

# St Edmundsbury Cathedral

A beacon of faith, hope and love in Suffolk



**St Edmundsbury Cathedral**

**Annual Report & Consolidated Financial Statements**

**Year Ended**

**31<sup>st</sup> December 2018**

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**Annual Report and consolidated financial statements  
for the year ended 31<sup>st</sup> December 2018**

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## The Dean's Report

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*“The principle of Gothic architecture is infinity made imaginable.”*



In 1833 I believe Samuel Taylor Coleridge was speaking of the same qualities which, eight months into the job, still make me catch my breath as I enter the Cathedral each morning. –Gazing upwards, the burdens of being a twenty first century Dean fall away for a moment; God's praise made visible in dedicated stones and thanksgiving for those who imagined the possibility of its construction. This light-infused building clothes the imagination of infinity with stone and glass.

I still cannot quite believe that this structure of stone, as well as the structure of living stones has come into my care, or that I have been gifted with such sympathetic and generous colleagues, hard-working and dedicated staff, committed and supportive wardens. So when I worry about the bank balance, the building project, the sustainability of a rich pattern of worship and music, a packed calendar of events, I pause on the threshold and allow the building to do its work: smooth cares away, raise thoughts and hopes heavenward.

The stewardship of Bishop Graeme Knowles, Dean for the vacancy, deserves the gratitude of every member of the Cathedral. Not only did he hold the rudder of the Cathedral, but his calm and good-humoured approach helped to embed those cost cuts to staffing and hours: a retrenchment in the budget necessary to reduce expenditure. He did this by being a wise presence alongside staff and volunteers, listening and reassuring, representing the Cathedral to the diocese and doing this without claiming the stipend which was his by right. His nomination to the Order of St Edmund was the highest honour we could afford, and rightly bestowed.

My Installation on a sweltering July 14<sup>th</sup> was overwhelming for the warmth of welcome afforded to me and to Chris, both of us realising how right it felt to be here.

The weeks that followed have been a rollercoaster: coming to terms with the breadth of the role, the number of meetings, plans to be made, information to be absorbed as well as the miles to be travelled to represent the Cathedral in the diocese, in parishes, schools, synods and institutions throughout Suffolk. Whenever I feel I am getting a handle on the job, another situation claims attention and I realise how much I have to learn. The daily round of worship is a blessing: milestones in the day which require us to stop and to be attentive to the still small voice.

So much is expected of Cathedrals; we stand in a difficult and challenging place, under scrutiny, but with much potential and growing numbers of worshippers. My priority will be to work with Chapter, colleagues, staff and friends to deliver the Vision and Strategy which will ensure this Cathedral's health and flourishing in coming years.

And when I falter, I will pause on the threshold again and allow infinity to be made imaginable again.

Joe Hawes

## Achievements and Performance 2018

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### Statement of Public Benefit

The Cathedral's activities help support the development of greater community resilience. From the direct beneficiaries who receive the pastoral care and support of our people in their moments of need to the personal and social development opportunities afforded to our volunteers themselves.

Chapter is satisfied that the Cathedral's activities fall within its vision and strategy and result in considerable benefit to the public. The Cathedral not only serves the community daily in its religious and charitable work, but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

The Faith in Action Group (renamed from the 10:10 Group) oversees the Cathedral's charitable giving and support of social justice. The charities that receive donations from the Cathedral's charitable giving were reviewed in 2018.

### Cathedral Worship

The Cathedral is a praying community, with daily services of Holy Communion, Morning Prayer and Evensong or Evening Prayer. Sunday worship remains the centrepiece of our worshipping week, supported by the work of our musicians – music is 'what makes a Cathedral a Cathedral'. This regular round of worship now includes a weekly meditation slot, and a monthly weekday healing service. In addition to this regular round of worship, the Cathedral hosts numerous special services for the county, community and diocese, including Ordinations, HM Courts of Justice Service and Prisons' Week, together with carol services for a significant number of voluntary and public sector organisations throughout the county.



### Cathedral Music

The music of Cathedral services is one of the treasures of the Church of England, and evokes a sense of timelessness in the worship of God's eternity, and our connection with those who have been worshipping God in this place for many centuries. Here this continues to be led by our Director of Music, James Thomas, together with our music department staff: an Assistant Director of Music and four part-time staff; the Organ Scholar (shared with King Edward VI School), the Singing Teacher, the Director of the St Cecilia Juniors, and the Chorister Supervisor.

The Department is overseen by the Canon Precentor, and secretarial/administrative support is provided by the Liturgy and Music Administrator. There are six different choirs which provide music for our services, all serving the Cathedral on a voluntary basis. The Cathedral Choir sings at the majority of services and consists of around 14 boys and 10 men. Our other choirs are the Colts Choir (junior boys); the St Cecilia Juniors (junior girls); the St Cecilia Chorale (the Cathedral's youth choir); the St Edmundsbury Singers (a ladies' choir run by the Assistant Director of Music); and Men's Voices which provides music (some plainsong, some polyphonic) for most Wednesday evensongs.

The striking beauty of words, silences and music in our worship is the unique way in which our Cathedral, along with Cathedrals everywhere, inspire and transport us to that which is beyond.

## **Achievements and Performance (continued)**

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### ***InHarmony* Music Development**

The work of *InHarmony* Music outreach, funded by the Foundation of St Edmund until 2021, continued in 2018, bringing resources and workshops to parishes, benefices and deaneries across the diocese. *InHarmony*, led by St Edmundsbury & Ipswich Music Development Officer Richard Hubbard, is one of the Cathedral's flagship projects which makes the essential connections between the Cathedral and wider diocese and supports especially those churches which request liturgical and musical support.

### **Pastoral Care**

2018 saw on-going pastoral care within the Cathedral community. Much of this is informal between Cathedral members. The formal pastoral care is delivered by the Pastoral Support Team, a small group of lay people and ministers, and coordinated by the PST Coordinator. The team oversees responses to pastoral emergencies, home communions, hospital visits, the First Tuesday Lunch group, Young Families, Mothers' Union, Visitors and Remembering Together (an annual service for people affected by the death of children).

### **Education - Discovery Centre**

It has been another very busy year for the Discovery Centre, welcoming 45 schools and community groups (Beavers and Cubs) to the Cathedral, working in 47 schools in the Community and supporting over 40 parishes and benefices across the Diocese. Highlights included curriculum days for Candlemas, Easter and Christmas with both Candlemas and Christmas fully booked.



A partnership project entitled 'Enlightenment' with West Suffolk College Art Department proved to be very successful and we enjoyed a vibrant Edmund Festival in November, when a wonderful banner of Edmund's Shrine was created and then exhibited in local schools.

Deepening school-parish links remained a priority using the Emmanuel, Pilgrim and RESPECT projects. The Emmanuel Project (R.E programme for schools) enabled us to visit numerous schools and churches delivering 2-hour workshops about key Christian concepts. The Pilgrim Project programme (SMSC – Spiritual, Moral, Social, Cultural in schools and parishes), marking the 340<sup>th</sup> anniversary of John Bunyan's 'Pilgrim's Progress' was delivered in 3 schools (Honington, Woodbridge, Felixstowe) once every half-term and we commissioned the Pilgrim Musical by Ruth Travers, culminating in a Cathedral performance in June. RESPECT 2018 held in March, attracted 3000 visitors as we continued to celebrate the spirituality of children through the creative arts.

Links with the community were strengthened at the Suffolk Show again as we worked with over 1000 children, creating the Angel of Hope which has since visited several churches, sharing messages of encouragement from all-age church groups. We also funded the production of the 'Dear Grandpa' book, a story about dealing with family bereavement.

We give thanks for all that has been accomplished and as we look to the future, we remember what Jesus did when asked, 'Who, then is the greatest in the kingdom of heaven?' and he placed the child in the middle and said, 'And whoever welcomes one such child in my name welcomes me'.



## Achievements and Performance *(continued)*

### Marking the 1918-2018 centenary of the WW1 Armistice



The WW1 Cathedral Repair Fund grants gave us the encouragement needed to make successful grant applications to local businesses and Town and Borough councils, enabling the Cathedral to put on *Crimson Glory*: a moving and exceptional theatrical/musical arts event, involving more than 200 children and young people from schools and community groups across the county. The production was performed to a capacity audience in the presence of the Lord Lieutenant and many civic representatives.

'Eve of Peace', a diocesan/county commemoration service, marked the centenary and included military and emergency services, schools, scouting & guiding organisations: a poppy-drop during the silence (à la RAH Festival of Remembrance), a newly commissioned Remembrance anthem and young people from across the county forming a candlelit ring of light around the Cathedral (symbolising hope for the future). A WW1 Cloister exhibition, involving local schools, attracted new families and children who would otherwise not come to the cathedral.

### Enterprises Report

St Edmundsbury Cathedral Enterprises Ltd comprises the Shop, Pilgrims' Kitchen restaurant and Edmund Room. The stated aim of Cathedral Enterprises is to generate profit through its trading and commercial activities in order to support the aims and mission of St Edmundsbury Cathedral. The company has a board of directors who are a mix of clergy,

Chapter members and members of the local business community. Whilst the Enterprise Board has the accountability for all enterprise activities and decisions it works extremely closely with the Cathedral Chapter. Cathedral Enterprises Ltd continues to grow and develop its offer to customers and its contribution to the Cathedral both financially and in offering services that people would expect from a major tourist attraction. In financial terms Enterprises exceeded its profit target for the year by +14% an increase of +96% compared to 2017.

### Shop



The Cathedral Shop is managed by a shop manager with two part time staff and a team of volunteers. It sells a wide range of gifts along with CDs, books, cards and gift food items. The shop is also the site for the Tourist Information Hub which is run by volunteers with oversight from the shop staff and provides an important outreach service for the town.

The first half of 2018 saw the shop operating under extremely challenging trading conditions. Weather conditions were extremely poor through January and February before the "Beast from the East" arrived late February into March to be followed by very wet and windy conditions that extended into the middle of May. The net result of this was a significant decline in footfall to the Cathedral, especially in the Easter period which, falling in March, was very early. The high street nationally experienced a month on month decline of some 2.5% driven by a combination of the bad weather, consumer uncertainty and the continuing rise of the online retailers. This national trend continued throughout the year. However, the Cathedral Shop fared much better in the second half achieving its sales budgets from July onward. Whilst overall sales for the year saw a decrease of -3% compared to 2017, excellent cost controls and stock management



## Achievements and Performance *(continued)*

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meant an achievement of the shop's profit budget and a profit increase of +50% compared to 2017.

### **Pilgrims' Kitchen**

PK, as it is affectionately known, is managed by two Chef Managers working with a team of paid staff. Visitors find a warmth of welcome in traditional surroundings. It offers a wide range of food options from cakes, snacks, soups and sandwiches to full breakfasts and wholesome lunchtime meals. In addition it offers Barista style coffees and a large selection of teas and soft drinks. The restaurant is licensed and has a small range of beers and wines. PK also caters for private groups small or large and hosts both lunches and dinners during the week and at the weekends.



Pilgrims' Kitchen experienced the same early year weather challenges as outlined above in the shop report. The key difference between retail (the shop) and food services (Pilgrims' Kitchen) being that the national trend is of consumer spend increasing on food services which meant that the weather had less of an effect on the restaurant. We then experienced the hottest, driest and longest summer in recent years which contributed to much increased sales from June through to October. The new outdoor furniture purchased last year was extremely popular with customers and the Pilgrims' Kitchen garden and decking was very well used throughout the summer.

In addition to normal trading the restaurant catered for three weddings, one of which was in a large marquee on the Cathedral Garth, as well as numerous baptism parties, birthday parties and private dinners.

Overall sales for the year saw an increase of +3.2% compared with 2017 with excellent cost controls contributing to a profit that saw an increase of +32% compared to 2017.

### **Edmund Room**



The Edmund Room is a bright spacious room with a capacity of 80 (theatre style). It has access to free Wifi and comes equipped with projection equipment, microphone and lectern. Used mainly for Cathedral functions such as lectures, meetings, young families and social occasions, it is available to hire for the local community at hourly and daily rates. There has been little use for external hires and this is an area that the Enterprise Board recognises as an opportunity going forward to host meetings, small conferences, training sessions etc. as well as being suitable for hosting dinners and receptions. We are now reaching out to local businesses and organisations who may be interested in using us as a venue that can meet their needs in 2019 and beyond.

### **Cathedral Volunteers**

There are a wide range of opportunities and activities where volunteers support the Cathedral with their time. In 2018 we welcomed 22 new volunteers to the Guild of St Edmund (our volunteer body).

Our volunteer demographic was broadened with the introduction of our LEGO® Build project. We have had various students on the Duke of Edinburgh Award who have participated in volunteering with us.

## **Achievements and Performance (continued)**

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During the year we organise two main events for our volunteering teams to come together as a group; in June we host an annual buffet and long service awards presentation and in November we arrange a lunch and guest speaker.

Additionally we work with the local college and educational establishments to provide work placements for students.

### **Visits**

The Cathedral welcomed a range of groups throughout the year, both self-guided and booked groups, ranging from U3A to specific interest groups.

Tours can also be related to a specific theme. Our most popular offering is the Tour and Cream Tea package. A team of volunteer Tour Guides deliver our group tours and also offer daily tours during the May to September season.

In addition to this, we also arranged Parish Pilgrimage visits, which offered groups the opportunity to join in with a spiritual tour of the building, before attending Evensong and enjoying tea and cakes provided by The Friends of the Cathedral.

Tower Tours continued to be a draw for visitors in 2018. We trained new Guides to join the team and the experience continues to be highly rated on Tripadvisor.

### **Marketing and Communications**

There are a wide variety of events and activities which require promotion throughout the year. Towards the end of 2018 we reviewed our communications and updated the newly launched Connect, eNews, which provides highlights for the month ahead. The Cathedral has accounts on Facebook, Twitter and Instagram, using these platforms to share our latest news and also redirect back to our website, for further information on our news stories and events.

Continuing the Growing Younger strategy for the Diocese and Cathedral, we provided several training days for new clergy and lay ministers and took part in the 10 Growing in God Roadshows promoting the importance of Family Ministry. Much of the year was spent writing a framework for the pilot of the Diocesan CONNECT Family Ministry Course which started in September with 11 experienced practitioners.

### **Cathedral Properties**

The year saw the completion of the extensive programme of Cathedral repair and restoration work, made possible through the award of substantial grants from HM Government's *WW1 Cathedrals Repair Fund*. Priority has been given to the essential fenestration, stonework and metalwork repairs listed in the Cathedral's quinquennial. These projects have made our Cathedral safe and watertight for a future generation of pilgrims, visitors and worshippers, and enables us to utilise the building for income-generating events. The Repair and Maintenance programme for our offices (Abbey House), rental properties and clergy housing, again prioritising essentials listed in our quinquennials, also continued during the year.

### **Ancient Library**

The Ancient Library, founded as the Parish Library of St James in 1595, is a unique collection of early printed books dating mainly from the sixteenth and seventeenth centuries.



## **Achievements and Performance (continued)**

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A record 337 members of the public visited on our Open Days this year and donations have allowed us to purchase a data logger to monitor the environmental conditions more effectively and to conserve a book printed in Bury in 1761, which has a list of local subscribers. There have been 3 exhibitions in the Treasury: 'Luther'; 'Friends or Foes' (Jesuit volumes) and 'Beating the Forgers' (printers' marks). Our books featured strongly in the illustrations of David Dymond's new book *The Business of the Suffolk Parish 1558-1625* and our volume of Dionysius (Cologne, 1533) has been included in David Selwyn's *Supplement to the Library of Thomas Cranmer*.

### **Heritage Partnership**

The Cathedral is leading a partnership of groups and people who are passionate about preserving and improving the footprint of the medieval Abbey of St Edmund. The area of the Abbey includes the location of the Cathedral and its ancillary buildings, as well as the Abbey Gardens park adjacent to the Cathedral. As well as the Cathedral and St Mary's Church, the Heritage Partnership includes the Borough Council, the Town Council, the Bury Society and other local and regional public, private and voluntary organisations. Members of the partnership include experts in heritage, planning, archaeology, academia and local history. The partnership aims to further public understanding of the life and times of St Edmund and the medieval Abbey so that people understand its spiritual, historical and archaeological significance.

In 2018 two consultancy studies were completed: a Heritage Assessment and a Conservation Plan. These provide the basis for further planning including the development of a Master Plan and an Interpretation Strategy. The range of projects highlighted in the Heritage Assessment and Conservation Plan will be prioritised and funding will be sourced for them from grant-making bodies.

In 2019 the Heritage Partnership will become a formally constituted Charitable Incorporated Organisation with the Cathedral represented on the Trustee body.

### **Foundation of St Edmund**

2018 saw more ground work for the building of an endowment fund for the Cathedral. During the summer months, local solicitors were invited to the Cathedral for a Tower Tour and an introduction to the Foundation of St Edmund's need to receive gifts in wills. A new Advent Service to connect with Suffolk people working and living in London, "Suffolk in the City" was held in December 2018 at St Giles Church, Cripplegate. The Foundation continued to support the Cathedral's InHarmony project.

### **Eco Church Award for the Cathedral**

A Rocha UK's hugely influential Eco Church Award Scheme celebrates its third anniversary this year. The award scheme (see [www.ecochurch.arocha.org.uk](http://www.ecochurch.arocha.org.uk)) is for churches in England and Wales who want to show that the Gospel is also Good News for God's earth. Eco Church provide resources to help churches improve the carbon footprint of our buildings and land, and to engage with the local community. Following various energy-saving schemes here, including the complete replacement of the nave lighting with LED, the cathedral received the Eco Church Bronze Award, which is an endorsement of our 'green' aspirations and an encouragement to continue with energy-saving ideas to achieve the next award (silver) level.

## Achievements and Performance *(continued)*

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### In 2018

- On average 281 people attended our Sunday services.
- 8602 people attended one of our 37 special services.
- 773 people attended on Easter Eve and Easter Sunday.
- 1,936 people came to the Cathedral on Christmas Eve and Christmas Day.
- 6,639 people attended at least one event or service during Advent.
- 28,000 people attended one of our 150 other events.
- Over 4000 children attended educational events organised by the Cathedral.
- 64,491 people in total visited the Cathedral last year.
- 12 people were baptized.
- 5 couples were married.
- We held 7 funerals and 6 memorial services.
- The Cathedral had 21 visiting choirs.
- The volunteers in our choirs totalled 69 people.
- 317 people volunteered with us, including 22 new starters
- More than 30 services and events outside the Cathedral were supported by Cathedral Clergy.
- 5 services and events outside the Cathedral were supported by the Cathedral Choir.
- We gained 397 followers on Facebook, 339 on Twitter and around 500 on Instagram.

## Future Plans

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*'Much to cast down, much to build, much to restore;*

*Let the work not delay, time and the arm not waste...'*

(TS Eliot, Choruses from 'The Rock')

### A report from the Dean

I refer when presenting a vision for the Cathedral to my 'Five a day' - essentially a summary of the Cathedral's 'Vision and Strategy' document in five movements:

- **Stable Finances** enabling sustainable structures for mission.
- **Buildings** fit for purpose and adequate to need.
- **Good Relationships** with diocese, town and county, supporting the Bishop's ministry and confidence in mission.
- **Music and worship:** sustainable, diverse, and offered to the highest standard.
- **Community** to which all feel they can belong in worship, learning and care, especially children and young families.

All are interrelated, each will enable the other to develop and grow.

### Finances

Finances have in recent years stabilised through generosity of donors, hard work by staff to keep control of costs and vigilance by a superb finance team and committee with Mike Shallow at the helm. In 2019 we will continue:

- To grow congregational planned giving through information, updates and the invitation to all members to participate.
- To continue to work with local businesses to provide opportunities for them to use our buildings.
- To continue to support the hard work done by our Enterprises: Pilgrims' Kitchen and the Shop by working to develop their offer.
- To develop new ways to help visitors to contribute to the upkeep of the Cathedral.
- To maximise the potential of buildings to be used in imaginative ways to provide income.

### Buildings

We are fortunate in having a Cathedral which has been maintained in an excellent state of repair, but the Deanery requires significant work in order to release potential for it to contribute to Cathedral finances and to become a place suitable for wider hospitality. Similarly, Abbey House, although a beautiful building we are fortunate to own, continues to frustrate as Cathedral offices, while the Anselm Building in the intended South West cloister range is in acute need of restoration, raising potential for a building project to complete the cloisters and provide additional facilities.

Chapter has applied to the Church Commissioners' 'Cathedral Sustainability Fund' for two years funding for a Fundraising Consultant to lead on this strategy. Chapter have appointed Dr Christine Stokes to carry out some initial work. She is a highly experienced fundraiser, particularly in the world of Cathedral and heritage fundraising. Given her appointment, Chapter is confident of making significant progress in the area of building our financial sustainability and developing our buildings.

### Relationships

The first ever National Cathedrals Conference was held in Manchester from the 17<sup>th</sup> to the 20<sup>th</sup> September 2018. Opportunities to reflect together on the role of Cathedrals in



## **Future Plans** *(continued)*

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contemporary society also included several development areas for building good relationships through:

- Marketing
- Interpretation of sacred space
- Youth and Family Ministry
- Creative arts
- Music outreach.

Chapter looks forward to working with experts in these areas during 2019 and beyond in order to enhance the relationships we build with visitors, the local and wider community and diocesan partners.

### **Music and Worship**

The Music and Worship review group has been brought together again to provide support and direction for the music team in considering during 2019 ways of enhancing a diversifying music in worship.

### **Community**

The appointment, with great delight, of Sarah Geileskey, when ordained, to be Cathedral curate, brings the opportunity to undertake a project of consultation around the enhancement of our worship pattern aiming to develop the ways in which children, young families and youth can belong through worship and activities.

## Resource and Financial Review

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The Cathedral's ambitions for Welcome, Worship and Reconciliation depend on having sufficient resources – people and money – to achieve them. We are blessed by the dedication and commitment of our staff, newcomers and more long-standing, who together week in, week out devote their time, skills and ingenuity to ensuring that the Cathedral's work is done.

Chapter values enormously the work of the Cathedral's volunteers who support a range of activities in support of worship, events, retail and congregational activities. From archivists to vergers, from accountants to welcomers, from bell ringers to tour guides, from gardeners to Lego enthusiasts and everyone in between, we have some tremendous people who mean a great deal to the Cathedral and for whom the Cathedral means a great deal.

The end of year report on our financial resources presents a mixed picture. We forecast a deficit budget for the year. As the accounts illustrate, the 2018 general fund account closed with £2k surplus which was largely due to the Acting Dean carrying out the role pro bono and the works due to take place on the West Wing of the Deanery being postponed until 2019. We strived to increase our income, streamline our costs and invest our money well in 2018.

### Reserves Policy

The objective of the Chapter's reserves policy is to ensure the provision of adequate working capital resources by monitoring the level of the Cathedral's free reserves. Free reserves are funds that are not tied up in fixed assets and that are unrestricted including designated funds that have not been committed to specific expenditure. The Chapter considers that the level of free reserves throughout the year should be a minimum of 3 months' worth (171k) of the budgeted amount for the ensuing year for cash-based operating expenditure less grant and investment income expected to contribute towards that expenditure from restricted funds classified as operating funds.

This amount is kept in cash at the bank or on deposit with CCLA Investment Management Ltd to enable it to meet all its obligations as they fall due.

As at 31 December 2018, free reserves were £249K (inclusive of stock value). In 2017 the total value available was £234K. The steps we are taking to address our financial future referred to elsewhere in this report are kept under regular review by Chapter.

### Going concern

Having considered budgets and cash flow projections actions are being taken to continue addressing the free reserves position, the Chapter is confident that the Cathedral will continue to be able to meet its liabilities as they fall due for the foreseeable future.

### Voluntary Income

Voluntary giving by the congregation through planned giving and Sunday collections provided £187K. During the year we received a number of generous donations from individuals. Gift Aid tax recovered on voluntary donations provided £41K or 2.6% of total income. This income, which is greatly appreciated, is used to support our charitable mission and provides enhanced benefits for visitors and tourists for generations to come.

## **Resource and Financial Review (continued)**

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### **Other Major Sources of Finance**

The Church Commissioners offer an important contribution towards the Cathedral by providing a grant towards lay salaries, and also by providing voluntary giving through our stewardship scheme, the Church Members' Fund. The stipends of the Dean and two residentiary Canons are paid by the Church Commissioners.

Property owned by the Cathedral also provide an important contribution. Pilgrims' Kitchen Restaurant and the Cathedral Shop which are run by Enterprises Ltd along with three units which are rented out to local businesses.

### **Principal Risks and Uncertainties**

Careful consideration is given to the major risks to which the Cathedral is exposed. Chapter is responsible for ensuring effective risk management and that internal controls are in place to appropriately manage the organisation's risk exposure. The Cathedral recognises that any risk management system can only manage risks and not eliminate them and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Risks are considered in a broad context and Chapter focuses on the significant matters that might prevent the Cathedral from achieving its vision. Priorities are set as part of strategic planning to respond to these risks and opportunities.

The Cathedral now has a Risk Management Policy outlining Chapter's accountability in this area. In 2019 an independent Risk and Audit Committee will be formed with expertise in Finance and Governance. They will meet 3 times a year or when the need arises. They will act as a critical friend to Chapter reviewing Chapter minutes and the Cathedral's Risk Register.

Controls are in place to ensure the Cathedral's financial activities are properly managed. These include budgetary control, account reconciliation procedures, authority levels, periodic stock counts and monitoring of the Cathedral's investment strategy and related risks. Management accounts are reviewed by the Finance Committee and Chapter following the end of each quarter.

Appropriate health and safety for our visitors, staff and volunteers is important and we take our responsibilities seriously. The Cathedral's fire risk assessment was updated in 2018.

The Cathedral's insurance cover is reviewed annually and as circumstances change. Insurance provision is provided by Ecclesiastical Insurance, who conduct a comprehensive survey every five years with a follow-up visit every year.

The Cathedral's safeguarding policy and procedures for children, young people and vulnerable adults were updated in 2018. Clergy and specific staff and volunteers are subject to enhanced checking with the Disclosure and Barring Service. Anyone working with children, young people or vulnerable adults undertakes appropriate safeguarding training.



## Structure, Governance and Management

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### 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 and was last revised in 2013. 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, 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 Chairman of the Council. It is 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 Bishop of the Diocese, the Canons (lay and ordained) 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.

### 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.

## **Structure, Governance and Management** *(continued)*

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### **The Fabric Advisory Committee**

The Fabric Advisory Committee is a statutory body, which reports to the Cathedrals' Fabric Commission for England (CFCE). It has 8 voting members, four appointed by Chapter and four by the Cathedrals Fabric Commission for England. The Dean and a Residentiary Canon are non-voting members of the committee and the Surveyor to the Fabric, the Cathedral Architect, the Cathedral Archivist, a consultant archaeologist, 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.

### **Statement of the Responsibilities of the Chapter**

The Chapter's responsibilities are set out in the Cathedrals Measure 1999: They are in brief:

- To order worship and promote the Cathedral's mission;
- To manage all its property, ensuring necessary repairs and maintenance are undertaken to the Cathedral, its contents and all other buildings.

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;
- safeguarding the assets of the Cathedral and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Cathedral Governance Code 2018** (Adapted from the Charity Governance Code 2017)

Good governance in Cathedrals is fundamental to their success and enables and supports a Cathedral's compliance with relevant legislation and regulation. It also promotes attitudes and a culture where everything works towards fulfilling the mission and purpose of a Cathedral.

St Edmundsbury Cathedral's Chapter has adopted the code by reviewing the seven Code principles and adopted their recommendations.

## Structure, Governance and Management *(continued)*

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### 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 limited company that carries out trading and commercial activities for the benefit of St Edmundsbury Cathedral.

The consolidated financial statements include the results of St Edmundsbury Cathedral Enterprises Limited and 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 Foundation of St Edmund, the Friends of St Edmundsbury Cathedral, the Friends of St Edmundsbury Cathedral Choir and the Vestry Trust, 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.

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
- b. the application of funds or property to such other charitable purposes as the Directors shall from time to time determine.



## **Structure, Governance and Management** *(continued)*

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### **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 Martin Seeley, Bishop of St Edmundsbury and Ipswich

### **Cathedral Chapter**

The Right Reverend G Knowles Acting Dean of St Edmundsbury (Resigned July 2018)

The Very Reverend J Hawes Dean of St Edmundsbury (Appointed July 2018)

The Reverend Canon PC Banks (Canon Precentor)

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

The Reverend Canon Charles Jenkin

Mr S Alderman

Mrs B Pycraft

Mrs E Steele

Canon TE Allen

Mr D Holmes

### **Statutory Post Holders**

#### **Legal adviser to the Cathedral Chapter**

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

#### **Administrator**

Ms SJ Allison (Administrator – People and Policies)

#### **Director of Music**

Mr J Thomas MA (Cantab) PGCE FRCO

#### **Finance Committee**

The Right Reverend G Knowles Acting Dean of St Edmundsbury (Resigned July 2018)

The Very Reverend J Hawes Dean of St Edmundsbury (Appointed July 2018)

The Reverend Canon P Banks

Mr M Shallow

Canon T Allen

Canon M Wilde

Ms SJ Allison

Mrs E Steele

## **Structure, Governance and Management** *(continued)*

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### **Fabric Advisory Committee**

#### Voting members

Mrs L August  
Ms R Blackman – Archaeologist  
Mr J Burton  
Lady Carlisle  
Dr J Hall  
Mr W Hart  
Dr J Litten (Chair)  
Dr A Powers – Architect  
Mr R Wright

#### Non-voting members:

The Right Reverend G Knowles (Resigned July 2018)  
The Very Reverend J Hawes Dean of St Edmundsbury (Appointed July 2018)  
The Reverend Canon PC Banks  
Mrs S Cockram – Secretary  
Mr P Orchard - Cathedral Architect  
Mrs M Statham - Cathedral Archivist

### **Architect and Surveyor to the Fabric**

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**

Lovewell Blake LLP, Bankside 300, Peachman Way, Broadland Business Park, Norwich, Norfolk NR7 0LB

### **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

**The annual report was approved by the Cathedral Chapter on 20th March 2019 and signed on its behalf by:**

The Very Reverend Joseph Hawes The Dean of St Edmundsbury Cathedral

## Independent Auditor's Report to the Chapter of St Edmundsbury Cathedral

### Opinion

We have audited the financial statements of St Edmundsbury Cathedral (the 'Cathedral') and its subsidiary (the 'group') for the year ended 31 December 2018 which comprise the consolidated statement of financial activities, consolidated balance sheet, consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Chapter, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Chapter those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Cathedral and the Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and Cathedral's affairs as at 31 December 2018, and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and 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.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (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 Cathedral 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Chapter's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chapter have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or Cathedral's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Chapter's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Chapter**

As explained more fully in the Chapter's responsibilities statement set out on page 15, the Chapter are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Chapter determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Lovewell Blake LLP, Statutory Auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

*Date:*

*Lovewell Blake LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.*



Consolidated statement of financial activities for the year ended 31 December 2018

	Note	General Funds	Designated funds	Restricted & Endowment funds	2018 Total	2017 Total (note 2)
		£	£	£	£	£
<b>Income from:</b>	3					
Donations and legacies		345,464	56,769	21,430	423,663	456,655
Grants receivable		-	-	459,343	459,343	498,921
Charges and fees arising in the course of mission		35,877	-	-	35,877	31,110
Trading and fundraising		511,653	2,835	-	514,488	511,293
Investments		49,866	-	2,227	52,093	27,375
<b>Total income</b>		<b>942,860</b>	<b>59,604</b>	<b>483,000</b>	<b>1,485,464</b>	<b>1,548,524</b>
<b>Expenditure on:</b>	4					
Raising funds		(489,443)	-	(48,560)	(538,003)	(645,159)
Ministry		(201,459)	(1,816)	(215,686)	(418,961)	(411,733)
Cathedral and precincts upkeep		(160,760)	-	(161,684)	(322,444)	(423,009)
Education and outreach		(57,954)	(4,429)	(8,688)	(71,071)	(74,457)
Community, parish and congregation		(18,954)	(25,753)	(18,677)	(63,384)	(31,052)
Other expenditure on mission		(8,843)	(19,509)	-	(28,352)	(18,471)
<b>Total expenditure</b>		<b>(937,413)</b>	<b>(51,507)</b>	<b>(453,295)</b>	<b>(1,442,215)</b>	<b>(1,603,881)</b>
<b>Net income/ (expenditure) before investment gains</b>	5	<b>5,447</b>	<b>8,097</b>	<b>29,705</b>	<b>43,249</b>	<b>(55,357)</b>
Net gains/(losses) on investments	6	(4,534)	-	(2,601)	(7,135)	35,013
<b>Net income/ (expenditure)</b>		<b>913</b>	<b>8,097</b>	<b>27,104</b>	<b>36,114</b>	<b>(20,344)</b>
<b>Gross transfers between funds</b>	15	<b>1,500</b>	<b>(1,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>						
Gains on revaluation of fixed assets		-	-	-	-	926,666
<b>Net movement in funds</b>		<b>2,413</b>	<b>6,597</b>	<b>27,104</b>	<b>36,114</b>	<b>906,322</b>
Funds brought forward		2,360,545	46,022	3,575,274	5,981,841	5,075,519
<b>Funds carried forward</b>		<b>2,362,958</b>	<b>52,619</b>	<b>3,602,378</b>	<b>6,017,955</b>	<b>5,981,841</b>

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 2017 is shown in note 2.

Consolidated balance sheet as at 31 December 2018

	Note	General funds £	Designated funds £	Restricted & Endowment funds £	2018 Total £	2017 Total £
<b>Fixed assets</b>						
<b>Investment assets</b>						
Investments	6	139,761	-	53,631	193,392	100,527
		<u>139,761</u>	<u>-</u>	<u>53,631</u>	<u>193,392</u>	<u>100,527</u>
<b>Tangible fixed assets</b>						
Property	7	2,435,000	-	3,445,000	5,880,000	5,880,000
Equipment and furniture	8	37,841	-	67,827	105,668	123,041
		<u>2,472,841</u>	<u>-</u>	<u>3,512,827</u>	<u>5,985,668</u>	<u>6,003,041</u>
<b>Total fixed assets</b>		<u>2,612,602</u>	<u>-</u>	<u>3,566,458</u>	<u>6,179,060</u>	<u>6,103,568</u>
<b>Current assets</b>						
Stock	9	122,871	-	-	122,871	124,862
Debtors	10	66,613	-	-	66,613	57,308
Cash at bank and in hand		103,051	52,619	35,920	191,590	233,665
		<u>292,535</u>	<u>52,619</u>	<u>35,920</u>	<u>381,074</u>	<u>415,835</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(96,346)</u>	<u>-</u>	<u>-</u>	<u>(96,346)</u>	<u>(91,729)</u>
<b>Net current assets</b>		<u>196,189</u>	<u>52,619</u>	<u>35,920</u>	<u>284,728</u>	<u>324,106</u>
<b>Total assets less current liabilities</b>		<u>2,808,791</u>	<u>52,619</u>	<u>3,602,378</u>	<u>6,463,788</u>	<u>6,427,674</u>
<b>Creditors: amounts falling due after one year</b>						
Loans from third parties	12	(445,833)	-	-	(445,833)	(445,833)
<b>Net assets</b>		<u>2,362,958</u>	<u>52,619</u>	<u>3,602,378</u>	<u>6,017,955</u>	<u>5,981,841</u>
<b>Fund balances</b>	16	<u>2,362,958</u>	<u>52,619</u>	<u>3,602,378</u>	<u>6,017,955</u>	<u>5,981,841</u>

The financial statements were approved by the Chapter on .....

**The Very Reverend Joseph Hawes**  
Dean of St Edmundsbury

Cathedral balance sheet as at 31 December 2018

	Note	General funds £	Designated funds £	Restricted & Endowment funds £	2018 Total £	2017 Total £
<b>Fixed assets</b>						
<b>Investment assets</b>						
Investments	6	139,761	-	53,631	193,392	100,527
Subsidiary undertakings		100	-	-	100	100
		<u>139,861</u>	<u>-</u>	<u>53,631</u>	<u>193,492</u>	<u>100,627</u>
<b>Tangible fixed assets</b>						
Property	7	2,435,000	-	3,445,000	5,880,000	5,880,000
Equipment and furniture	8	4,706	-	67,827	72,533	76,985
		<u>2,439,706</u>	<u>-</u>	<u>3,512,827</u>	<u>5,952,533</u>	<u>5,956,985</u>
<b>Total fixed assets</b>		<u>2,579,567</u>	<u>-</u>	<u>3,566,458</u>	<u>6,146,025</u>	<u>6,057,612</u>
<b>Current assets</b>						
Stock	9	65,096	-	-	65,096	71,773
Debtors	10	151,667	-	-	151,667	224,437
Cash at bank and in hand		9,816	52,619	35,920	98,355	102,223
		<u>226,579</u>	<u>52,619</u>	<u>35,920</u>	<u>315,118</u>	<u>398,433</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>(83,589)</u>	<u>-</u>	<u>-</u>	<u>(83,589)</u>	<u>(76,338)</u>
<b>Net current assets</b>		<u>142,990</u>	<u>52,619</u>	<u>35,920</u>	<u>231,529</u>	<u>322,095</u>
<b>Total assets less current liabilities</b>		<u>2,722,557</u>	<u>52,619</u>	<u>3,602,378</u>	<u>6,377,554</u>	<u>6,379,707</u>
<b>Creditors: amounts falling due after one year</b>						
Loans from third parties	13	<u>(445,833)</u>	<u>-</u>	<u>-</u>	<u>(445,833)</u>	<u>(445,833)</u>
<b>Net assets</b>		<u>2,276,724</u>	<u>52,619</u>	<u>3,602,378</u>	<u>5,931,721</u>	<u>5,933,874</u>
<b>Fund balances</b>		<u>2,276,724</u>	<u>52,619</u>	<u>3,602,378</u>	<u>5,931,721</u>	<u>5,933,874</u>

The financial statements were approved by the Chapter on .....

**The Very Reverend Joseph Hawes**  
Dean of St Edmundsbury

Consolidated cash flow statement for the year ended 31 December 2018

	2018		2017	
	£	£	£	£
<b>Cash flows from operating activities:</b>				
Net income/(expenditure) for the year		<b>43,249</b>		(55,357)
Adjustments for:				
Depreciation	<b>20,710</b>		22,157	
Income from property and investments	<b>(52,093)</b>		(27,375)	
Property and investment management costs	<b>1,734</b>		10,783	
Decrease/(increase) in stocks	<b>1,991</b>		(27,326)	
(Increase)/decrease in debtors	<b>(9,305)</b>		(5,650)	
Increase/(decrease) in creditors	<b>4,617</b>		(10,667)	
		<b>(32,346)</b>		(38,078)
<b>Net cash provided by / (used in) operating activities</b>		<b>10,903</b>		(93,435)
<b>Cash flows from investing activities:</b>				
Rents received net of costs	<b>44,621</b>		14,022	
Invest income received net of costs	<b>5,738</b>		2,570	
Proceeds from the sale of property and equipment	-		203,815	
Purchase of fixed assets - equipment	<b>(3,337)</b>		(6,158)	
Purchase of investments	<b>(100,000)</b>		-	
<b>Net cash provided by investing activities</b>		<b>(52,978)</b>		214,249
Change in cash and cash equivalents in the year		<b>(42,075)</b>		120,814
Cash and cash equivalents at the beginning of the year		<b>233,665</b>		112,851
Cash and cash equivalents at the end of the year		<b>191,590</b>		233,665



**Notes to the consolidated financial statements for the year ended 31 December 2018**

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**1. Accounting policies**

*Basis of preparation*

The consolidated accounts have been prepared on a going concern basis under the historical cost accounting rules except for the valuation of investment assets and property which are shown at market value.

Cathedrals (by virtue of an exemption in the Charities Act 2011) are not subject to the Charities (Accounts and Reports) regulations (which enforce Accounting and Reporting by Charities: Statement of Recommended Practice), but instead to any specification as to what constitutes best professional practice and standards made by the Church Commissioners under the Cathedrals Measure 1999. Cathedrals' financial statements are therefore prepared in accordance with a specific set of regulations, namely the Accounting and Reporting Regulations for English Anglican Cathedrals ("the Regulations") with the current version published in February 2015. In specifying these regulations, the Church Commissioners also recognise that cathedrals, although not within the Charity Commission's regulatory and accounting framework, are charities in law and therefore the current regulations accord, where relevant, with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) in issuance at the time of regulations' publication. The regulations also provide for certain additional disclosures relevant in the context of cathedral accounting. Any specific guidance provided within the regulations holds precedence over that within Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102). The financial statements have therefore been prepared in accordance with the Accounting and Reporting Regulations for English Anglican Cathedrals (Cathedral Accounting and Reporting Regulations), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and other applicable United Kingdom Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity has applied Update Bulletin 1 as published on 2 February 2016 and Update Bulletin 2 as published on 5 October 2018.

The Cathedral constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity, and rounded to the nearest £.

*Group financial statements*

These financial statements consolidate the result of the Cathedral, which is an unincorporated charity, and its wholly owned subsidiary St Edmundsbury Cathedral Enterprises Limited 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.

The consolidated financial statements do not include those of connected charitable entities that are not controlled by the Cathedral, details of which are provided in note 15.

*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 income*

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

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

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**1. Accounting policies (*Continued*)**

*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 Chapter.

*Going concern*

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

*Fixed assets*

In accordance with the Regulations no value has been attributed to the Cathedral and its ancillary buildings in the financial statements.

Other Cathedral properties are included at market value, with revaluations being undertaken every five years. 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

*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.

*Stock*

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

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

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**1. Accounting policies (*Continued*)**

*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 raising 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.

Governance costs include those incurred in governance of the Cathedral and its assets and are primarily associated with constitutional and statutory requirements.

*Pension costs*

Retirement benefits to employees of the Cathedral are provided by the Church of England Funded Pensions Scheme (for clergy), the Church Workers Pension Fund, both defined benefit schemes, and the NEST auto-enrolment scheme, a defined contribution scheme.

The Church of England Funded Pensions Scheme and, as stated in note 13, the Church Workers Pension Fund are multi-employer schemes for which there is insufficient information available to use defined benefit accounting. All schemes are therefore treated as defined contribution schemes for accounting purposes and the contributions recognised in the year in which they are payable.

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

2. Statement of financial activities for year ended 31 December 2017

	General funds	Designated funds	Restricted & Endowment funds	2017 Total
	£	£	£	£
<b>Income</b>				
Donations and legacies	392,557	21,032	43,066	<b>456,655</b>
Grants receivable	950	-	497,971	<b>498,921</b>
Charges and fees arising in the course of mission	31,110	-	-	<b>31,110</b>
Trading and fundraising	534,463	-	-	<b>534,463</b>
Investments	26,803	-	572	<b>27,375</b>
Other income	-	-	-	-
<b>Total income</b>	<b><u>985,883</u></b>	<b><u>21,032</u></b>	<b><u>541,609</u></b>	<b><u>1,548,524</u></b>
<b>Expenditure</b>				
Raising funds	(603,700)	-	(41,459)	<b>(645,159)</b>
Ministry	(198,297)	(3,022)	(210,414)	<b>(411,733)</b>
Cathedral and precincts upkeep	(122,672)	(1,865)	(298,472)	<b>(423,009)</b>
Education and outreach	(39,765)	(18,197)	(16,495)	<b>(74,457)</b>
Community, parish and congregation	(13,803)	(769)	(16,480)	<b>(31,052)</b>
Other expenditure on mission	<u>(10,229)</u>	<u>(8,242)</u>	-	<b><u>(18,471)</u></b>
<b>Total expenditure</b>	<b><u>(988,466)</u></b>	<b><u>(32,095)</u></b>	<b><u>(583,320)</u></b>	<b><u>(1,603,881)</u></b>
<b>Net income/(expenditure) before investment gains</b>	<b>(2,583)</b>	<b>(11,063)</b>	<b>(41,711)</b>	<b>(55,357)</b>
Net gains/(losses) on investments	<u>28,815</u>	-	<u>6,198</u>	<b><u>35,013</u></b>
<b>Net income/(expenditure)</b>	<b>26,232</b>		<b>(35,513)</b>	<b>(20,344)</b>
<b>Gross transfers between funds</b>	<b>(4,282)</b>	<b>7,241</b>	<b>(2,959)</b>	<b>-</b>
<b>Other recognised gains/(losses)</b>				
Gains on revaluation of fixed assets	<u>461,666</u>	-	<u>465,000</u>	<b><u>926,666</u></b>
<b>Net movement in funds</b>	<b>483,616</b>	<b>(3,822)</b>	<b>426,528</b>	<b>906,322</b>
Funds brought forward	<u>1,876,929</u>	<u>49,844</u>	<u>3,148,746</u>	<u>5,075,519</u>
<b>Funds carried forward</b>	<b>2,360,545</b>	<b>46,022</b>	<b>3,575,274</b>	<b>5,981,841</b>



Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

3. Income

	General funds	Designated funds	Restricted & Endowment funds	2018 Total	2017 Total
	£	£	£	£	£
<b>Donations and legacies</b>					
Congregational collections and giving	196,178	-	-	196,178	219,979
Donations	118,316	56,769	21,430	196,515	149,333
Donations from St Edmund Foundation	13,268	-	-	13,268	39,628
Income from appeals and fund raising	16,952	-	-	16,952	15,265
Income from Friends and FOCC	750	-	-	750	12,450
Legacies	-	-	-	-	20,000
	<b>345,464</b>	<b>56,769</b>	<b>21,430</b>	<b>423,663</b>	<b>456,655</b>
<b>Grants receivable</b>					
Church Commissioners	-	-	293,943	293,943	289,584
Government grants for roof and clerestory repairs	-	-	165,400	165,400	208,387
Other revenue grants	-	-	-	-	950
			<b>459,343</b>	<b>459,343</b>	<b>498,921</b>
<b>Charges and fees arising in the course of mission</b>					
Facility and other fees	35,877	-	-	35,877	31,110
<b>Trading and fundraising</b>					
Gross income of shop and PK's	467,118	-	-	467,118	461,655
Lego kit sales	20,138	-	-	20,138	50,149
Income from visitors	7,094	2,835	-	9,929	11,431
Exhibitions	17,303	-	-	17,303	11,228
	<b>511,653</b>	<b>2,835</b>	<b>-</b>	<b>514,488</b>	<b>534,463</b>
<b>Investments</b>					
Property	46,355	-	-	46,355	24,805
Investments	3,511	-	2,227	5,738	2,570
	<b>49,866</b>	<b>-</b>	<b>2,227</b>	<b>52,093</b>	<b>27,375</b>
<b>Total income</b>	<b>942,860</b>	<b>59,604</b>	<b>483,000</b>	<b>1,485,464</b>	<b>1,548,524</b>

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

4. Expenditure on mission

	General funds £	Designated funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Raising funds</b>					
Costs of facilities for visitors	19,991	-	-	19,991	50,621
Shop, refectory and conference centre	405,183	-	-	405,183	425,438
General marketing costs	14,582	-	-	14,582	37,900
Investment property costs	-	-	-	-	10,783
Cost of appeals and fundraising	16,662	-	-	16,662	28,780
Lego kit costs	-	-	-	-	18,233
Support costs	33,025	-	48,560	81,585	73,404
	<u>489,443</u>	<u>-</u>	<u>48,560</u>	<u>538,003</u>	<u>645,159</u>
<b>Ministry</b>					
Clergy stipends and working expenses	18,116	-	105,288	123,404	135,708
Clergy housing costs	16,310	-	-	16,310	13,847
Clergy support costs	3,790	-	6,226	10,016	9,011
Services and music costs	139,333	1,816	74,288	215,437	207,900
Support costs	23,910	-	29,884	53,794	45,267
	<u>201,459</u>	<u>1,816</u>	<u>215,686</u>	<u>418,961</u>	<u>411,733</u>
<b>Cathedral and precincts upkeep</b>					
Major repairs and restoration	-	-	113,382	113,382	257,924
Maintenance and interior upkeep	74,933	-	32,642	107,575	71,479
Cathedral insurance	45,899	-	-	45,899	43,513
Precinct, security and gardens upkeep	3,850	-	720	4,570	4,080
Support costs	36,078	-	14,940	51,018	46,013
	<u>160,760</u>	<u>-</u>	<u>161,684</u>	<u>322,444</u>	<u>423,009</u>
<b>Education and outreach</b>					
Educational activities	47,959	3,805	2,462	54,226	51,865
Archives and library	304	624	-	928	438
Charitable and other giving	2,701	-	-	2,701	10,913
Support costs	6,990	-	6,226	13,216	11,241
	<u>57,954</u>	<u>4,429</u>	<u>8,688</u>	<u>71,071</u>	<u>74,457</u>
<b>Community, parish &amp; congregation</b>					
Community, parish & congregation	3,427	25,753	-	29,180	1,364
Support costs	15,527	-	18,677	34,204	29,688
	<u>18,954</u>	<u>25,753</u>	<u>18,677</u>	<u>63,384</u>	<u>31,052</u>
<b>Other expenditure</b>					
Bank charges and interest payable	139	-	-	139	126
Crimson Glory (WW1)	-	19,509	-	19,509	
Other items	8,704	-	-	8,704	18,345
	<u>8,843</u>	<u>19,509</u>	<u>-</u>	<u>28,352</u>	<u>18,471</u>
<b>Total expenditure on mission</b>	<u>937,413</u>	<u>51,507</u>	<u>453,295</u>	<u>1,442,215</u>	<u>1,603,881</u>

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

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

	2018 £	2017 £
Auditors remuneration for:		
- audit services	5,875	5,700
- other services	2,867	2,543
Depreciation	<b>20,710</b>	22,157

6. Investments (Group and Cathedral)

	General funds £	Designated funds £	Restricted & Endowment funds £	Total funds £
<i>Investments at market value</i>				
At 1 January 2018	32,766	-	67,761	<b>100,527</b>
Additions during the year	100,000	-	-	<b>100,000</b>
Transfer between funds	11,529	-	(11,529)	-
Net increase on revaluation	(4,534)	-	(2,601)	<b>(7,135)</b>
<b>At 31 December 2018</b>	<b>139,761</b>	-	<b>53,631</b>	<b>193,392</b>

Investments comprise fixed interest securities of £183,292 (2017: £90,427) and unquoted shares of £10,100 (2017: £10,100).

7. Non-investment property (Group and Cathedral)

	General funds £	Designated funds £	Endowment funds £	Total funds £
<i>Freehold Property at valuation</i>				
<b>At 1 January 2018</b>	2,435,000	-	3,445,000	5,880,000
Net increase on revaluation				
<b>At 31 December 2018</b>	<b>2,435,000</b>	-	<b>3,445,000</b>	<b>5,880,000</b>
<i>for clergy and staff housing and offices</i>	1,985,000	-	3,445,000	5,430,000
<i>for trading activities</i>	450,000	-	-	450,000

The Cathedral's properties are revalued every five years. They were last revalued at 31 December 2017 by Bedford Estate Agents on a market value basis.

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

7. Non-investment property (Group and Cathedral) (continued)

Included above is staff housing at 3 Crown Street, Bury St Edmunds, currently valued at £535,000. 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.

8. Equipment

(a) Group	Unrestricted funds £	Restricted funds £	Total funds £
Cost at 1 January 2018	220,291	101,639	321,930
Additions	3,337	-	3,337
Disposals	-	-	-
<b>Cost at 31 December 2018</b>	<b>223,628</b>	<b>101,639</b>	<b>325,267</b>
Depreciation at 1 January 2018	168,446	30,443	198,889
Depreciation	17,341	3,369	20,710
On disposal	-	-	-
<b>Depreciation at 31 December 2018</b>	<b>185,787</b>	<b>33,812</b>	<b>219,599</b>
<b>Net book value at 31 December 2018</b>	<b>37,841</b>	<b>67,827</b>	<b>105,668</b>
Net book value at 31 December 2017	51,845	71,196	123,041
<b>(b) Cathedral</b>			
Cost at 1 January 2018	49,916	101,639	151,555
Additions	-	-	-
Disposals	-	-	-
<b>Cost at 31 December 2018</b>	<b>49,916</b>	<b>101,639</b>	<b>151,555</b>
Depreciation at 1 January 2018	44,127	30,443	74,570
Depreciation	1,083	3,369	4,452
On disposal	-	-	-
<b>Depreciation at 31 December 2018</b>	<b>45,210</b>	<b>33,812</b>	<b>79,022</b>
<b>Net book value at 31 December 2018</b>	<b>4,706</b>	<b>67,827</b>	<b>72,533</b>
Net book value at 31 December 2017	5,789	71,196	76,985



Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

9. Stocks

	Group		Cathedral	
	2018 £	2017 £	2018 £	2017 £
Goods for resale	<u>122,871</u>	<u>124,862</u>	<u>65,096</u>	<u>71,773</u>

10. Debtors: amounts falling due within one year

Trade debtors	15,269	14,782	12,420	13,059
Amounts owed by subsidiary undertakings	-	-	96,895	176,566
Amounts owed by related parties	3,504	6,512	3,504	6,512
Prepayments	1,776	8,974	1,460	6,463
Accrued income	32,117	18,632	23,442	13,428
Other debtors	13,947	8,408	13,946	8,409
	<u>66,613</u>	<u>57,308</u>	<u>151,667</u>	<u>224,437</u>

11. Creditors: amounts falling due within one year

Trade creditors	24,893	36,633	21,171	32,064
Other taxes and social security	30,424	20,415	27,066	18,429
Other creditors	4,671	13,949	4,515	5,113
Accruals and deferred income	36,358	20,732	30,837	20,732
	<u>96,346</u>	<u>91,729</u>	<u>83,589</u>	<u>76,338</u>

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

Group and Cathedral	2018 £	2017 £
<b>Diocesan Board of Finance and Church Commissioners</b>		
Secured, interest free loans repayable on sale of 3 Crown Street	<u>445,833</u>	<u>445,833</u>
<b>These loans are due for repayment as follows:</b>		
In more than five years	<u>445,833</u>	<u>445,833</u>

As stated in note 7, 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. The revaluation of the property at 31 December 2017 resulted in an increase in the loan of £58,333.

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

**13. Employees**

**(a) Number of employees (head count basis)**

The average number of employees during the year was 51, comprising St Edmundsbury Cathedral 28 and St Edmundsbury Cathedral Enterprises Limited 23 (including 6 directors). (2017: St Edmundsbury Cathedral 31 and St Edmundsbury Cathedral Enterprises Limited 25 (including 6 directors)).

**(b) Emoluments**

	2018 £	2017 £
St Edmundsbury Cathedral	481,434	545,173
St Edmundsbury Cathedral Enterprises Limited	169,139	167,594
	650,573	712,767

The emoluments total includes employers' NI contributions and pension contributions of £32,482 (2017: £41,573) and £41,319 (2017: £47,634) 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.

**(c) Remuneration of members of the Cathedral Chapter**

During the year the following members of Chapter received remuneration (included in total emoluments above) in their capacity as Cathedral clergy:

	Remuneration £	Pension contributions £
Dean - F Ward	2,958	(909)
Dean – J Hawes	16,840	5,515
Canon Precentor	27,563	9,460
Sub Dean & Canon Pastor	27,563	9,460

The remuneration and pension contributions for the Dean and Residentiary Canons are paid by the Church Commissioners in accordance with national scales laid down annually by the Archbishops' Council and the Church of England Pension Board, and are not a cost to the Cathedral Chapter.

During the year, one member of chapter did not receive a stipend, instead volunteering their time. As there is no reliable estimate of the stipend that this individual would have received, the value of this time has not been included in these accounts.

**(d) Expenses of members of the Cathedral Chapter**

Working expenses for travel, entertainment and office costs were reimbursed to three members during the year amounting to £13,600 (2017: £5,500). £8,750 of this related to rental costs whereby donations were received (2017: £5,500).

**Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)**

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**13. Employees – Pensions (continued)**

**(e) Pensions**

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

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, 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. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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 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 contributions payable (2018: £17,792; 2017: £17,298).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2016. This revealed, on the ongoing assumptions used, a deficit of £14.2m. There is no requirement for deficit payments at the current time.

Pension Builder 2014 will be valued in relation to the lump sum payable to members at normal pension age. There are no annual pension benefits. The first full valuation of this section was carried out as at the CWPF valuation date, 31 December 2016, and revealed a surplus of £1.8m.

**14. Transfers**

The transfers between unrestricted and restricted funds relate to funds designated for missionary giving, and other transfers authorised by Chapter (see note 18).

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

15. 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 2018 are consolidated in these financial statements. An extract from the company's financial statements is provided below:

	2018 £	2017 £
<b>Turnover</b>	<b>468,618</b>	461,665
Cost of sales	<b>(160,547)</b>	(162,416)
<b>Gross profit</b>	<b>308,071</b>	299,249
Administrative expenses	<b>(246,502)</b>	(249,200)
Other income		-
<b>Profit before contributions to Cathedral</b>	<b>61,569</b>	50,049
Rent	<b>(19,200)</b>	(21,600)
Administration fee	<b>(12,000)</b>	(12,000)
<b>Profit/(loss) on ordinary activities after taxation</b>	<b>30,369</b>	16,449
Retained profit brought forward	<b>47,965</b>	31,516
<b>Retained profit carried forward</b>	<b>78,334</b>	47,965
 <b>Balance Sheet</b>		
Fixed assets	<b>33,135</b>	46,058
Current assets	<b>162,851</b>	193,969
Current liabilities	<b>(117,552)</b>	(191,962)
<b>Total net assets</b>	<b>78,434</b>	48,065
 Share Capital	<b>100</b>	100
Profit and loss account	<b>78,334</b>	47,965
	<b>78,434</b>	48,065

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

15. Related entities (*Continued*)

(b) Connected Charity

The Cathedral Fund, Bury St Edmunds was a separate registered charity used in previous years to administer a number of fund-raising appeals for the development of the Cathedral. The charity was removed from the register on 27 June 2017 having transferred its remaining funds of £535 to St Edmundsbury Cathedral.

(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  
R A Vestey Memorial Trust

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	R A Vestey Memorial Trust
Year ended	31/12/18	31/12/18	31/08/18	3/5/17
	£	£	£	£
Gross income	<u>4,776</u>	<u>32,824</u>	<u>13,009</u>	<u>1,400</u>
Net income/(expenditure)	<u>(9,632)</u>	<u>2,779</u>	<u>(8,605)</u>	<u>650</u>
Amount paid to the Cathedral	<u>13,268</u>	<u>750</u>	-	-
Net assets	<u>29,908</u>	<u>129,837</u>	<u>28,471</u>	*

\* Total funds held in investments and cash amounted to £106,514 as at 31 December 2018.

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

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

	Balance at 1.1.18 £	Unrealised gain/(loss) £	Fund movement			Fund transfers £	Balance at 31.12.18 £	Asset analysis at 31 December 2018				
			New funds £	Income for year £	Expenditure for year £			Fixed Investment assets £	Bank deposits £	Debtors/ (creditors) £	Total £	
<i>Restricted Income Funds</i>												
Treasury Fund	1,020	-	6	-	(149)	-	877	-	-	877	-	877
Abbey Heritage Partnership	-	-	402	20	(422)	-	-	-	-	-	-	-
Adult Education	5,280	-	-	-	-	-	5,280	-	-	5,280	-	5,280
Enterprises Development Fund	2,194	-	-	-	-	-	2,194	-	-	2,194	-	2,194
Garth Development Fund	1,219	-	-	-	-	-	1,219	-	-	1,219	-	1,219
Tower Illumination Fund	2,012	-	-	-	-	-	2,012	-	-	2,012	-	2,012
Garden of remembrance	1,202	-	-	-	(720)	-	482	-	-	482	-	482
Church Commissioners	-	-	-	293,943	(293,943)	-	-	-	-	-	-	-
Hasted Bequest	68,577	(2,601)	-	2,207	(14,552)	-	53,631	53,631	-	-	-	53,631
Musical Instruments Fund	71,211	-	-	-	(3,384)	-	67,827	-	67,827	-	-	67,827
Robert Lucas Choir Fund	20,000	-	-	-	-	-	20,000	-	-	20,000	-	20,000
Choir Tour Fund	5,463	-	18,559	-	(22,962)	-	1,060	-	-	1,060	-	1,060
Derek Marsden Memorial fund	3,854	-	-	-	(1,320)	-	2,534	-	-	2,534	-	2,534
Kagera Fund	-	-	2,462	-	(2,462)	-	-	-	-	-	-	-
Clerestory Repair Project	(51,758)	-	165,401	-	(113,381)	-	262	-	-	262	-	262
	130,274	(2,601)	186,830	296,170	(453,295)	-	157,378	53,631	67,827	35,920	-	157,378
<b>Total Restricted Funds - Consolidated</b>	<b>130,274</b>	<b>(2,601)</b>	<b>186,830</b>	<b>296,170</b>	<b>(453,295)</b>	<b>-</b>	<b>157,378</b>					
<b>Endowment Fund</b>	<b>3,445,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,445,000</b>	<b>3,445,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,445,000</b>
<b>TOTAL</b>	<b>3,575,274</b>	<b>(2,601)</b>	<b>186,830</b>	<b>296,170</b>	<b>(453,295)</b>	<b>-</b>	<b>3,602,378</b>	<b>3,498,631</b>	<b>67,827</b>	<b>35,920</b>	<b>-</b>	<b>3,602,378</b>



Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

16 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
Adult Education	- for adult education in the arts and theology
Discovery Centre Education	- for Discovery Centre resources
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
Robert Lucas Fund	- for expenditure on the choir
Choir Tour Fund	- costs of Choir tour
Absalom Fund	- for the costs of visit from Kagera
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
Clerestory Repair Fund	- for repair of Clerestory

Notes to the consolidated financial statements for the year ended 31 December 2018 (Continued)

16 Summary of funds (continued)

(c) Unrestricted Funds

Note	Funds movement						Asset analysis at 31 December 2018					Total £
	Balance at 1.1.18 £	Unrealised gain/(loss) £	New Funds £	Income for year £	Expenditure for year £	Fund transfers £	Balance at 31.12.18 £	Fixed assets £	Bank deposits/ (overdraft) £	Stock/ Debtors/ (creditors) £	Long term creditors £	
<i>Designated Funds</i>												
Cockram Bequest - Capital	26,011	-	-	-	-	-	26,011	-	26,011	-	-	26,011
Organ Repairs & Maintenance	999	-	-	-	(999)	-	-	-	-	-	-	-
Missionary giving account	500	-	-	-	-	-	500	-	500	-	-	500
L J Alderton (Historic Library)	789	-	913	-	(624)	-	1,078	-	1,078	-	-	1,078
Pilgrimage fund	66	-	26,813	-	(25,366)	-	1,513	-	1,513	-	-	1,513
St Ed Singers fund	1,173	-	79	-	(595)	-	657	-	657	-	-	657
Christian Learning Group	296	-	559	-	(388)	-	467	-	467	-	-	467
Discovery Centre	10,563	-	-	-	(2,340)	-	8,223	-	8,223	-	-	8,223
Chapel refurbishment	1,587	-	-	-	-	-	1,587	-	1,587	-	-	1,587
Discovery Centre appeal	1,934	-	-	-	(1,465)	-	469	-	469	-	-	469
Cathedral lent retreat	-	-	-	-	-	-	-	-	-	-	-	-
Dean & Bishops Honours stone	-	-	-	-	-	-	-	-	-	-	-	-
Clergy Discretionary Fund	969	-	-	-	(134)	-	835	-	835	-	-	835
Clerestory Repair project	-	-	-	-	-	-	-	-	-	-	-	-
Youth Minister	1,048	-	-	-	-	-	1,048	-	1,048	-	-	1,048
Morden Collage Music Fund	-	-	8,000	-	-	-	8,000	-	8,000	-	-	8,000
Crimson Glory WW1	-	-	19,943	2,834	(19,509)	(1,500)	1,768	-	1,768	-	-	1,768
Flower Fund	87	-	463	-	(87)	-	463	-	463	-	-	463
	46,022	-	56,770	2,834	(51,507)	(1,500)	52,619	-	52,619	-	-	52,619
<i>General fund</i>	2,320,479	(4,534)	-	474,241	(507,062)	1,500	2,284,624	2,579,467	9,816	141,174	(445,833)	2,284,624
<b>Total unrestricted funds - Cathedral</b>	<b>2,366,501</b>	<b>(4,534)</b>	<b>56,770</b>	<b>477,075</b>	<b>(558,569)</b>	<b>-</b>	<b>2,337,243</b>	<b>2,579,467</b>	<b>62,435</b>	<b>141,174</b>	<b>(445,833)</b>	<b>2,337,243</b>
St Edmundsbury Cathedral Enterprises Limited	40,066	-	-	468,619	(430,351)	-	78,334	33,135	93,235	(48,036)	-	78,334
<b>Total unrestricted funds – consolidated</b>	<b>2,406,567</b>	<b>(4,534)</b>	<b>56,770</b>	<b>945,694</b>	<b>(988,920)</b>	<b>-</b>	<b>2,415,577</b>	<b>2,612,602</b>	<b>155,670</b>	<b>93,138</b>	<b>(445,833)</b>	<b>2,415,577</b>

Notes to the consolidated financial statements for the year ended 31 December 2018 (*Continued*)

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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 10:10 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
Marion Mingins Fund	funds held for eye clinic at Jachie
Discovery Centre	for Discovery Centre resources
Chapel refurbishment	for refurbishment of chapels
Discovery Centre appeal	for use by Discovery Centre
Cathedral lent retreat	for lent retreat
Deans & Bishops Honours Stone	For Deans & Bishops memorial stone
Clergy Discretionary Fund	Donations to clergy for discretionary use
Youth Minister	For engaging a youth minister