(loss) £ | Fund movement | | | Fund transfers £ | Balance at 31.12.15 £ | Asset analysis at 31 December 2015 | | | | |
|--|---------------------------|--------------------------------|----------------|-------------------------|------------------------------|------------------------|-----------------------------|------------------------------------|------------------|-----------------------|------------------------------|---------------|
| | | | New funds £ | Income for year £ | Expenditure for year £ | | | Fixed assets £ | Investments £ | Bank deposits £ | Debtors/ (creditors) £ | Total £ |
| <i>Restricted Capital Funds</i> | | | | | | | | | | | | |
| Choir Music and Books | 1,312 | - | - | 13 | (349) | 69 | 1,045 | - | - | 1,045 | - | 1,045 |
| Eastgate School | 14,609 | - | - | 55 | (14,746) | 788 | 705 | - | - | 705 | - | 705 |
| Flower Fund | 1,515 | - | 611 | 48 | (2,605) | 431 | - | - | - | - | - | - |
| | 17,436 | - | 611 | 116 | (17,700) | 1,286 | 1,750 | - | - | 1,750 | - | 1,750 |
| <i>Restricted Income Funds</i> | | | | | | | | | | | | |
| Treasury Fund | 2,342 | - | - | 11 | (335) | - | 2,018 | - | - | 2,018 | - | 2,018 |
| Garside Bequest | 10,428 | - | - | - | 3 | (10,431) | - | - | - | - | - | - |
| Thurible Fund | 69 | - | - | - | (69) | - | - | - | - | - | - | - |
| Chapel of Transfiguration | 641 | - | - | - | - | (641) | - | - | - | - | - | - |
| Chapel of Transfiguration (Frink) | 936 | - | - | - | - | (936) | 936 | - | - | 936 | - | 936 |
| Discovery Centre Education | 216 | - | 500 | - | (715) | 130 | 131 | - | - | 131 | - | 131 |
| Discovery Centre Admin Support | 4,129 | - | - | - | (4,000) | (129) | - | - | - | - | - | - |
| Enterprises Development Fund | 36,270 | - | - | 135 | (19,827) | - | 16,579 | - | - | 16,579 | - | 16,579 |
| Garth Development Fund | 1,207 | - | - | 6 | - | - | 1,213 | - | - | 1,213 | - | 1,213 |
| Tower Illumination Fund | 1,992 | - | - | 10 | - | - | 2,002 | - | - | 2,002 | - | 2,002 |
| Garden of remembrance | 1,217 | - | - | 5 | (750) | - | 473 | - | - | 473 | - | 473 |
| Church Commissioners | - | - | - | 275,880 | (275,880) | - | - | - | - | - | - | - |
| Hasted Bequest | 82,734 | (3,446) | 1,500 | 1,049 | - | - | 81,837 | - | 89,637 | (7,800) | - | (7,800) |
| Musical Instruments Fund | 81,365 | - | - | - | (3,385) | - | 77,981 | 77,981 | - | - | - | - |
| Edmund Centre for Arts & Theology | 5,312 | - | 200 | 58 | (323) | - | 5,248 | - | - | 5,248 | - | 5,248 |
| Choir Tour Fund | 2,178 | - | 11,075 | - | (4,973) | - | 8,280 | - | - | 8,280 | - | 8,280 |
| Absalom Fund | 580 | - | - | - | - | - | 580 | - | - | 580 | - | 580 |
| Norman Tower Flagpole fund | 3,933 | - | - | - | (3,933) | - | - | - | - | - | - | - |
| Derek Marsden Memorial fund | 5,273 | - | - | 26 | - | - | 5,299 | - | - | 5,299 | - | 5,299 |
| North Aisle roof repair | - | - | 247,322 | - | (275,412) | - | (28,089) | - | - | (28,089) | - | (28,089) |
| Artist in residence | - | - | 11,526 | - | (5,217) | - | 6,309 | - | - | 6,309 | - | 6,309 |
| Toilet twinning | - | - | 250 | - | (325) | - | (75) | - | - | (75) | - | (75) |
| | 240,823 | (3,446) | 13,275 | 277,181 | (314,186) | (12,007) | 179,785 | 77,981 | 89,637 | 12,167 | - | 12,167 |
| Total Restricted Funds - Cathedral | 258,259 | (3,446) | 272,374 | 277,297 | (612,838) | (10,791) | 181,535 | 77,981 | 89,637 | 13,917 | - | 13,917 |
| St Edmundsbury Cathedral Fund | 792 | - | - | - | (224) | - | 568 | - | - | 568 | - | 568 |
| Total Restricted Funds - Consolidated | 259,051 | (3,446) | 273,054 | 277,297 | (613,062) | (10,791) | 182,103 | 77,981 | 89,637 | 14,485 | - | 14,485 |
| Endowment Fund | 2,980,000 | - | - | - | - | - | 2,980,000 | - | - | - | - | - |
| TOTAL | 3,239,051 | (3,446) | 273,054 | 277,297 | (613,062) | (10,791) | 3,162,103 | 77,981 | 89,637 | 14,485 | - | 14,485 |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

19 Summary of funds (*continued*)
(a) Restricted funds

The purpose of the principal restricted funds are as follows:

Restricted capital funds

| | |
|-----------------------|---|
| Choir Music and Books | - provision of Choir music |
| Eastgate School | - Music education to local children |
| Flower fund | - to provide income for flowers for the Cathedral |

Restricted income funds

| | |
|-------------------------------------|--|
| Treasury fund | - for the construction of a treasury within the new crypt |
| Garside bequest | - to cover general expenses of the Cathedral except maintenance |
| Thurible Fund | - to facilitate the purchase of a further thurible |
| Phillips Memorial Fund | - promotion of Choir concerts |
| Chapel of Transfiguration | - for chapel seating |
| Chapel of Transfiguration (Frink) | - to facilitate the moving of the Frink to the Chapel of Transfiguration |
| Discovery Centre Education | - for Discovery Centre resources |
| Discovery Centre Admin Support | - to cover cost of administration support of the Discovery Centre |
| Enterprises Development Fund | - for development of the Cathedral enterprises |
| Garth Development Fund | - for development improvements to the garth |
| Tower Illumination Fund | - to enhance the lighting of the tower |
| Garden of Remembrance | - maintenance of the Garden of Remembrance |
| Church Commissioners | - grant towards specific costs |
| Hasted Bequest | - for use in the choir and music department |
| Musical instrument fund | - for depreciation of musical instruments |
| Edmund Centre for Arts and Theology | - to enhance the Cathedral's contribution to national life in the field of artistic and theological reflection |
| Choir Tour Fund | - costs of Choir tour 2015 |
| Absalom Fund | - for the costs of visit from Kagera |
| Norman Tower flagpole | - for maintenance of the flagpole |
| Derek Marsden Memorial Fund | - for the development of musical life in the Cathedral |
| North Aisle roof repair | - Government grant funding for repairs to the North Aisle roof |
| Artist in Residence | - for Artist in Residence project |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

19 Summary of funds (*continued*)
(c) Unrestricted Funds

| Note | Funds movement | | | | | | Asset analysis at 31 December 2015 | | | | | |
|--|------------------------|-----------------------------|----------------|----------------------|---------------------------|---------------------|------------------------------------|-------------------|--------------------------------|--------------------------------|--------------------------|-------------------|
| | Balance at 1.1.15 £ | Unrealised gain/(loss) £ | New Funds £ | Income for year £ | Expenditure for year £ | Fund transfers £ | Balance at 31.12.15 £ | Fixed assets £ | Bank deposits/(overdraft) £ | Stock/Debtors/(creditors) £ | Long term creditors £ | Total £ |
| <i>Designated Funds</i> | | | | | | | | | | | | |
| | 31,379 | - | - | 155 | - | (430) | 31,104 | - | 31,104 | - | - | - |
| | 5,852 | - | 2,882 | 74 | (4,377) | - | 4,431 | - | 4,431 | - | - | - |
| 14 | 5,275 | - | - | - | (4,000) | - | 1,275 | - | 1,275 | - | - | - |
| | 974 | - | 968 | 2 | (1,505) | - | 440 | - | 440 | - | - | - |
| | 207 | - | - | - | (207) | - | - | - | - | - | - | - |
| | 752 | - | - | - | - | - | 752 | - | 752 | - | - | - |
| | 1,469 | - | 7,447 | - | (6,269) | - | 2,647 | - | 2,647 | - | - | - |
| | 402 | - | - | - | - | (402) | - | - | - | - | - | - |
| | 551 | - | - | - | - | - | 551 | - | 551 | - | - | - |
| | 384 | - | - | - | - | (384) | - | - | - | - | - | - |
| | 5 | - | 52 | - | - | - | 57 | - | 57 | - | - | - |
| | 1,092 | - | 8,806 | - | (20,178) | 10,280 | - | - | - | - | - | - |
| | 250 | - | - | - | (250) | - | - | - | - | - | - | - |
| | 280 | - | - | - | - | (280) | - | - | - | - | - | - |
| | 14,642 | - | - | 73 | (159) | - | 14,556 | - | 14,556 | - | - | - |
| | 18,153 | - | 11,847 | - | - | (30,000) | - | - | - | - | - | - |
| | 31,000 | - | - | - | - | (31,000) | - | - | - | - | - | - |
| | - | - | - | 2 | - | 1,577 | 1,579 | - | 1,579 | - | - | - |
| | - | - | 300 | - | (180) | - | 120 | - | 120 | - | - | - |
| | - | - | 970 | - | - | - | 970 | - | 970 | - | - | - |
| | - | - | 725 | - | - | - | 725 | - | 725 | - | - | - |
| | 112,667 | - | 33,997 | 306 | (37,554) | (50,209) | 59,207 | - | 59,207 | - | - | 59,207 |
| <i>General fund</i> | 1,856,221 | - | 478,888 | - | (523,204) | 61,000 | 1,872,905 | 2,111,409 | 218,938 | 46,258 | (503,700) | 1,872,905 |
| Total unrestricted funds - Cathedral | 1,968,889 | - | 512,885 | 306 | (560,759) | 10,791 | 1,932,112 | 2,111,409 | 278,145 | 46,258 | (503,700) | 19,932,112 |
| St Edmundsbury Cathedral Enterprises Limited | 40,459 | - | - | 420,816 | (448,715) | - | 12,560 | 53,724 | 23,004 | (64,168) | - | 12,560 |
| Total unrestricted funds – consolidated | 2,009,348 | - | 512,885 | 421,122 | (1,009,474) | 10,791 | 1,944,672 | 2,165,033 | 301,149 | 17,810 | (503,700) | 1,944,672 |

Notes to the consolidated financial statements for the year ended 31 December 2015 (*Continued*)

19 Summary of funds (*continued*)
(b) Designated funds

The purpose of the principal designated funds are as follows:

| | |
|---------------------------------|--|
| Cockram Bequest | children and youth work |
| Organ Repairs & Maintenance | organ restoration |
| Missionary giving account | for distribution by Peace and Justice Group/Chapter |
| L J Alderton (Historic Library) | historic library |
| Pilgrimage fund | pilgrimage |
| St Edmundsbury Singers | funds held for St Edmundsbury Singers |
| Kagera | funds held for Kagera Diocese |
| St Cecilia Chorale | funds held for St Cecilia Chorale |
| Marion Mingins Fund | funds held for eye clinic at Jachie |
| RAF Regiments Standard 2015 | for maintaining RAF standards |
| Choir Fund | for general choir expenditure |
| Education Group | for Education Group |
| Altar Frontal Replacement fund | for replacement of Altar Frontal |
| Discovery Centre | for Discovery Centre resources |
| Government 2015 repair fund | for the repair of the North Aisle roof |
| Quinquennial Repair fund | for the repair of Cathedral owned properties |
| Chapel refurbishment | for refurbishment of chapels |
| Discovery Centre appeal | for use by Discovery Centre |
| Cathedral lent retreat | for 2016 lent retreat |
| Deans & Bishops Honours Stone | For Deans & Bishops memorial stone |