

CATHEDRAL CHURCH OF THE HOLY AND UNDIVIDED TRINITY OF CARLISLE

England & Wales · Charity number 1200677

Details

Other names CARLISLE CATHEDRAL

Status Registered

Legal form Other

Registered 2022-10-13

Register [View on the Charity Commission register](#)

Contact

Address The Abbey
Carlisle
CA3 8TZ

Phone 01228548151

Email info@carlislecathedral.org.uk

Website <https://carlislecathedral.org.uk/>

Activities

Objects: THE OBJECTS OF THE CHAPTER ARE(A) TO ADVANCE THE CHRISTIAN RELIGION IN ACCORDANCE WITH THE FAITH AND PRACTICE OF THE CHURCH OF ENGLAND, IN PARTICULAR BY FURTHERING THE MISSION OF THE CHURCH OF ENGLAND;(B) TO CARE FOR AND CONSERVE THE FABRIC AND STRUCTURE OF THE CATHEDRAL CHURCH BUILDING;(C) TO ADVANCE ANY OTHER CHARITABLE PURPOSES WHICH ARE ANCILLARY TO THE FURTHERANCE OF THE PURPOSE REFERRED TO IN SUB-PARAGRAPH (A) OR (B).THE CHAPTER MUST ACT FOR THE PUBLIC BENEFIT WITHIN THE MEANING OF SECTION 4(3) OF THE CHARITIES ACT 2011.

Activities: The purpose is to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England; to care for and conserve the fabric and structure of the Cathedral Church building; to advance any other charitable purposes which are ancillary to the furtherance of the purposes referred to above.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,753,142	£1,574,805	£11,159,297	46
2023-12-31	£1,614,226	£1,474,393	£10,933,340	41

Trustees

Name	Role	Appointed
Rev Michael John Everitt	Chair	2025-08-04
ALAN JAMES JOHNSTON		2019-09-22
James Fryer-Spedding		2022-02-05
Julie Clayton		2025-05-13
Paul Gareth James Agnew		2025-07-14
Rev Peter Wilfrid Gunstone		2025-06-29
Ruth Joy Crossley		2022-07-05
THE REVD CANON DR BENJAMIN HUW CARTER		2021-04-25
Trevor Hebdon		2021-04-27

Accounts

**Cathedral Church of the Holy and
Undivided Trinity of Carlisle**

Consolidated Financial Statements

For the year ended

31 December 2024

Charity no: 1200677



Index to the Financial Statements

	Page
Reference and Administrative Details	1
Annual Report of the Trustees	3
Trustees' Responsibilities in relation to the Financial Statements	14
Independent Auditors' Report	15
Consolidated Statement of Financial Activities	19
Consolidated Balance Sheet	20
Carlisle Cathedral Balance Sheet	21
Consolidated Statement of Cash Flows	22
Notes to the Financial Statements	23

REFERENCE AND ADMINISTRATION DETAILS

Title:	Cathedral Church of the Holy and Undivided Trinity of Carlisle
Registered Office:	The Cathedral Office West Walls CARLISLE CA3 8UF
Charity number	1200677
Working name	Carlisle Cathedral

Members of Chapter:

The Dean:	The Very Reverend Jonathan Brewster
Residentiary Canons:	The Reverend Canon Dr Benjamin Carter – <i>Canon Warden</i> The Reverend Canon Michael Manley – <i>Canon Missioner</i> (resigned 26 th October 2024)
Lay Members:	Canon James Spedding – <i>Senior Non-Executive Member</i> Canon Alan Johnston – <i>Canon Treasurer</i> Canon Alison Clarricoats The Revd Canon Ruth Crossley Canon Trevor Hebdon

Advisers to the Chapter:

Operations and Finance:

Chief Operating Officer	Mrs Edith McColgan Mrs McColgan also fulfilled the role of Chief Financial Officer until 10 th June 2024
Head of Finance	Mrs Victoria Farish (appointed on 11 th June 2024)

Audit & Risk Committee:	Canon Simon Harper (Chair) Mr Charles Proctor Canon Trevor Hebdon Canon Alan Johnston
------------------------------------	--

Finance Committee:	Canon Alan Johnston (Chair) Mr Myles Thompson The Reverend Canon Dr Benjamin Carter Mrs Alison Welton Mr Paul Agnew (appointed 12 th June 2024)
---------------------------	--

Nominations Committee:	Canon James Spedding (Chair) Canon Alison Clarricoats The Reverend Canon Dr Benjamin Carter Mrs Clare Hansford
-------------------------------	---

Fabric Advisory Committee:	Mr Charles Blackett-Ord (Chair) The Reverend Canon Peter Cavanagh Mrs Janaki Spedding The Reverend Canon Christopher Morris
-----------------------------------	--

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2024

(retired 28th May 2024)
Mr Humphrey Welfare
Dr Howard Coutts

Surveyor to the Fabric: Ulrike Knox
Knox McConnell Architects Ltd
24 Victoria Road
Saltaire
BRADFORD
BD18 3JR

Cathedral Archaeologist: Mr David Heslop

Auditors: Dodd & Co Audit Limited
Chartered Accountants & Registered Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill
CARLISLE
CA1 2RW

Bankers: The Royal Bank of Scotland
Drummond House
1 Redheughs Avenue
EDINBURGH
EH12 9JN

Investment Managers: Rathbones Investment Management
George House
50 George Square
GLASGOW
G2 1EH

CCLA Investment Management Ltd
Senator House
85 Queen Victoria St
LONDON
EC4V 4ET

The Charities Properties Fund
c/o Cordea Savills LLP
33 Margaret Street
LONDON
W1G 0JD

M & G Charities
P.O. Box 9038
CHELMSFORD
CM99 2XF

Schroder Unit Trusts Limited
P.O. Box 1102
CHELMSFORD
CM99 2XX

ANNUAL REPORT OF THE TRUSTEES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution of the Cathedral

The Constitution was adopted on 29th June 2022 in accordance with the Cathedrals' Measure 2021. Registered Charity Status was achieved on 13th October 2022 (RCN 1200677).

Charitable objects

Under the Cathedral's Measure 2021, the objects of the Chapter are: (a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England; (b) to care for and conserve the fabric and structure of the cathedral church building; (c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b). The Chapter must act for the public benefit within the meaning of section 4(3) of the Charities Act 2011 as amended by the Charities Act 2022.

The Appointment of Chapter Members

Chapter Members

The Dean
Senior Non-Executive Member (SNEM)
Residentiary Canons
Non-Executive Members

Appointed by

His Majesty
The Bishop
The Bishop
Chapter with approval of the Bishop

Roles and Responsibilities

The Chapter and its Officers

The Dean is Chair of the Chapter. It shall be the duty of the Chapter to direct the overall strategy and governance of the Cathedral. The Chapter met on six occasions during the year.

The Chief Operating Officer is the Chair of the Senior Management Team and prepares the business for the meetings of the Chapter, in conjunction with the Dean, and all decisions are recorded.

The Head of Finance, along with the Chief Operating Officer, is responsible for reporting the financial activities of the Cathedral to the Chair of the Finance Committee.

Chapter members are appointed in accordance with the Constitution and Statutes. Non-Executive Members/Trustees are appointed for terms of three years and can serve a total of three terms.

Newly appointed Chapter Members receive external training through the Association of English Cathedrals (AEC) and the Charity Commission.

Chapter's arrangements for setting the pay and remuneration of key senior staff do not differ from the arrangements for appointing all lay staff.

College of Canons

The College of Canons has the following functions: a) to discuss matters concerning the life of the Cathedral; b) to share in the ministry of worship, witness and hospitality offered in and through the Cathedral; c) to receive and note the Annual Report and Audited Accounts of the Cathedral.

The College of Canons met once during the year.

OBJECTIVES AND ACTIVITIES

OUR VISION

- To be a living community of faith which proclaims afresh the good news of God's love to City, County and beyond

OUR PURPOSE

Praying

- Maintaining of daily prayer in varied styles as the heartbeat of the Cathedral's life
- Sustaining the music pathway of the Anglican Choral Tradition and engaging with more than 40 chorister families
- Ensuring a commitment to the quality of the content of all the worship we offer

Cherishing

- Working to build a community of faith, hope and love
- Being committed to a ministry of welcome and hospitality for all
- "Treading gently" in order to achieve a more sustainable lifestyle

Transforming

- Seeing the Cathedral as a channel of God's transforming purpose and power
- Being open to change ourselves – individually and corporately
- Recognising that we are being transformed by Jesus Christ in order to transform the world

OUR VALUES

Unity

- Commit time to building the life of our community
- Work as a team with internal colleagues and external allies
- Listen to one another and to voices in the wider community

Truth

- Promote learning through faith and heritage
- Encourage creativity and imagination
- Respect one another's view

Love

- Embody God's love in our worship, witness and welcome
- Promote loving community where justice is seen to matter
- Affirm common humanity in our work of pastoral care

ACHIEVEMENTS AND PERFORMANCE

Following the Cathedral's Peer Review process in late 2023, Chapter began work in the first quarter of 2024 to identify and shape a number of short-term priorities to help guide the Cathedral's progress. The following priorities were agreed and are outlined in more detail below:

1. To strengthen the Cathedral's offering of worship, mission and discipleship.
2. To secure a sustainable financial model.

3. To make the Cathedral a great place to work and achieve “Investors in People Bronze” or equivalent.
4. To agree a sustainability plan for all buildings in the precinct.
5. To strengthen the Cathedral’s connection with the City and County by:
 - (a) Clarifying and leveraging the role of the College of Canons; and
 - (b) Holding regular high-level meetings between the Cathedral & University of Cumbria.

Alongside these priorities, several external and internal developments also shaped our work and influenced our capacity to deliver during 2024.

There were changes within the Cathedral Clergy Team. Canon Michael Manley (Canon Missioner), who served the cathedral for two decades, took up a new post in the Diocese of Blackburn. The Revd Dr Belinda Stanley (Assistant Curate), who offered valuable pastoral and liturgical support moved to a new post at Hereford Cathedral. The contribution of both is greatly missed. We are thankful for the support of members of the College of Canons and retired clergy who generously supported public worship during 2024.

In December 2023, the Crown Nominations Committee were unable to appoint a Diocesan Bishop resulting in an 18-month vacancy. During this period the newly appointed Dean supported the Bishop of Penrith, now Acting Bishop of Carlisle, the Rt Revd Robert Saner Haigh, through active participation in the Bishop’s Leadership Team and other areas of Diocesan leadership.

Along with all other Cathedrals and Dioceses in the Church of England, the independent safeguarding group INEQE conducted a safeguarding audit of the Cathedral. This involved the preparation of a comprehensive submission in Autumn 2024 and significant preparatory work ahead of their visit in January 2025.

1. To strengthen the Cathedral's offering of worship, mission and discipleship.

Worship remains central to the life of the Cathedral. Throughout 2024, clergy, vergers, the music department, and dedicated volunteers upheld the high standards of regular worship, maintaining three services daily.

The Cathedral welcomed an increased number of special services, including the installation of the new Archdeacon of Carlisle, the 30th anniversary of women’s ordination, the 50th anniversary of Cumbria County, and a celebration for Parish Safeguarding Officers. Regular military services continued, including the regimental and Battle of Britain services, as well as a commemoration of the 80th anniversary of the Arnhem campaign. Easter and Christmas services remained key highlights, with attendance levels returning to pre-pandemic numbers.

Daily prayer through the Offices and Eucharists has sustained Sunday worship, including the main Cathedral services and the All-Age Celebration, now led by volunteers following the Canon Missioner’s departure. Music remains integral to this rhythm, with contributions from the Cathedral choirs.

Cathedral Choir

The year began with the traditional Choristers’ Christmas Party, funded by the Carlisle Cathedral Choirs’ Association. In January, the choir bid farewell to four boy choristers, followed by the departure of five Year 8 girl choristers in the summer. The choir continues to evolve, with new Year 4 choristers formally admitted in September. We were awarded grants from the

Cathedral Music Trust and Edington Music Festival Association, and The Williams Church Music Trust, for chorister singing lessons over two years starting in September. We also received a number of donations specifically for our music programme and, at the end of 2024, we had 20 chorister sponsors. The Friends of Carlisle Cathedral supported the organ scholarship.

Performances included Stainer's *The Crucifixion* during Holy Week, a Summer Concert, and the Hadrian's Choirs' Festival in Hexham. At Christmas, two rebranded *Carols by Candlelight* concerts were both musical and financial successes.

Cantate

The Cantate Children's Choir remains strong with around 35 members, benefiting from Outreach School recruitment. Their performance at the Crib Service was a highlight, and they now sing in all Plus Eucharists. Outreach concerts continue with schools booking two years in advance, with reservations already made for 2026.

Consort

The Consort expanded both in numbers and musical proficiency, incorporating former choristers and new members alike. In the summer, they sang evensong at Irton and bid farewell to four long-serving members, including two who had sung for over 22 years. A former member secured a Choral Scholarship at King's College, Cambridge, joining their world-famous choir in September.

Beyond these missional activities, we continued to develop the Cathedral engagement programme. We secured £9,400 from the UK Government through the Shared Prosperity Fund for our *Rest Under the Stars: A Cumbrian Journey*. This project has continued in partnership with local inclusive arts charity, Prism, since 2022 with a tour to communities across West Cumbria, offering a creative approach from which the history and heritage of the iconic building of Cumbria's only cathedral would act as an inspirational beacon to encourage Cumbrian residents to record and depict in sound and art their stories of journeys and rest through their lives.

2. To secure a sustainable financial model

Strong financial management and another excellent performance from Carlisle Cathedral Enterprises Ltd contributed to a very satisfactory outcome for 2024.

Despite this, the Cathedral was not immune from increasing costs, particularly in utilities and ongoing building maintenance, challenges shared by similar organisations. These pressures underscore the importance of robust financial planning and careful budget management.

To support long-term sustainability, we continue to seek new sources of income, including funding from grant-making trusts and expanding our commercial and events programme. The Christmas Tree Festival was a notable success bringing many visitors to the Cathedral with a positive effect on income. This was made possible thanks to funding from the Cumberland Council Community Fund and festival sponsorship from A.W. Jenkinson Forest Supplies.

Visitor numbers have grown throughout the year, and we are optimistic that this upward trend will continue helping to boost gift income and revenue from the café and shop.

Our Finance Committee and Audit and Risk Committee continue to provide oversight, scrutiny and challenge in financial matters, ensuring that all financial activity and areas of risk identified under our risk management framework are robustly managed.

Looking ahead, our financial forecast for 2025 remains challenging. Rising costs persist, and our focus remains firmly on prudent financial management, growing existing income streams

and actively seeking new sources of income to ensure the Cathedral's financial sustainability for the future.

3. To make the Cathedral a great place to work and achieve “Investors in People Bronze” or equivalent

In late 2024, the Senior Management Team, with support from Chapter, appointed Realise HR, a multi-award-winning consultancy based in Cumbria, to work with our staff across all teams to better understand how we can all work together to deliver the mission and vision of the Cathedral.

In addition to the regular monthly staff meetings and the annual staff INSET Day, we have continued to introduce more opportunities where staff can ‘get together’ in an informal way. Examples include staff taking part in the ‘Give a Day’ initiative where staff gave a morning to work together on a community garden project at the Tullie House Museum. In 2025 we will continue the roll out of the process of regular staff supervision and annual appraisals.

4. To agree a sustainability plan for all buildings in the precinct.

Throughout 2024, significant work has been undertaken to enhance and maintain the fabric of the Cathedral buildings and precinct. These efforts have focused on improving infrastructure, accessibility, and the long-term sustainability of key properties within the Cathedral estate. Whilst much has been achieved, we are constantly aware of the resource implications of delivering such wide-ranging fabric measures and in that light are equally focussed on ensuring future income streams deriving from these improvements.

Drainage and Surface Improvements

In July, essential work was carried out to replace the damaged drainage system running from the Cathedral towards Paternoster Row. With the completion of this project, we were able to address long-standing issues with the CEDEC surface in the café cloister area. The unsatisfactory surface was replaced with Chapter-approved gravel.

Quinquennial

The Surveyor to the Fabric conducted a Quinquennial Inspection of the Deanery ensuring ongoing maintenance and planning.

Floodlighting

The new floodlighting scheme was installed during 2024 and officially launched in very early 2025. Funded by the UK Government, this is the first of the Carlisle Town Deal schemes to be completed and features the latest in energy-efficient LED technology. It will highlight the Cathedral and Fraternity as prominent landmarks. The new scheme allows for creative and dynamic lighting with changing colours and scenes.

Prior's Vault Room

During the Autumn, this ground-floor room was cleared and redecorated including a new carpet and lighting and efficient heaters installed. This was partially funded by the UK Government via the Cumberland High Council's High Street Building Grant scheme. It can now be used as an equal access space for events and meetings.

Fraternity Hall improvements

The developments have equipped the Fraternity building with modern facilities and resources, which includes a refurbished area behind the Fraternity Hall that provides a green room and changing space for performers and speakers, the installation of a high-quality audio system to support cultural engagement and the resource provision for high-quality exhibition boards for

use within publicly open spaces. All this was possible thanks to funding from the UK Government via the Shared Prosperity Fund.

LED Feasibility Study

An audit of LED lighting across all buildings in the Cathedral precinct was undertaken in early 2024, which highlighted the continued use of halogen bulbs in some areas of the Cathedral building. A grant of £2,500 was secured from the Carlisle Diocese Parish Property Fund for undertaking a feasibility study to convert the existing halogen system with LED technology. The positive outcome of the feasibility study led to the securing of £150,000 from the Church Commissioners' Net Zero Cathedrals Demonstrator Fund to demonstrate the possibilities of converting and upcycling existing infrastructure to LED technology.

The work undertaken in 2024 reflects a commitment to preserving the Cathedral's heritage while ensuring its continued functionality and sustainability. Through careful planning and strategic investment, the Cathedral precinct is being enhanced for both current and future generations.

5. To strengthen the Cathedral's connection with the City and County by:

(a) Clarifying and leveraging the role of the College of Canons:

With the departure of Canon Michael Manley (Canon Missioner) and The Revd Dr Belinda Stanley (Assistant Curate), members of the College of Canons, along with other retired clergy, have played a pivotal role in providing cover for daily Eucharists and other liturgical cover. We are especially grateful to The Revd Canon Peter Clement, The Revd Canon Ruth Crossley, The Revd David Jago, The Revd Canon Jim Hyslop, The Revd Canon John Higgins and The Revd Eric Robinson who have given time to cover services during the vacancy period.

As Honorary Canons, the College pray for the life of the Cathedral, attend an annual Chapter meeting on the Friday after Ascension Day and help to lead our midday Eucharists throughout the year. They serve as ambassadors for the Cathedral in the Diocese and we are grateful for the time and prayer they offer.

(b) Holding regular high-level meetings between the Cathedral & University of Cumbria

During 2024, in addition to holding regular graduation ceremonies, senior members of the University of Cumbria have been in discussion with the Dean and Canon Warden about further collaboration and partnership. In September 2024 the University Chaplain, The Revd Caroline Kennedy, was seconded to the Cathedral for one day a week to discover ways in which the University and Cathedral could further interact. The Canon Warden sits on the Board of the University of Cumbria.

Plans for the coming year and beyond:

Strategic Planning and Vision

The new Vision will take into account the Peer Review process at the start of 2024, the INEQE Audit recommendations, which will become available in the first quarter of 2025, and the results of a Senior Management Team Away Morning to help shape the Vision.

We take our Augustinian values seriously and want to work from a place of rest encouraging prayer and pilgrimage and a culture where everyone is enabled to flourish.

Staffing and Capacity

The start of 2025 will see the Cathedral take forward the report and recommendation received from the staff engagement piece being carried out by Realise HR.

We look forward to strengthening our staff team by welcoming our new Precentor, Canon Peter Gunstone from Bradford Cathedral. His licensing service will take place on Trinity Sunday at 3.00pm.

Funding was secured in late 2024, from the Church Commissioners' Cathedral Sustainability Fund, to appoint a full-time Visitor Experience Manager to lead on achieving and sustaining high-quality experiences for all our visitors, and also a part-time HR Officer to support the current HR function. Funding was also secured from The John Pilling Trust to support the role of Organ Scholar for two academic years starting in September 2025.

As part of our Vision, we also hope to secure funding from the Cathedral Sustainability Fund to appoint two new posts in 2025. A Director of Development will develop and lead on the strategic development of the Cathedral's non-commercial income generation. A Head of Collections will manage the care and access of our rich collections. Both of these roles are crucial for the Cathedral's long-term sustainability.

Fabric

The care of the Cathedral's Fabric remains an ongoing challenge. Chapter plans to focus on a number of areas in 2025.

Organ

Over several years, the Cathedral Organ has become increasingly unreliable and is now in need of a major overhaul. The Reverend Canon Nicholas Thistlethwaite produced an initial report for us on the current state of the organ and a way forward, in his capacity as organ adviser. The project has gone out to tender, and discussions are ongoing, with potential funding being sought for these extensive repairs.

LED Lighting in the Cathedral

The securing of funds from the Church Commissioners' Net Zero Cathedrals Demonstrator Fund and the Carlisle Diocese Parish Property Fund means that we are able to undertake a capital works project in the Cathedral building during 2025. This project will transform the lighting provision within the Cathedral, converting the remaining halogen light scheme and upcycling the existing infrastructure to LED technology.

Master Plan

We are working toward the production of a fabric masterplan for the whole precinct, with particular focus on empty properties. We also hope to secure funding to support the production of digitised plans for all of the precinct properties as part of this initiative.

St Mary's Car Park Development

Considerable thought has been given to the future of the St Mary's Car Park site, located near the Cathedral entrance. This site had been temporarily licensed by the Council for use as a car park during the Fraternity Project. In consultation with Michael Guy from the Heritage Trust for the North-West, it was advised that greater efforts should be made to generate income from under-utilized areas within the Cathedral precinct. St Mary's Car Park presents a viable opportunity for such a purpose, provided that the necessary permissions are granted, and appropriate funding secured.

Safeguarding

In the area of safeguarding, we will be working with the Diocese of Carlisle to implement the recommendations of the INEQUE audit which will be published in early 2025. This will allow the Cathedral to continue to maintain the highest safeguarding culture working with the Church of England National Safeguarding Standards. This will be supported by the full integration of the

Cathedral's safeguarding case work with the National Safeguarding Case Management System.

Statement of public benefit

As a Cathedral of the Church of England the Chapter's statutory responsibility under the Cathedrals' Measure 2021 is to be the seat of the Diocesan Bishop and a centre of worship and mission and to provide a focus for the life and work of the Church of England in the Diocese. The Chapter report explains how Chapter provides a benefit to the public through its support towards the Bishop and the Diocese's "God For All" strategy which is shared by three other Christian denominations representing the ecumenical county of Cumbria; its provision of worship, pastoral and outreach activities for the people of Carlisle and beyond, and the welcome, hospitality, music and increasing range of activities and events provided for all the Cathedral's visitors throughout the year. In setting the Cathedral's objectives the Chapter has paid due regard to the guidance set by the Church Commissioners and the Charity Commission.

Audit and Risk Committee - Report from the Chair

On an annual basis the Audit and Risk Committee is required to prepare a review of the Audit and Risk Committee's work.

The Committee met 3 times in the year ended 31st December 2024. Discussion topics included the following:

- Financial Statements and Annual Report for the year ended 31st December 2023, including accounting policies, material judgements and the basis of going concern
- Discussions with the external auditors concerning the progress of their audit and their findings arising out of their audit
- Consideration of staffing resources and the risks arising
- Continued review of the Risk Register, review of the Risk Appetite and the actions being taken by management to mitigate identified risks to ensure that these were within the desired risk appetite
- Review of the submission to INEQE as part of the independent safeguarding audit being performed on the Cathedral and the Diocese of Carlisle
- Review of Policy updates
- Review of the Annual Insurance Report

Principal risks and uncertainties

Whilst the responsibility for building a robust Risk Management Framework remains entirely with Chapter, the Audit & Risk Committee brings an additional and very important layer of oversight. During the year Chapter, with scrutiny and input from the Audit & Risk Committee, continued the review of the new Risk Management Policy and continued to evaluate and refresh the Risk Register with regard to the key risks being faced by the Cathedral.

As identified within the Risk Register, there are a number of risks and uncertainties faced by the Cathedral and, at the time of this report, there were three risks where the implementation of additional control measures is being progressed to further improve the management/mitigation of the risk and to ensure that the risk is within the desired risk appetite. These represent the highest net risks identified during the year:

- delivery of an Annual Business Development Plan (underpinned by key performance indicators) by the Senior Management Team and Heads of Department, with quarterly reporting to Chapter so that progress against the achievement of Chapter's overall strategic aims and key strategic objectives can be evaluated.
- management of the fabric of the Cathedral and associated buildings; and
- the ongoing embedding of a strong safeguarding culture.

Within the overall Risk Management Framework, the Committee has acknowledged that certain risks, by virtue of their nature, will always be regarded as high risk; however, it remains a key objective that these risks are managed and mitigated in a controlled manner.

Progress of the above is reviewed by both Chapter and the Audit & Risk Committee on a regular basis, alongside the periodic monitoring and re-assessment of each of the identified risks in line with the Risk Management Policy, whilst the Senior Management Team holds Chapter-delegated responsibility for day-to-day risk management arrangements.

Finance Committee – Report from the Chair

We were delighted in the summer of 2024 to appoint a new Head of Finance. This role had been vacant for 18 months and its successful appointment was crucial in order to allow our Chief Operating Officer to focus on the Cathedral's strategy and development for the future. We are also thankful to the Benefact Trust for supporting the staffing of our events team for one year from September, to ensure better capacity to maximise the potential of the Cathedral and the new and renewed spaces within the precinct for commercial operations and delivery.

The Finance Committee met six times during the year ended 31st December 2024. Discussion topics included:

- Financial Statements and Annual Report for year ended 31st December 2023, in conjunction with the Audit and Risk Committee.
- Review of monthly management accounts for Chapter and Carlisle Cathedral Enterprises Ltd.
- Oversight of the transfer of part of the investment portfolio to new fund managers.
- Funding of major capital expenditure projects.
- Review of policy updates.
- Oversight of process and review of budgets for 2025.

Financial review

The Chapter originally budgeted for a deficit of £133,380, excluding the distribution from CCEL. The Chapter accounts for the year ended 31st December 2024 show a net surplus in the Common Fund of £112,377 including a distribution from CCEL of £147,284, and before considering unrealised gains or losses, and without taking into consideration income and expenditure on major projects, including the Fraternity Project.

Group Incoming Common Fund resources amounted to £1,291,886 (2023 £1,234,094).

Regular sources of income including congregational giving, investment income, property and Gift Aid from visitor donations continue to come under pressure, reflecting the challenges that Chapter faces in achieving sustainable income streams. More visitors are choosing to donate to the Cathedral using electronic means such as Goodbox and other online platforms that have been set up this year.

Total group Common Fund resources expended amounted to £1,179,509 (2023 £1,109,160). Chapter continues to seek efficiency savings throughout its operations, which were notably achieved in the Cathedral. Expenditure on music is also being rigorously managed. Chapter will develop a long-term funding plan for music in order to sustain the Choir into the future and support its development.

Carlisle Cathedral Enterprises Limited accounts for the year ended 31 December 2024 show a profit before tax of £146,789 (2023: £119,140). Turnover amounted to £732,464 (2023: £598,507). This has resulted in a donation of £147,284 (2023: £118,021) to Chapter this year.

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2024

Overall, there has been a surplus this year of £225,957. This is made up of the following:

	<u>Common fund</u>	<u>Bequest</u>	<u>Abbey Propertie s</u>	<u>Fabric fund</u>	<u>Other funds</u>	<u>Fratry fund</u>	<u>Endowm ent funds</u>	<u>Total</u>
Net surplus/deficit	112,377	1,479	8,100	43,120	44,904	(30,040)	(1,603)	178,337
Unrealised gains/losses	4,504	3,700	4,364	314	1,080	-	33,658	47,620
Transfers	45,428	-	-	-	(45,428)	-	-	-
	<u>162,309</u>	<u>5,179</u>	<u>12,464</u>	<u>43,434</u>	<u>556</u>	<u>(30,040)</u>	<u>32,055</u>	<u>225,957</u>

The cash balances held by each of above funds is:

	<u>Common fund</u>	<u>Bequest</u>	<u>Abbey Properties</u>	<u>Fabric fund</u>	<u>Other funds</u>	<u>Fratry fund</u>	<u>Endowment funds</u>	<u>Total</u>
Cash held	<u>782,035</u>	<u>124,912</u>	<u>191,663</u>	<u>181,415</u>	<u>205,616</u>	<u>41,107</u>	<u>432,407</u>	<u>1,959,155</u>

Chapter is able to fund the forecasted deficits from reserves built up over previous years. We are working hard to return to a balanced budget as soon as possible and rebuild our reserves to ensure the future financial stability of the Cathedral. Central to this will be our plan to optimise the market opportunities arising from the Fraternity re-development and build important new income streams, without which the Cathedral is not likely to become financially sustainable.

Fundraising standards information

The charity does not hold any agreements with professional fundraisers or commercial participators.

Remuneration of key management personnel

Chapter determines the remuneration of the Chief Operating Officer, whose performance is reviewed by the Dean. The remuneration of senior staff is determined by Chapter on the advice of the Chief Operating Officer, who reviews their performance. Pay is set with regard to the pay of equivalent roles in English cathedrals of similar standing.

Investment policy and performance

Chapter's investment objective is to create sufficient income and capital growth to enable the Chapter to carry out its purposes consistently year by year with due and proper consideration to future needs and to maintain and enhance (where possible) the invested funds.

Investments held by the Chapter were managed and split between CCLA Investment Management Ltd, Schroders, M&G Charity funds and Rathbones Investment managers; and follow ethical investment guidelines. During the year all investments were moved to be managed by Rathbones.

Reserves Policy

Chapter holds unrestricted free reserves to manage financial risk, secure the preservation and management of its assets, and to ensure the fulfilment of its mission.

Unrestricted free reserves are held so that financial commitments are met as they fall due, optimal investment in the fabric of the Cathedral and its surrounding property is made, and to protect against uncertainties in its future income levels.

Chapter assesses that the Cathedral's need for reserves will fluctuate depending on its financial position and the assessment of the risks faced at any one time. This Reserves Policy will, accordingly, be reviewed on an annual basis. Chapter's present policy is to hold unrestricted free reserves of at least 6 months' operating costs or £389,908.

This threshold has been set by Chapter following an assessment of the following factors:

- Chapter's projected annual income and expenditure
- An assessment of risks – analysing probability and impact
- The state of the Cathedral's assets; and
- The level of fixed, non-adjustable outgoings (such as insurance etc)

The level of unrestricted reserves held in Chapter only as at 31st December 2024 were £1,940,872 of which £191,530 are designated for property repairs; £110,000 is designated for future works, £107,188 held as fixed assets, £796,407 held as investments, £663,366 held as cash to be reinvested resulting in £72,381 of free reserves.

Statement of responsibilities of the Trustees

The Cathedrals Measure 1999 and the Care of Cathedrals Measure 2011 are the two principal pieces of legislation which govern cathedrals. The Cathedrals Measure 2021 further governs Carlisle Cathedral since it registered as a charity with the Charity Commission.

The trustees are responsible under requirements laid down by the Church Commissioners under the powers given to them by the Cathedrals Measure 2021 and in accordance with applicable law and United Kingdom Accounting Standards for:

- preparing and publishing a Trustees' Report and audited financial statements which give a true and fair view of the financial activities for each financial year and of the assets, liabilities and funds at the end of each financial year of the Cathedral and its connected entities;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;
- keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time;
- safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

On behalf of the Trustees:

Dean of Carlisle

Treasurer of Carlisle Cathedral

Dated: 13 May 2025

Dated: 13 May 2025

Report of the Independent Auditors to the Cathedral Church of the Holy and Undivided Trinity of Carlisle

Year ended 31 December 2024

We have audited the consolidated financial statements of the Cathedral Church of the Holy and Undivided Trinity of Carlisle for the year ended 31 December 2024, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

In our opinion, the financial statements:

- give a true and fair view of the state of the group and the Cathedral's affairs as at 31 December 2024 and of its income and expenditure 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 guidelines specified by the Church Commissioners under the powers given to them by the Cathedrals Measure 2021 and the Charities Act 2011 as amended by the Charities Act 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to

be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Cathedrals Measure 2021 and Charities Act 2011 as amended by the Charities Act 2022 requires us to report to you if, in our opinion:

- the information in the Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

We have been appointed auditor under section 27 of the Cathedrals Measure 2021 and the Charities Act 2011 as amended by the Charities Act 2022 and report in accordance with 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 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/auditorresponsibilities. This description forms part of our auditors report.

Responsibilities of the members

As explained more fully in the statement of responsibilities set out on page 14, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;
 - detecting and responding to risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Cathedrals Measure 2021, the Cathedral SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of this report

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

Dodd & Co Audit Limited

Chartered Accountants & Registered Auditors

FIFTEEN Rosehill

Montgomery Way

Rosehill Estate

CARLISLE

CA1 2RW

Dated:

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Consolidated Statement of Financial Activities
for the year ended
31 December 2024

	Notes	31.12.24				31.12.23			
		Restricted	Unrestricted	Permanent Endowment	Total	Restricted	Unrestricted	Permanent Endowment	Total
		£	£	£	£	£	£	£	£
Income from	2								
Donations and legacies		29,863	316,425	-	346,288	26,189	299,128	-	325,317
Grants		383,020	117,623	-	500,643	309,815	158,175	-	467,990
Other trading activities		-	604,965	-	604,965	-	558,704	-	558,704
Investments		37,569	250,911	-	288,480	34,838	215,668	-	250,506
Other		-	12,766	-	12,766	-	11,709	-	11,709
Total income		450,452	1,302,690	-	1,753,142	370,842	1,243,384	-	1,614,226
Expenditure on									
Raising funds	3	28,149	563,768	1,603	593,520	30,563	518,415	-	548,978
Charitable activities:	4								
- Ministry		249,740	209,448	-	459,188	180,515	230,018	-	410,533
- Cathedral and precincts upkeep		103,649	371,725	-	475,374	118,488	308,822	-	427,310
- Education and outreach		6,353	26,125	-	32,478	6,032	33,776	-	39,808
Other	4	4,577	9,668	-	14,245	22,821	24,943	-	47,764
Total expenditure		392,468	1,180,734	1,603	1,574,805	358,419	1,115,974	-	1,474,393
Net income before gains / (losses) on investments		57,984	121,956	(1,603)	178,337	12,423	127,410	-	139,833
Net gains / (losses) on investments		1,394	12,568	33,658	47,620	(676)	(13,051)	(17,107)	(30,834)
Net income / (expenditure)		59,378	134,524	32,055	225,957	11,747	114,359	(17,107)	108,999
Transfers between funds		(45,428)	45,428	-	-	(63,777)	63,777	-	-
Net movement in funds		13,950	179,952	32,055	225,957	(52,030)	178,136	(17,107)	108,999
Funds brought forward		547,466	1,760,920	8,624,954	10,933,340	599,496	1,582,784	8,642,061	10,824,341
Funds carried forward		561,416	1,940,872	8,657,009	11,159,297	547,466	1,760,920	8,624,954	10,933,340

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Consolidated Balance Sheet as at
31 December 2024

	Notes	31.12.24				31.12.23
		Restricted	Unrestricted	Permanent Endowment	Total	Total
		£	£	£	£	£
Fixed Assets						
Non investment assets						
Property	8	-	-	5,219,172	5,219,172	5,149,172
Equipment and plant	8	-	118,375	-	118,375	117,919
Investment assets						
Property	10	-	-	1,860,000	1,860,000	1,930,000
Investments	11	133,510	789,407	1,226,583	2,149,500	3,320,571
		133,510	907,782	8,305,755	9,347,047	10,517,662
Current Assets						
Stock		-	29,465	-	29,465	31,157
Debtors	12	-	145,804	-	145,804	126,778
Cash at bank and in hand	13	428,138	1,098,610	432,407	1,959,155	554,517
		428,138	1,273,879	432,407	2,134,424	712,452
Creditors: amounts falling due within one year	14	(232)	(238,091)	(1,603)	(239,926)	(213,706)
Net Current Assets		427,906	1,035,788	430,804	1,894,498	498,746
Total assets less current liabilities		561,416	1,943,570	8,736,559	11,241,545	11,016,408
Creditors: amounts falling due after more than one year	15	-	-	(79,550)	(79,550)	(79,550)
Provision for liabilities and charges	16	-	(2,698)	-	(2,698)	(3,518)
Net Assets		561,416	1,940,872	8,657,009	11,159,297	10,933,340
Funds	17					
Designated Funds						
Emergency Fabric Works		-	90,000	-	90,000	-
LED Project		-	20,000	-	20,000	-
Unrestricted Funds						
Common Fund		-	808,480	-	808,480	756,171
Bequest Fund		-	830,862	-	830,862	825,683
Bequest Fund - Abbey Properties		-	191,530	-	191,530	179,066
Restricted Funds						
Cathedral Fabric Fund		250,669	-	-	250,669	207,235
Music Fund		217,254	-	-	217,254	215,506
Brown and Ford Prize Fund		1,460	-	-	1,460	1,427
Chapter Discretionary Fund		41,771	-	-	41,771	37,396
Jack Dix Local Mission Fund		6,167	-	-	6,167	8,721
Other Restricted Funds		4,166	-	-	4,166	1,818
LED Project		(5,625)	-	-	(5,625)	-
Whitelaw Fund		4,447	-	-	4,447	4,216
Fratry Project Fund		41,107	-	-	41,107	71,147
Permanent Endowment						
Rev. G Bennett Estate		-	-	594,148	594,148	585,840
Cathedral Endowment		-	-	1,063,239	1,063,239	1,039,492
Cathedral Property fund		-	-	6,999,622	6,999,622	6,999,622
Total Funds		561,416	1,940,872	8,657,009	11,159,297	10,933,340

The accounts of Carlisle Cathedral were approved by the Trustees and authorised for issue on 13 May 2025 and signed on its behalf by:

Dean of Carlisle
Dated: 13 May 2025

Treasurer of Carlisle Cathedral
Dated: 13 May 2025

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Carlisle Cathedral Balance Sheet as at 31 December 2024

	Notes	31.12.24				31.12.23
		Restricted	Unrestricted	Permanent Endowment	Total	Total
		£	£	£	£	£
Fixed Assets						
Non investment assets						
Property	8	-	-	5,219,172	5,219,172	5,149,172
Equipment and plant	8	-	107,188	-	107,188	103,612
Investment assets						
Property	10	-	-	1,860,000	1,860,000	1,930,000
Investments	11	133,510	796,407	1,226,583	2,156,500	3,327,571
		133,510	903,595	8,305,755	9,342,860	10,510,355
Current Assets						
Debtors	12	-	338,997	-	338,997	288,090
Cash at bank and in hand	13	428,138	882,404	432,407	1,742,949	395,790
		428,138	1,221,401	432,407	2,081,946	683,880
Creditors: amounts falling due within one year	14	(232)	(184,124)	(1,603)	(185,959)	(181,345)
Net Current Assets		427,906	1,037,277	430,804	1,895,987	502,535
Total assets less current liabilities		561,416	1,940,872	8,736,559	11,238,847	11,012,890
Creditors: amounts falling due after more than one year	15	-	-	(79,550)	(79,550)	(79,550)
Net Assets		561,416	1,940,872	8,657,009	11,159,297	10,933,340
Funds	17					
Designated Funds						
Emergency Fabric Works		-	90,000	-	90,000	-
LED Project		-	20,000	-	20,000	-
Unrestricted Funds						
Common Fund		-	808,480	-	808,480	756,171
Bequest Fund		-	830,862	-	830,862	825,683
Bequest Fund - Abbey Properties		-	191,530	-	191,530	179,066
Restricted Funds						
Cathedral Fabric Fund		250,669	-	-	250,669	207,235
Music Fund		217,254	-	-	217,254	215,506
Brown and Ford Prize Fund		1,460	-	-	1,460	1,427
Chapter Discretionary Fund		41,771	-	-	41,771	37,396
Jack Dix Local Mission Fund		6,167	-	-	6,167	8,721
Other Restricted Funds		4,166	-	-	4,166	1,818
LED Project		(5,625)	-	-	(5,625)	-
Whitelaw Fund		4,447	-	-	4,447	4,216
Fratry Project Fund		41,107	-	-	41,107	71,147
Permanent Endowment						
Rev. G Bennett Estate		-	-	594,148	594,148	585,840
Cathedral Endowment		-	-	1,063,239	1,063,239	1,039,492
Cathedral Property Fund		-	-	6,999,622	6,999,622	6,999,622
Total Funds		561,416	1,940,872	8,657,009	11,159,297	10,933,340

The accounts of Carlisle Cathedral were approved by the Trustees and authorised for issue on 13 May 2025 and signed on its behalf by:

Dean of Carlisle Cathedral
Dated: 13 May 2025

Treasurer of Carlisle Cathedral
Dated: 13 May 2025

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Consolidated Statement of Cash Flows
for the year ended
31 December 2024**

	Note	2024	2023
Cash flows from operating activities:			
Net cash provided by operating activities	23	(54,369)	(10,535)
Cash flows from investing activities:			
Dividends, interest and rents from investments		288,480	250,506
Proceeds from sale of investments		1,304,730	6,336
Purchase of investments		(86,039)	(13,737)
Purchase of property, plant and equipment		(48,163)	(75,079)
Net cash provided by investing activities:		1,459,008	168,026
Change in cash and cash equivalents in the reporting period		1,404,639	157,491
Cash and cash equivalents at the beginning of the reporting period		554,516	397,025
Cash and cash equivalents at the end of the reporting period		1,959,155	554,516
Restricted		428,138	221,733
Unrestricted		1,098,610	332,783
Endowment		432,407	-
		1,959,155	554,516
Cash on hand		708,505	554,516
Cash held to be reinvested		1,250,650	-
		1,959,155	554,516

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

1 Accounting policies

Statement of compliance

The accounts have been prepared in accordance with the *Accounting and Reporting Regulations for English Anglican Cathedrals 2018*, and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 as amended by the Charities Act 2022.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Cathedrals Measure 1999 and the Care of Cathedrals Measure 2011 are the two principal pieces of legislation which govern cathedrals. The Cathedrals Measure 2021 further governs Carlisle Cathedral since it registered as a charity with the Charity Commission.

Basis of preparation

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes

Going Concern

The Trustees have considered whether the use of the going concern basis of accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the charity's ability to continue as a going concern. They have carried out this assessment for a period of at least one year from the date of approval of these accounts.

The trustees have prepared, and keep under review, detailed budgets. As a result of this review, the members are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Income

Income is recognised in the SOFA when a transaction or other event results in an increase in the cathedral's assets or a reduction in its liabilities. Income must only be recognised when the criteria of entitlement, probability and measurement are met. Payments made direct to third parties which are never received by the Chapter are also included, along with the corresponding expenditure. The main example of this in the accounts is the stipends paid by the Church Commissioners. This income is shown as restricted, but as the income always matches the expenditure the balance at the year end is always nil.

Legacies

Legacies are accounted for when they are due. They are deemed to be due when the criteria of entitlement, probability and measurement have been met.

Grants receivable and payable

Grants are credited or charged on an accruals basis.

Expenditure

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

- Cost of raising funds comprise the costs of commercial trading and their associated support costs; and
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the cathedral and their associated support costs.

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

Support costs are those functions that assist the work of the cathedral but do not directly undertake either charitable or fundraising activities.

**Notes to the Financial Statements
for the year ended
31 December 2024**

1 Accounting policies (continued)

Tangible fixed assets

Individual fixed assets costing £200 or more are capitalised at cost and depreciated over their useful economic lives on a straight line basis as follows:

Motor vehicles	20% straight line
Equipment	20% straight line

Buildings are not depreciated, as the Chapter has a policy and practice of regular maintenance of the property. Repairs are charged to the SOFA and the Chapter therefore considers that any depreciation charge would be immaterial.

The Fraternity project buildings are included at fair value. No depreciation is charged on these assets. The fair value is determined by the value in use of the buildings, based on their service potential. As the buildings are expected to continue to meet their service potential for the foreseeable future, their value in use is reflected by the costs of construction of the buildings rather than the amount for which they can be sold in the market.

Heritage assets

Heritage assets include the cathedral and ancillary buildings and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. No value has been attributed to these assets acquired before 31 December 2024, because information on their historical cost is not available.

Investment properties

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

Investments

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

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

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

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

**Notes to the Financial Statements
for the year ended
31 December 2024**

1 Accounting policies (continued)

Equity sharing loan

In 1988 the Church Commissioners granted an equity sharing loan to finance the cost of improvements to the Deanery. The capital value of the loan is expressed as a percentage of the value of the Deanery and is repayable only if the property is sold. Interest on the loan was initially set at 3% per annum, to be increased annually by no more than the movement in the retail price index for the preceding year.

Funds

The Chapter operates restricted, unrestricted, designated and permanent endowment funds.

Restricted funds are those where the donor is specific as to the use to which the funds are to be put. The main restricted funds are the Fraternity Fund, Cathedral Fabric Fund and the Music Fund. Smaller funds are set up when specific donations make this requirement.

Unrestricted funds are those where the Chapter is free to expend the funds in accordance with the constitution. Designated funds are those set aside for a specific purpose.

There are three permanent endowment funds. The first is in the form of a legacy received from the Reverend G S Bennett. This endowment may not be expended and the income is to be spent on the annual repair and maintenance of the Cathedral. This income is therefore restricted in use and is credited to the Cathedral Fabric Fund.

The second endowment fund consists of the Cathedral Endowment Fund. These assets were transferred to the Church Commissioners under Section 24 of the Cathedrals Measure 1963. These funds may in certain circumstances be expended, but the proceeds or any replacement asset would form part of the original endowment under the terms of section 23 of the Cathedrals Measure 1963. Income from this endowment is unrestricted in use.

The third endowment is the Cathedral Property Fund, which consists of the cathedral properties that are held within the cathedral precinct, as well as the deanery loan.

Consolidation

The consolidated accounts include the accounts of the charity and subsidiary, Carlisle Cathedral Enterprises Limited, drawn up to 31 December 2024. Subsidiary undertakings are included using the acquisitions method of accounting.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

2 Income

	31.12.24			31.12.23		
	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
Donations and legacies						
Collections	-	93,961	93,961	-	96,210	96,210
Visitor donations	-	91,984	91,984	-	81,420	81,420
Donations	21,503	7,195	28,698	12,670	3,191	15,861
Appeals and fundraising	-	15,925	15,925	-	20,351	20,351
Development Trust grants	-	53,617	53,617	3,968	49,460	53,428
Friends grants	8,130	12,500	20,630	9,401	22,500	31,901
Special events	230	39,243	39,473	150	25,711	25,861
Legacies	-	2,000	2,000	-	285	285
	<u>29,863</u>	<u>316,425</u>	<u>346,288</u>	<u>26,189</u>	<u>299,128</u>	<u>325,317</u>
Grants receivable						
Church Commissioners	328,969	29,387	358,356	256,702	65,875	322,577
Other revenue and capital grants	54,051	88,236	142,287	53,113	92,300	145,413
	<u>383,020</u>	<u>117,623</u>	<u>500,643</u>	<u>309,815</u>	<u>158,175</u>	<u>467,990</u>
Trading and fundraising activities						
Visitor donations	-	7,537	7,537	-	5,748	5,748
Facility fees	-	28,626	28,626	-	24,509	24,509
Gross income from shop, café and works department	-	568,802	568,802	-	528,447	528,447
	<u>-</u>	<u>604,965</u>	<u>604,965</u>	<u>-</u>	<u>558,704</u>	<u>558,704</u>
Investments						
Rental income	-	94,960	94,960	-	83,326	83,326
Investment income	37,569	155,951	193,520	34,838	132,342	167,180
	<u>37,569</u>	<u>250,911</u>	<u>288,480</u>	<u>34,838</u>	<u>215,668</u>	<u>250,506</u>
Other						
Other income	-	12,766	12,766	-	11,709	11,709
	<u>-</u>	<u>12,766</u>	<u>12,766</u>	<u>-</u>	<u>11,709</u>	<u>11,709</u>
Total Income	<u>450,452</u>	<u>1,302,690</u>	<u>1,753,142</u>	<u>370,842</u>	<u>1,243,384</u>	<u>1,614,226</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2024**

3 Raising funds

	31.12.24				31.12.23		
	Restricted £	Unrestricted £	Permanent £	Total £	Restricted £	Unrestricted £	Total £
General marketing costs	4,023	9,564	-	13,587	7,711	1,514	9,225
Investment management fees	232	1,751	1,603	3,586	-	-	-
Property repairs and maintenance	-	5,426	-	5,426	-	3,577	3,577
Cost of trading activities	8,913	455,170	-	464,083	-	431,772	431,772
Support costs	14,981	91,857	-	106,838	22,852	81,552	104,404
	<u>28,149</u>	<u>563,768</u>	<u>1,603</u>	<u>593,520</u>	<u>30,563</u>	<u>518,415</u>	<u>548,978</u>

Investment management fees include fees paid to Rathbones this year, these were previously included in support costs.

4 Expenditure on

	31.12.24				31.12.23		
	Restricted £	Unrestricted £	Permanent £	Total £	Restricted £	Unrestricted £	Total £
Ministry							
Clergy stipends and working expenses	188,452	1,859	-	190,311	113,203	41,806	155,009
Services, music and choir	45,952	126,398	-	172,350	44,828	114,905	159,733
Visitor services	-	-	-	-	-	52	52
Support costs	15,336	81,191	-	96,527	22,484	73,255	95,739
	<u>249,740</u>	<u>209,448</u>	<u>-</u>	<u>459,188</u>	<u>180,515</u>	<u>230,018</u>	<u>410,533</u>
Cathedral and precincts upkeep							
Major repairs and renovations	25,840	8,880	-	34,720	28,923	6,446	35,369
Maintenance and interior upkeep	27,955	70,192	-	98,147	16,347	63,654	80,001
Cathedral insurance	-	59,439	-	59,439	-	57,126	57,126
Vergers and interior upkeep	31,662	116,914	-	148,576	46,264	95,363	141,627
Precinct and grounds	-	32,539	-	32,539	-	5,590	5,590
Support costs	18,192	83,761	-	101,953	26,954	80,643	107,597
	<u>103,649</u>	<u>371,725</u>	<u>-</u>	<u>475,374</u>	<u>118,488</u>	<u>308,822</u>	<u>427,310</u>
Education and outreach							
Outward giving and education	2,784	7,243	-	10,027	567	15,968	16,535
Support costs	3,569	18,882	-	22,451	5,465	17,808	23,273
	<u>6,353</u>	<u>26,125</u>	<u>-</u>	<u>32,478</u>	<u>6,032</u>	<u>33,776</u>	<u>39,808</u>
Other expenditure on mission							
Interest payable	-	4,465	-	4,465	-	4,341	4,341
Other expenses	4,577	5,203	-	9,780	22,821	20,602	43,423
	<u>4,577</u>	<u>9,668</u>	<u>-</u>	<u>14,245</u>	<u>22,821</u>	<u>24,943</u>	<u>47,764</u>
Total Expenditure	<u>392,468</u>	<u>1,180,734</u>	<u>1,603</u>	<u>1,574,805</u>	<u>358,419</u>	<u>1,115,974</u>	<u>1,474,393</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2024**

5 Allocation of support costs

	31.12.24			31.12.23
	Direct costs	Support costs	Total	Total
	£	£	£	£
Cost of raising funds	486,682	106,838	593,520	548,978
Ministry	362,661	96,527	459,188	410,533
Cathedral and precincts upkeep	373,421	101,953	475,374	427,310
Education and outreach	10,027	22,451	32,478	39,808
Other expenditure on mission	14,245	-	14,245	47,765
	<u>1,247,036</u>	<u>327,769</u>	<u>1,574,805</u>	<u>1,474,394</u>

The following expenditure is included in support costs:

Auditors remuneration for:

Audit services	-	12,500	12,500	10,990
Other services	-	7,885	7,885	41,427
	<u>-</u>	<u>20,385</u>	<u>20,385</u>	<u>52,417</u>

Other services includes management accounts and VAT assistance.

6 Employees

Employee remuneration

	31.12.24			31.12.23
	Restricted	Unrestricted	Total	Total
	£	£	£	£
Total gross salary and stipend cost	248,714	316,630	565,344	692,896
Apprenticeship levy	449	-	449	292
Employers national insurance	13,996	10,912	24,908	51,534
Employers pension contributions	33,043	22,853	55,896	49,826
	<u>296,202</u>	<u>350,395</u>	<u>646,597</u>	<u>794,548</u>

The Church Commissioners finance directly the stipend, pension and associated employer's national insurance of the Dean and two Canons.

The remuneration of, and pension provision for, clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishop's Council and the Church of England Pensions Board.

The remuneration and pension contributions of the residentiary members of the Chapter are set out below:

	31.12.24		31.12.23	
	Stipend	Pension	Stipend	Pension
	£	£	£	£
The Reverend Canon Michael Manley	25,746	6,810	29,485	7,127
The Reverend Canon Dr Benjamin Carter	31,486	6,810	29,485	7,127
The Very Reverend Jonathan Brewster	41,751	8,616	10,099	-
Total remuneration and pension contributions	<u>98,983</u>	<u>22,236</u>	<u>69,069</u>	<u>14,254</u>

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

6 Employees, contd.

One employee received remuneration exceeding £60,000, including employers pension contributions.

The key management personnel of the charity comprises the Dean, Canon Warden, Canon Missioner, Chief Operating Officer, Head of Finance, Head of Fundraising, Head of Commercial Activity and the Dean's PA.

The total remuneration of key management personnel during the year was £309,079 (2023 - £240,694).

The total number of employees of the Cathedral during the year was as follows:

	31.12.24	31.12.23
Clergy	3.0	3.0
Administration and office	11.0	9.0
Music	8.0	8.0
Works Department	2.0	2.0
Vergers	3.0	5.0
Carlisle Cathedral Enterprises	19.0	14.0
	<u>46.0</u>	<u>41.0</u>

The full time equivalent number of staff during the year was as follows:

	31.12.24	31.12.23
Clergy	3.00	3.00
Administration and office	7.53	3.01
Music	4.09	4.30
Works Department	1.25	0.17
Vergers	3.00	2.28
Carlisle Cathedral Enterprises	9.57	8.53
	<u>28.44</u>	<u>21.29</u>

During the year expenses were reimbursed to three Chapter members as follows:

£6,701 (2023: £11,080) Travel, subsistence, office and entertaining

There were no additional payments made to Chapter members for additional work done over and above their normal duties during the year.

7 Heritage assets

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

The Care of Cathedrals Measure 2011 requires cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the cathedral church. No additions to the inventory in the last four years have met the definition of heritage asset and there have been no transactions involving heritage assets in the same time period.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

8 Tangible fixed assets

Group	Motor vehicles £	Equipment £	Land and buildings £	Fratry project buildings £	Total £
COST OR VALUATION					
At 1 January 2024	8,097	263,415	1,633,000	3,516,172	5,420,684
Additions	-	48,163	-	-	48,163
Disposals	-	(4,487)	-	-	(4,487)
Transfers	-	-	70,000	-	70,000
At 31 December 2024	8,097	307,091	1,703,000	3,516,172	5,534,360
DEPRECIATION					
At 1 January 2024	(8,097)	(145,496)	-	-	(153,593)
Charge for year	-	(47,707)	-	-	(47,707)
Eliminated on disposals	-	4,487	-	-	4,487
At 31 December 2024	(8,097)	(188,716)	-	-	(196,813)
NET BOOK VALUE					
At 31 December 2024	-	118,375	1,703,000	3,516,172	5,337,547
At 31 December 2023	-	117,919	1,633,000	3,516,172	5,267,091

Chapter	Motor vehicles £	Equipment £	Land and buildings £	Fratry project buildings £	Total £
COST OR VALUATION					
At 1 January 2024	8,097	235,548	1,633,000	3,516,172	5,392,817
Additions	-	47,529	-	-	47,529
Transfers	-	-	70,000	-	70,000
At 31 December 2024	8,097	283,077	1,703,000	3,516,172	5,510,346
DEPRECIATION					
At 1 January 2024	(8,097)	(131,936)	-	-	(140,033)
Charge for year	-	(43,953)	-	-	(43,953)
Eliminated on disposals	-	-	-	-	-
At 31 December 2024	(8,097)	(175,889)	-	-	(183,986)
NET BOOK VALUE					
At 31 December 2024	-	107,188	1,703,000	3,516,172	5,326,360
At 31 December 2023	-	103,612	1,633,000	3,516,172	5,252,784

9 Land and buildings, including Fratry project buildings

Non investment property is all freehold, and is carried in the accounts at valuation. The Fratry project buildings are held at fair value. The full accounting policy is disclosed on Page 24. All other fixed assets are carried at cost. Non investment property is split as follows:

	£	£
For cathedral trading activities	3,516,172	3,516,172
For occupation by cathedral staff or used for worship, educational or administrative purposes	1,703,000	1,633,000
	5,219,172	5,149,172

Land and buildings were revalued during the year ending 31 December 2010.

The transfer of £70,000 relates to the 10 garages previously held as investment properties.

The properties held as fixed assets are as follows:

Deanery	7 The Abbey
Priors Tower	Stonemason's Yard
1 The Abbey	Fratry
2a The Abbey	Bishop Smith Registry
3 The Abbey	Cathedral Café
5a The Abbey	10 garages

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

10 Investment property

	Permanent Endowment £	Total £
VALUATION		
At 1 January 2024	1,930,000	1,930,000
Transfer	(70,000)	(70,000)
At 31 December 2024	<u>1,860,000</u>	<u>1,860,000</u>

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2021 by D C Goodland FRICS IRRV of Walton Goodland (Chartered Surveyors.)

The transfer of £70,000 relates to the 10 garages previously held as investment properties, which has been moved to land and buildings.

The properties held as investment properties are as follows:

2 The Abbey	8 The Abbey
2b The Abbey	9 The Abbey
4 The Abbey	10 The Abbey
5b The Abbey	The Lodge
5c The Abbey	Prior Slee House
6 The Abbey	

11 Investments

	31.12.24 £	31.12.23 £
Market value		
As at 1 January 2024	3,320,571	3,344,003
Revaluation	47,620	(30,834)
Additions	86,039	13,738
Disposals	(1,304,730)	(6,336)
Total Group investments at 31 December 2024	<u>2,149,500</u>	<u>3,320,571</u>
Carlisle Cathedral Enterprises Limited (an unlisted company) 100% of the issued ordinary share capital, at par	7,000	7,000
Total Chapter investments as at 31 December 2024	<u>2,156,500</u>	<u>3,327,571</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2024

12 Debtors

Group	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Trade debtors	-	51,035	-	51,035	45,018
Prepayments and accrued income	-	94,330	-	94,330	80,463
Other debtors	-	439	-	439	1,297
	-	145,804	-	145,804	126,778

Chapter	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Trade debtors	-	67,562	-	67,562	58,030
Prepayments and accrued income	-	239,196	-	239,196	196,963
Other debtors	-	239,196	-	239,196	1,297
Amounts owed by connected entities	-	31,800	-	31,800	31,800
	-	577,754	-	577,754	288,090

The amounts owed by connected entities comprise a loan to Carlisle Cathedral Enterprises Limited. The loan is interest free and has no fixed date for repayment. It is due in more than one year. No discounting has been applied to this balance because the time value of money would be immaterial. Trade debtors includes £19,200 due from Carlisle Cathedral Enterprises Limited (2023 - £17,023). Prepayments and accrued income include £147,284 due from Carlisle Cathedral Enterprises Limited (2023 - £118,021).

13 Cash held

Group	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Cash on hand	273,261	435,244	-	708,505	554,517
Cash held to be reinvested	154,877	663,366	432,407	1,250,650	-
	428,138	1,098,610	432,407	1,959,155	554,517

Chapter	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Cash on hand	273,261	219,038	-	492,299	395,790
Cash held to be reinvested	154,877	663,366	432,407	1,250,650	-
	428,138	882,404	432,407	1,742,949	395,790

14 Creditors: amounts falling due within one year

Group	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Trade creditors	-	110,354	-	110,354	79,308
Accruals and deferred income	232	95,034	1,603	96,869	107,174
Other taxes and social security	-	32,703	-	32,703	27,224
	232	238,091	1,603	239,926	213,706

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2024

14 Creditors: amounts falling due within one year

Chapter	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Trade creditors		102,472	-	102,472	79,486
Accruals and deferred income	232	81,652	1,603	83,487	101,859
	232	184,124	1,603	185,959	181,345

Trade creditors includes £10,249 due to Carlisle Cathedral Enterprises Limited (2023 - £12,952).

15 Creditors: amounts falling due after more than one year

	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
The Deanery value linked loan	-	-	79,550	79,550	79,550
	-	-	79,550	79,550	79,550

The Deanery Loan was taken out in 1988 and is repayable if the charity sell the property (in which case the Church Commissioners are entitled to 37.02571% of the selling price less any selling costs as full settlement of the loan). If the charity wish to repay the loan, but not sell the property, then an independent valuation of the property's open market value is required (in which case the Church Commissioners are entitled to 37.02571% of the valuation as full settlement of the loan).

16 Provisions for liabilities and charges

Group (Chapter - Nil)

	31.12.24				31.12.23
	Restricted £	Unrestricted £	Permanent Endowment £	Total £	Total £
Deferred tax	-	2,698	-	2,698	3,518
	-	2,698	-	2,698	3,518

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

17 Funds	1.1.24	Income	Expenditure	Re- valuations	Transfers	31.12.24
	£	£	£		£	£
Group						
Designated funds						
Emergency Fabric Works	-	-	-	-	90,000	90,000
LED Project	-	-	-	-	20,000	20,000
	-	-	-	-	110,000	110,000
General funds						
Common Fund	756,171	1,291,886	(1,179,509)	4,504	(64,572)	808,480
Bequest Fund	825,683	2,000	(521)	3,700	-	830,862
Bequest Fund - Abbey Properties	179,066	8,804	(704)	4,364	-	191,530
	1,760,920	1,302,690	(1,180,734)	12,568	(64,572)	1,830,872
Restricted funds						
Cathedral Fabric Fund	207,235	43,120	-	314	-	250,669
Other funds						
Music Fund	215,506	1,875	(1,174)	1,047	-	217,254
Brown and Ford Prize Fund	1,427	-	-	33	-	1,460
Chapter Discretionary Fund	37,396	4,375	-	-	-	41,771
Church Commissioners	-	328,969	(328,969)	-	-	-
Jack Dix Local Mission Fund	8,721	230	(2,784)	-	-	6,167
Other Restricted Funds	1,818	2,348	-	-	-	4,166
LED Project	-	2,500	(8,125)	-	-	(5,625)
Cumbria Journey	-	11,403	(11,403)	-	-	-
Fratry Green Room	-	45,781	(406)	-	(45,375)	-
Priors Tower	-	2,491	(2,491)	-	-	-
Sensory Trail	-	350	(297)	-	(53)	-
Christmas Tree Project	-	4,172	(4,172)	-	-	-
Whitelaw Fund	4,216	231	-	-	-	4,447
Fratry Project	71,147	2,607	(32,647)	-	-	41,107
	547,466	450,452	(392,468)	1,394	(45,428)	561,416
Capital Endowment Funds						
Rev. G Bennett Estate	585,840	-	(842)	9,150	-	594,148
Cathedral Endowment	1,039,492	-	(761)	24,508	-	1,063,239
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	8,624,954	-	(1,603)	33,658	-	8,657,009
Total Funds	10,933,340	1,753,142	(1,574,805)	47,620	-	11,159,297

Designated Funds

- Emergency Fabric Works - £90,000 surplus designated to fund greatly required cosmetic and structural repairs to some of the residential properties within the Cathedral precinct.
- LED Project - funds designated by the Cathedral towards the Cathedral interior lighting scheme.

General Funds

- The Common fund was set up to manage the day to day running of the Cathedral finances.
- The Bequest Fund is an unrestricted fund and collects all income received from legacies.
- The Bequest Fund - Abbey Properties is funds from a bequest from Grace Little.

Restricted funds

- The Cathedral Fabric Fund was set up to maintain the fabric of the Cathedral buildings. This fund is primarily used to pay for large scale maintenance and improvements.
- The Music fund exists to provide funds to support music in the Cathedral
- The Brown & Ford Prize Fund exists to provide an annual prize to one of the Cathedral Choristers.
- The Chapter Discretionary fund includes donations and income that Chapter can spend at their discretion.
- The Church Commissioners Fund deals with money received from the Church Commissioners towards staff costs.
- Jack Dix Local Mission Fund is a local Mission Fund created to find a gap-year volunteer to staff the Cathedral's young people's work.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

17 Funds (continued)

- Other Restricted Funds includes all other donations and income sources where the donor has placed a restriction on the use of the funds.
- LED Project - set up to fund the conversion of the Cathedral interior lighting scheme from the existing halogen system to modern LED technology, assisting with our journey towards our Net Zero target and reducing the Carbon footprint of the Cathedral precinct. It is anticipated this project will be completed in 2025.
- Cumbria Journey - is a restricted fund was set up to fund the *Rest Under the Stars: A Cumbrian Journey* tour, during which the mixed visual and sound installation toured around east Cumbria.
- Fraternity Green Room - Set up to fund (1) the refurbishment of an area behind the Fraternity Hall to provide green room and changing space for visiting performers and speakers; (2) the installation of a high-quality audio system to support cultural engagement; and (3) the resource provision for high-quality exhibitions within the publicly open spaces. This was a UK Government/Cumberland Council/Levelling Up-funded Cultural Capital grant for our *Performance, Heritage, Place: Unlocking Carlisle's Fraternity* project to unlock the unique potential of the Fraternity building in the heart of the Historic Quarter of Carlisle city and the work was completed in December 24.
- Priors Tower Refurbishment - Set up to refurbish the ground floor of the Prior's Tower (now named the Prior's Vault) to bring the room back into use as a multifaceted space for third-sector partners, charity and community use that would significantly contribute to the vitality of Carlisle's high street by opening a redundant, accessible room in a city-centre medieval building. This was a UK Government/Cumberland Council/Levelling Up-funded High Street Building grant, and the work was completed in September 2024.
- Sensory Trail - £350 was secured in November 2023 from the God for All Digital Innovation Fund designated to the creation of a new sensory trail in the Cathedral. This was deferred into 2024, and work was completed in December 2024.
- Christmas Tree Project - Funding was secured from the Cumberland Council Community Investment Fund of £3,172 on 31 July 2024 to support the Cathedral's first ever Christmas Tree Festival. Sponsorship of the festival was also secured from A.W. Jenkinson Forest Products (£1,000) to support the festival. The Christmas Tree Festival occurred throughout December 2024, with 30 trees decorated by local charities and community groups. The festival gave the Cathedral team not only an opportunity to come together as a team (which was visually represented in the Cathedral team's own tree) but also to offer an increased sense of community to the city centre, to promote the Christmas message, to encourage a moment of peace during the busy hustle and bustle of the Advent season, and to demonstrate how friendly and welcoming we are to all who visit the Cathedral. Thanks to the festival, we saw a 190% increase in visitors in December compared to the year before.
- The Whitelaw Fund was set up to fund works to the Treasury.
- The Fraternity Fund was set up to fund works on the Fraternity building.

Capital Endowment Funds

- The Reverend G Bennett Estate Fund was set up by a legacy from Rev G Bennett. Income from this fund is used to fund the repair and maintenance of the cathedral and is credited to the Fabric Fund.
- The Cathedral Endowment Fund was set up to provide income to support the general running of the Cathedral. Income received is credited to the Common Fund.
- The Cathedral Property Fund comprises the property held within the Cathedral Precinct, as well as the Deanery Loan.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2024

17 Funds (continued)

Comparative funds Funds	1.1.23	Income	Expenditure	Re-valuations	Transfers	31.12.23
	£	£	£		£	£
Group						
General funds						
Common Fund	576,060	1,234,094	(1,109,160)	(8,600)	63,777	756,171
Bequest Fund	830,437	285	-	(5,039)	-	825,683
Bequest Fund - Abbey Properties	176,287	9,005	(6,814)	588	-	179,066
	<u>1,582,784</u>	<u>1,243,384</u>	<u>(1,115,974)</u>	<u>(13,051)</u>	<u>63,777</u>	<u>1,760,920</u>
Restricted funds						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
Other funds						
Music Fund	214,164	-	-	(1,978)	3,320	215,506
Brown and Ford Prize Fund	1,305	-	-	122	-	1,427
Chapter Discretionary Fund	-	-	-	-	37,396	37,396
Church Commissioners	-	256,702	(256,702)	-	-	-
Jack Dix Local Mission Fund	9,053	150	(482)	-	-	8,721
Other Restricted Funds	50,099	2,390	(572)	-	(50,099)	1,818
Clock Fund	-	15,276	(17,204)	-	1,928	-
Cumbria Journey	-	4,677	(4,881)	-	204	-
Hedge Fund	-	1,090	(1,090)	-	-	-
Whitelaw Fund	4,001	215	-	-	-	4,216
Fratry Project	155,474	49,687	(77,488)	-	(56,526)	71,147
	<u>599,496</u>	<u>370,842</u>	<u>(358,419)</u>	<u>(676)</u>	<u>(63,777)</u>	<u>547,466</u>
Capital Endowment Funds						
Rev. G Bennett Estate	593,463	-	-	(7,623)	-	585,840
Cathedral Endowment	1,048,976	-	-	(9,484)	-	1,039,492
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	<u>8,642,061</u>	<u>-</u>	<u>-</u>	<u>(17,107)</u>	<u>-</u>	<u>8,624,954</u>
Total Funds	<u>10,824,341</u>	<u>1,614,226</u>	<u>(1,474,393)</u>	<u>(30,834)</u>	<u>-</u>	<u>10,933,340</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

17 Funds (continued)

Transfers

A transfer of £45,391 from the Fraternity Green Room Fund related to a number of items capitalised in the year and therefore moved to the Common Fund.

An additional transfer from the Common Fund to the Fraternity Green Room Fund of £16 and from the Sensory Trail to Common Fund of £53 were to cover remaining deficits and surpluses as the projects had been completed.

Chapter	1.1.24	Income	Expenditure	Re-valuations	Transfers	31.12.24
	£	£	£		£	£
Designated funds						
Emergency Fabric Works	-	-	-	-	90,000	90,000
LED Project	-	-	-	-	20,000	20,000
	-	-	-	-	110,000	110,000
General funds						
Common Fund	756,171	890,967	(778,590)	4,504	(64,572)	808,480
Bequest Fund	825,683	2,000	(521)	3,700	-	830,862
Bequest Fund - Abbey Properties	179,066	8,804	(704)	4,364	-	191,530
	1,760,920	901,771	(779,815)	12,568	(64,572)	1,830,872
Restricted funds						
Cathedral Fabric Fund	207,235	43,120	-	314	-	250,669
Other funds						
Music Fund	215,506	1,875	(1,174)	1,047	-	217,254
Brown and Ford Prize Fund	1,427	-	-	33	-	1,460
Chapter Discretionary Fund	37,396	4,375	-	-	-	41,771
Church Commissioners	-	328,969	(328,969)	-	-	-
Jack Dix Local Mission Fund	8,721	230	(2,784)	-	-	6,167
Other Restricted Funds	1,818	2,348	-	-	-	4,166
LED Project	-	2,500	(8,125)	-	-	(5,625)
Cumbria Journey	-	11,403	(11,403)	-	-	-
Fraternity Green Room	-	45,781	(406)	-	(45,375)	-
Priors Tower Refurbishment	-	2,491	(2,491)	-	-	-
Sensory Trail	-	350	(297)	-	(53)	-
Christmas Tree Project	-	4,172	(4,172)	-	-	-
Whitelaw Fund	4,216	231	-	-	-	4,447
Fraternity Project	71,147	2,607	(32,647)	-	-	41,107
	547,466	450,452	(392,468)	1,394	(45,428)	561,416
Capital Endowment Funds						
Rev. G Bennett Estate	585,840	-	(842)	9,150	-	594,148
Cathedral Endowment	1,039,492	-	(761)	24,508	-	1,063,239
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	8,624,954	-	(1,603)	33,658	-	8,657,009
Total Funds	10,933,340	1,352,223	(1,173,886)	47,620	-	11,159,297

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2024

17 Funds (continued)

Comparative funds Chapter	1.1.23	Income	Expenditure	Re-valuations	Transfers	31.12.23
	£	£	£		£	£
General funds						
Common Fund	575,396	832,813	(707,215)	(8,600)	63,777	756,171
Bequest Fund	830,437	285	-	(5,039)	-	825,683
Bequest Fund - Abbey Properties	176,287	9,005	(6,814)	588	-	179,066
	<u>1,582,120</u>	<u>842,103</u>	<u>(714,029)</u>	<u>(13,051)</u>	<u>63,777</u>	<u>1,760,920</u>
Restricted funds						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
Other funds						
Music Fund	214,164	-	-	(1,978)	3,320	215,506
Brown and Ford Prize Fund	1,305	-	-	122	-	1,427
Chapter Discretionary Fund	-	-	-	-	37,396	37,396
Church Commissioners	-	256,702	(256,702)	-	-	-
Jack Dix Local Mission Fund	9,053	150	(482)	-	-	8,721
Other Restricted Funds	50,099	2,390	(572)	-	(50,099)	1,818
Other Unrestricted Funds	-	-	-	-	-	-
Cumbria Journey	-	4,677	(4,881)	-	204	-
Hedge Fund	-	1,090	(1,090)	-	-	-
Whitelaw Fund	4,001	215	-	-	-	4,216
Fratry Project	155,474	49,687	(77,488)	-	(56,526)	71,147
	<u>599,496</u>	<u>370,842</u>	<u>(358,419)</u>	<u>(676)</u>	<u>(63,777)</u>	<u>547,466</u>
Capital Endowment Funds						
Rev. G Bennett Estate	593,463	-	-	(7,623)	-	585,840
Cathedral Endowment	1,048,976	-	-	(9,484)	-	1,039,492
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	<u>8,642,061</u>	<u>-</u>	<u>-</u>	<u>(17,107)</u>	<u>-</u>	<u>8,624,954</u>
Total Funds	<u>10,823,677</u>	<u>1,212,945</u>	<u>(1,072,448)</u>	<u>(30,834)</u>	<u>-</u>	<u>10,933,340</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2024**

18 Net assets by fund

Group	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	118,375	5,219,172	5,337,547
Investment property	-	-	1,860,000	1,860,000
Investments	133,510	789,407	1,226,583	2,149,500
Current Assets	428,138	1,273,879	432,407	2,134,424
Creditors:				
amounts due within one year	(232)	(238,091)	(1,603)	(239,926)
Creditors:				
amounts due after one year	-	(2,698)	(79,550)	(82,248)
Total net assets	561,416	1,940,872	8,657,009	11,159,297

Chapter	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	107,188	5,219,172	5,326,360
Investment property	-	-	1,860,000	1,860,000
Investments	133,510	796,407	1,226,583	2,156,500
Current Assets	428,138	1,221,401	432,407	2,081,946
Creditors:				-
amounts due within one year	(232)	(184,124)	(1,603)	(185,959)
Creditors:				-
amounts due after one year	-	-	(79,550)	(79,550)
Total net assets	561,416	1,940,872	8,657,009	11,159,297

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

18 Net assets by fund

Comparative funds

Group	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	117,919	5,149,172	5,267,091
Investment property	-	-	1,930,000	1,930,000
Investments	325,820	1,369,419	1,625,332	3,320,571
Current Assets	221,733	490,719	-	712,452
Creditors: amounts due within one year	(87)	(213,619)	-	(213,706)
Creditors: amounts due after one year	-	(3,518)	(79,550)	(83,068)
Total net assets	547,466	1,760,920	8,624,954	10,933,340

Chapter	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	103,612	5,149,172	5,252,784
Investment property	-	-	1,930,000	1,930,000
Investments	325,820	1,376,419	1,625,332	3,327,571
Current Assets	221,733	462,147	-	683,880
Creditors: amounts due within one year	(87)	(181,258)	-	(181,345)
Creditors: amounts due after one year	-	-	(79,550)	(79,550)
Total net assets	547,466	1,760,920	8,624,954	10,933,340

19 Ultimate controlling party

The activities of the Cathedral are controlled by the Trustees.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

20 Related party transactions

The Friends of Carlisle Cathedral and Carlisle Cathedral Development Trust are not controlled by the Trustees but are wholly for the benefit of the Cathedral. Income receivable from these entities is included in the financial statements.

Grants of £20,630 were receivable from the Friends of Carlisle Cathedral during the year (2023 - £31,901) of which £2,315 was outstanding at the year end (2023 - £nil). Further grants of £56,225 were receivable from Carlisle Cathedral Development Trust (2023 - £53,428), of which £2,696 was outstanding at the year end (2023 - £8,059).

The Friends of Carlisle Cathedral purchased services of £48 (2023 - £286) from the Cathedral during the year for printing works.

Carlisle Cathedral Development Trust is a charity controlled by its board of trustees which must include one executive member of the Chapter and one non-executive member of the chapter. In consequence Carlisle Cathedral Development Trust is a related party.

During the year Carlisle Cathedral Development Trust rented property to the charity, rent and utilities totalling £22,837 were paid in the year (2023 - £25,416).

There was £1,375 received from trustees of the charity (2023: £1,825) through regular giving and one-off donations.

The following extracts are taken from the audited financial statements of the Friends of Carlisle Cathedral and the Carlisle Cathedral Development Trust. Both organisations received unqualified audit reports.

Summarised financial statements

	Friends of Carlisle Cathedral		Carlisle Cathedral Development Trust	
	2024	2023	2024	2023
	£	£	£	£
Total incoming resources	35,449	36,083	80,144	83,982
Net movement on funds	11,910	6,742	34,081	17,922
Gross assets	658,266	642,705	1,447,568	1,418,203
Net assets	649,997	638,087	1,438,725	1,404,644

At the year end, the charity owned one trading subsidiary - Carlisle Cathedral Enterprises Limited. The amounts owed between these two parties is set out in notes 12 and 14.

During the year, the charity bought goods and services totalling £34,302 from the Enterprise Company on normal commercial terms (2023 - £29,827). The charity also supplied goods and services totalling £77,247 to the Enterprise Company (2023 - £55,933). The Enterprise Company also made a donation in the year to the charity of £147,284 (2023 - £118,021).

**Notes to the Financial Statements
for the year ended
31 December 2024**

21 Pension contributions

Carlisle Dean & Chapter (DBS) participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

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

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2024: £33,660, 2023: £24,908).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2022. The overall surplus in DBS was £73.6m.

The next actuarial valuation is due at 31 December 2025.

Pension Builder Scheme

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

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

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

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2024

21 Pension contributions (continued)

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

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

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

For the Pension Builder Classic section, the 2022 valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2022 valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

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

22 Operating leases

Future minimum lease payments:

	31.12.24	31.12.23
Expiry of lease:	£	£
Land & buildings		
Not later than one year	19,500	19,500
Later than one year and not later than five years	97,500	97,500
Later than five years	<u>32,500</u>	<u>52,000</u>
Other		
Not later than one year	-	1,504
Later than one year and not later than five years	<u>-</u>	<u>675</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2024**

23 Reconciliation of net movement in funds to net cash flow from operating activities

	31.12.24	31.12.23
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	225,957	108,999
Adjustments for:		
Depreciation charges	47,707	40,328
Gains/(Losses) on investments	(47,620)	30,834
Dividends, interest and rents from investments	(288,480)	(250,506)
(Increase)/decrease in stock	1,692	(3,867)
(Increase)/decrease in debtors	(19,024)	47,844
Increase/(decrease) in creditors	25,399	15,833
Net cash provided by (used in) operating activities	(54,369)	(10,535)

The notes form part of these financial statements

Accounts

**Cathedral Church of the Holy and
Undivided Trinity of Carlisle**

Consolidated Financial Statements

For the year ended

31 December 2023

Charity no: 1200677



Index to the Financial Statements

	Page
Reference and Administrative Details	1
Annual Report of the Trustees	5
Trustees' Responsibilities in relation to the Financial Statements	15
Independent Auditors' Report	16
Consolidated Statement of Financial Activities	20
Consolidated Balance Sheet	21
Carlisle Cathedral Balance Sheet	22
Consolidated Statement of Cash Flows	23
Notes to the Financial Statements	24

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

Annual Report of the Trustees

REFERENCE AND ADMINISTRATION DETAILS

Title: Cathedral Church of the Holy and Undivided Trinity of Carlisle

Registered Office: The Cathedral Office
West Walls
CARLISLE
CA3 8UF

Charity number 1200677

Working name Carlisle Cathedral

Members of Chapter:

The Dean: The Very Reverend Jonathan Brewster (appointed 30 September 2023)

Interim Dean: The Reverend Canon Michael Manley (until 30 September 2023)

Residentiary Canons: The Reverend Canon Dr Benjamin Carter – Canon Warden
The Reverend Canon Michael Manley – Canon Missioner

Lay Members: Canon Alan Johnston
Canon Trevor Hebdon
Canon Alison Clarricoats
The Reverend Canon Ruth Crossley
Canon James Spedding
Mr James Westoll (retired 30 September 2023)

Advisers to the Chapter:

Operations and Finance:

Chief Operating Officer Mrs Edith McColgan
As of 14 February 2023, Mrs McColgan also fulfilled the role of Chief Financial Officer

Head of Finance Vacant

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

Audit & Risk Committee: Canon Simon Harper (Chair)
Canon Charles Proctor
Canon Trevor Hebdon
Canon Alan Johnston

Finance Committee: Canon Alan Johnston (Chair)
Mr Myles Thompson
Mr Brian Armstrong (retired 3 October 2023)
The Reverend Canon Dr Benjamin Carter
Mrs Alison Welton (appointed 14th February 2023)

Nominations Committee: Canon James Spedding, (Chair)
Canon Alison Clarricoats
The Reverend Canon Dr Benjamin Carter
Canon Trevor Hebdon (retired 7th February 2023)
Mrs Clare Hansford (appointed 7th February 2023)

Fabric Advisory Committee: Mr Charles Blackett-Ord (Chair)
The Reverend Canon Peter Cavanagh
Mrs Janaki Spedding
The Reverend Canon Christopher Morris
Mr Humphrey Welfare
Dr Howard Coutts

Surveyor To The Fabric: Ulrike Knox
Knox McConnell Architects Ltd
24 Victoria Road
Saltaire
BRADFORD
BD18 3JR

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

Cathedral Archaeologist: Mr David Heslop

Auditors: Dodd & Co Audit Limited
Chartered Accountants & Registered Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill
CARLISLE
CA1 2RW

Bankers: The Royal Bank of Scotland
Drummond House
1 Redheughs Avenue
EDINBURGH
EH12 9JN

Investment Managers: CCLA Investment Management Ltd
Senator House
85 Queen Victoria St
LONDON
EC4V 4ET

M & G Charities
P.O. Box 9038
CHELMSFORD
CM99 2XF

The Charities Properties Fund
c/o Cordea Savills LLP
33 Margaret Street
LONDON
W1G 0JD

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

Schroder Unit Trusts Limited

P.O. Box 1102

CHELMSFORD

CM99 2XX

Rathbones Investment Management

George House

50 George Square

GLASGOW

G2 1EH

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution of the Cathedral

The Constitution was adopted 29 June 2022 in accordance with the Cathedrals Measure 2021. Registered Charity Status was achieved on 13 October 2022 (RCN 1200677).

Charitable objects

The objects of the Chapter are (a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England; (b) to care for and conserve the fabric and structure of the cathedral church building; (c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b). The Chapter must act for the public benefit within the meaning of section 4(3) of the Charities Act 2011 as amended by the Charities Act 2022.

The Appointment of Chapter Members

Chapter Members

The Dean

Senior Non-Executive Member (SNEM)

Residentiary Canons

Non-Executive Members

Appointed by

His Majesty

The Bishop

The Bishop

Chapter with approval of the Bishop

Roles and Responsibilities

The Chapter and its Officers

The Dean is Chair of the Chapter. It shall be the duty of the Chapter to direct the overall strategy and governance of the Cathedral. The Chapter met on six occasions during the year.

The Chief Operating Officer is the Chair of the Senior Management Team and prepares the business for the meetings of the Chapter, in conjunction with the Dean, and all decisions are recorded.

The Head of Finance, along with the Chief Operating Officer, is responsible for reporting the financial activities of the Cathedral to the Chair of the Finance Committee.

Chapter members are appointed in accordance with the Constitution and Statutes. Non-Executive Members/Trustees are appointed for terms of three years and can serve a total of three terms.

Newly appointed Chapter Members receive external training through the Association of English Cathedrals (AEC) and the Charity Commission.

Chapter's arrangements for setting the pay and remuneration of key senior staff do not differ from the arrangements for appointing all lay staff.

College of Canons

The College of Canons has the following functions: a) to discuss matters concerning the life of the Cathedral, b) to share in the ministry of worship, witness and hospitality offered in and through the Cathedral, c) to receive and note the Annual Report and audited accounts of the Cathedral.

The College of Canons met once during the year.

OBJECTIVES AND ACTIVITIES

OUR VISION

- To be a living community of faith which proclaims afresh the good news of God's love to City, County and beyond

OUR PURPOSE

Praying

- Maintaining of daily prayer in varied styles as the heartbeat of the Cathedral's life
- Sustaining the music pathway of the Anglican Choral Tradition and engaging with more than 40 chorister families
- Ensuring a commitment to the quality of the content of all the worship we offer

Cherishing

- Working to build a community of faith, hope and love
- Being committed to a ministry of welcome and hospitality for all
- "Treading gently" in order to achieve a more sustainable lifestyle

Transforming

- Seeing the Cathedral as a channel of God's transforming purpose and power
- Being open to change ourselves – individually and corporately
- Recognising that we are being transformed by Jesus Christ in order to transform the world

OUR VALUES

Unity

- Commit time to building the life of our community
- Work as a team with internal colleagues and external allies
- Listen to one another and to voices in the wider community

Truth

- Promote learning through faith and heritage
- Encourage creativity and imagination
- Respect one another's view

Love

- Embody God's love in our worship, witness and welcome

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

- Promote loving community where justice is seen to matter
- Affirm common humanity in our work of pastoral care

ACHIEVEMENTS AND PERFORMANCE

In 2022 Chapter adopted five strategic aims for the period 2023-2025:

- Strengthen the Cathedral as a place of excellence with a mixed ecology of worship and mission serving the Diocese, city, county and beyond.
- Fully realise the opportunities created by our Charitable status.
- Be a safe and great place to work, volunteer and visit.
- Secure a sustainable financial business model.
- Ensure the financial sustainability of our musical tradition.

These will form the structure for this report on the achievements and performance of the charity through the last year. It is important to frame this report with the underlying challenge of staffing and capacity which have been a recurring theme through the year. The strong financial performance of both the Chapter accounts and the consolidated position is a testimony to the hard work and resourcefulness of the Cathedral team.

Through the majority of 2023 the Cathedral was without a Dean after the retirement of The Very Revd Mark Boyling in September in 2022. In April the King approved the nomination of The Revd Canon Jonathan Brewster as the forty-second Dean of Carlisle and his ministry as Dean of Carlisle began with his institution on the 30th September 2023, a year to the day after the retirement of his predecessor. Jonathan comes to the Cathedral with experience of ministry in Bradford, London, St Paul's Cathedral and rural south Cumbria. As Jonathan begins his ministry as Dean, we would like to take this opportunity to acknowledge and thank The Revd Canon Michael Manley, Canon Missioner, for acting as Interim Dean through the year of vacancy and The Revd Canon Dr Benjamin Carter, Canon Warden for his support during this period.

Given the head winds of the world and the national economic environment, the Chapter is very pleased with the financial performance of the Cathedral in 2023. These achievements are all the better given the fact that we have been working with no Head of Finance for most of the year. During this time, we have also been seeking to appoint a Business Support Officer and are pleased to have made an appointment to that role to begin in early 2024. The challenge of recruitment mirrors the experience of other similar organisations in the region and the Chapter continues to work to address these challenges. We are fully aware that these two extended vacancies have put increased pressure on the core staff, not least on Mrs Edith McColgan, our Chief Operating Officer who has also acted as the Chief Financial Officer. We would like to take this opportunity to thank Edith, and all the Cathedral staff, for their hard work and dedication through the staffing challenges of this last year.

1. Strengthen the Cathedral as a place of excellence with a mixed ecology of worship and mission serving the Diocese, city, county and beyond.

The daily pattern of prayer and worship remains the beating heart of the Cathedral in both said and sung services. Attendance at regular worship, both week by week and at festivals, has returned to pre-pandemic levels and we have been heartened by the small but committed group of younger people making their worshipping home at the Cathedral.

The Cathedral has also hosted a series of significant services to celebrate events in national and Diocesan life. In May we held a special service, working in conjunction with the Lord-

Lieutenant of Cumbria, to celebrate the King's Coronation. This service included invitees from across Cumbria, as well as input from ecumenical and inter-faith representatives. In July we hosted the farewell service for The Rt Revd James Newcome as Bishop of Carlisle and in September the service of institution of The Very Revd Jonathan Brewster as Dean of Carlisle.

For these major services, and in our daily pattern of worship, music plays a central role and its importance is highlighted by its inclusion as one of the Chapter's main strategic aims. Through our musical life we not only enhance our worshipping life but offer high-quality, free at the point of access, music education for in the region of fifty children and young people through our boys and girls choirs and Cathedral Consort. The choirs, who between them offer seven sung services a week in term-time, fully engage with the riches of the English choral tradition which we are committed to developing and growing to more varied and diverse groups of people as a Cathedral. Recruitment to the Cathedral choirs is undertaken, in the main, through visits to a wide variety of schools in Carlisle and beyond. The nature of this recruitment means that the socio-economic, racial, and ethnic diversity of the children in our choirs bucks the trends traditionally expected of Cathedral choirs and also the largely white-British context of Carlisle and North Cumbria. Through our schools' outreach programme, Cantate Children's Choir we also offer musical experiences to primary school aged children in musical styles beyond the traditional Church repertoire which is the mainstay of our Cathedral Choirs. Through all of this work we would pay tribute to Mr Mark Duthie our Director of Music, and the whole music team, for the extremely high standard of music and professionalism they bring to our worshipping life. More will be said below in this report on our ongoing commitment to the maintenance and development of this musical tradition.

These traditional forms of worship have been complemented by the creative patterns of mission and engagement undertaken at the Cathedral. The All-Age parallel congregation continues to develop under the day-to-day leadership of a lay team under the supervision of the Canon Missioner. We have also begun a regular community well-being activity called "Flourish" run by our Cathedral Curate which offers regular spaces for conversation and activity for those who might be socially isolated.

Alongside these "come and see" missional activities we have continued to develop the "go forth and tell" aspects of the Cathedral engagement programme. The Schools' Labyrinth has been installed in the far southeast of the Diocese in Kirkby Lonsdale, the far west in St Bees, and the far north in Farlam. In September we were able to gain funding through the Cumbria Community Foundation to take our "Rest under the Stars" installation on a "Cumbrian Journey", initially to locations in the Eden Valley and we hope, in 2024, to locations in West Cumbria. This journey, as we continue to work with the accessible arts charity Prism Arts, works with local communities to explore the journeys and stories of their local context in sound and art. These will be brought together for a final installation in the Cathedral in the summer of 2024.

We recognise that, in the midst of this activity, we have not been able to develop our discipleship as much as we would have liked, with more explicitly themed patterns of preaching, learning and quiet days, although two adult discipleship groups do meet regularly at the Cathedral.

2. Fully realise the opportunities created by our Charitable status.

Through the last year we have been learning to embed and understand what it means to work as an independent charity within the structures of the Cathedrals Measure and our new Constitution and Statutes. We are pleased that all the new committees have been fully recruited to. In 2023 Canon James Westoll retired as a Non-Executive Member of Chapter

where he has served for ten years, some of that time as Chapter Treasurer. We would like to thank James for his long service, not least in remaining in post during the period of Decanal vacancy and are pleased that we will continue to work with him in his new role as Chair of the Friends of Carlisle Cathedral.

Day to day the new governance structures are working well with a recognition that more needs to be done to distinguish and communicate the difference between the governance and strategic focus of the Cathedral Chapter and the operational responsibilities of the Senior Management Team. Work has been undertaken, led by the Reverend Canon Ruth Crossley and Canon Alison Clarricoats, in developing a deeper understanding of the Cathedral's vision and values with the staff and volunteers. In addition, the newly constituted quarterly inductions for staff and volunteers, as well as regular all-staff and team meetings, is allowing for the better communication of these new structures. More work will need to be done through 2024 on both the organisational and cultural changes that flow from our new status and all of Chapter are committed to supporting and encouraging this at all levels of Cathedral activity.

In November 2023 the Cathedral underwent its first "Peer Review" under the system organised by the Association of English Cathedrals in conjunction with the central church. At the point of writing this report the final report has not been published but Chapter is committed to engaging with the report's recommendations and using them to inform our priorities going into the new year.

3. Be a safe and great place to work, volunteer and visit.

Safeguarding

The Chapter continues to place the highest priority on safeguarding. It sees good safeguarding practice at the Cathedral to be the expression of Christ's loving care for his people and his desire to see "that they should have life in all its fullness." Safeguarding is a standing item on the agenda of Chapter meetings, Senior Management Team meetings and regular staff meetings. In 2023 there has been a focus on making the processes and information on safeguarding simpler to find. The safeguarding page of the Cathedral website has undergone a redesign linking not only to Cathedral documents but also to documents within the wider church which underpin and support these. In addition, a new Safeguarding Handbook has been issued which mirrors the format and best practice outlined in the Church of England Safeguarding Handbook.

In October we ran, for the third year, a very well received Safeguarding Season where we worked with survivors of abuse to show our solidarity in prayer, worship, and action, with all who have been affected by abuse.

The Cathedral's safeguarding work is fully integrated with the safeguarding work of the Diocese of Carlisle and Chapter has requested that its safeguarding activity should fall within the remit of the Diocesan Safeguarding Advisory Panel. The Diocesan Safeguarding Adviser gives generous time to advise the Chapter, and a Memorandum of Understanding between Chapter and the Diocese is in place. The Chapter Safeguarding Lead and Safeguarding Administrator work closely with the Diocesan Safeguarding Advisor to monitor safeguarding concerns and uphold and develop best practice. This is supported by the Cathedral Safeguarding Group which draws its membership from across all parts of the Cathedral community. In 2024 we plan to strengthen the work of this group, currently convened and chaired by the Cathedral Safeguarding Lead, by the appointment of an independent Chair.

Volunteers and training

As already stated, this year we instituted a rolling pattern of quarterly inductions for all staff and volunteers. Through 2024, as well as offering these to new starters, we plan to ensure that all members of the existing Cathedral team have undertaken this induction. Training provision for staff and key volunteers has been developed through the year with safeguarding, fire marshal, and first aid training undertaken by a wider proportion of the Cathedral team. In addition, some staff have been able to undertake some focused personal development training. With these a significant number of new policies, procedures, and handbooks have been prepared and adopted by Chapter through the year to support staff and volunteers in their roles at the Cathedral.

Volunteers remain at the heart of the Cathedral's life. Through 2023 we have been delighted to welcome new volunteers and remain committed to developing and broadening the volunteer offer at the Cathedral. To assist with this, we have been working with a consultant provided by the National Lottery Heritage Fund to assist in forming a volunteer strategy and action plan growing out of the work of the Cathedral's lottery supported Fraternity Project. This work is being led by a nominated member of Chapter with the support of the Cathedral's newly appointed Learning and Volunteer Officer. Through the early months of 2024 we will be conducting a volunteer questionnaire and survey to inform and develop the strategy and action plan moving forward.

The appointment of the Learning and Volunteer Officer is a lasting and visible legacy to the Fraternity Project which was finally completed in the late summer of 2023. This new role allows us to build on the success of this project in three linked ways. The first, as stated above, is the development of the Cathedral volunteering opportunities. The second, the steady expansion of our schools' programme which is now supported by a small but growing number of volunteers. The third is the enhancement of our visitor offer. We are pleased to say that visitor numbers and donations have largely recovered to pre-pandemic levels. Through the year we have been able to enhance our visitor experience through new tours (particularly of the Bell Tower and the "Angel's View" from the clerestory) and the return of the "Rest under the Stars" installation before it began its "Cumbrian Journey".

4. Secure a sustainable financial business model.

Like all similar organisations the Cathedral has been challenged by the cost-of-living crisis over the last year. The robust financial performance of this last year is due, in no small part, to the strong financial management by the Cathedral team and the very impressive financial results of Carlisle Cathedral Enterprises Ltd. We continue efforts to diversify income streams and were pleased in 2023 to hold, for the first time since the redevelopment, a wedding reception in the Fraternity Hall as well as commercially successful events such as concerts by the London Film Music Orchestra, G4 and Cumbria Singers.

The Finance Committee chaired by the Chapter Treasurer, together with the Audit & Risk Committee, continue to provide scrutiny, challenge and support not only in the areas of finance but across all areas of risk identified under the risk management framework.

The Cathedral Chapter and the Board of Carlisle Cathedral Enterprises Ltd continue to work, and meet, together to ensure the close and sympathetic working between the two bodies. The employment of a Head of Fundraising through the whole year has successfully increased revenue from visitor income, grant making trusts, and new forms of regular support. With our new Dean in post, we recognise that developing and deepening our income generation is of vital importance, particularly as the financial forecast for 2024 is more challenging than 2023,

not least because of including the full effect of the rise in utilities, the full impact of which we had managed to delay until the middle part of 2023.

5. Ensure the financial sustainability of our musical tradition.

As stated above, music is at the heart of the Cathedral's life and Chapter remains committed to ensuring its long-term financial viability. In 2023 the Cathedral received the single largest grant, just under £30,000, from the Cathedral Music Trust as well as awards from other grant making bodies to support the work of the Cathedral choirs and the Cathedral's music outreach programme. The Sponsor a Chorister Scheme, launched late in 2022, now has over twenty-five subscribers.

Plans for the coming year and beyond:

Strategic planning and vision

The Cathedral's "Peer Review" process will help inform the strategic planning of the Cathedral into 2024. A Chapter strategy day is planned to allow Chapter to focus on the recommendations of the review and prioritise activity for the coming year and beyond. Central to this will be a refocusing of our time and resources on the central mission and identity of the Cathedral as it serves the people of this city, county and beyond. We take our Augustinian values seriously and want to 'work from a place of rest' creating a culture where everyone works an appropriate amount of time for the flourishing of all.

Staffing and capacity

With our new Dean in post, and concerted plans to fill the vacancy in the Finance department, we hope to work through the coming year with a larger team to allow us to continue to deliver on our strategic aims as we have in 2023. A key means of this will be the continued development of our Annual Business Development Plan so that all departmental activity can focus on delivering our strategic objectives with regular patterns of reporting on this to Chapter through the Senior Management Team.

Financial planning and management

The sound management of the Cathedral's assets and properties and the recruitment of a Head of Finance remain a key opportunity and challenge for Chapter. We will aim to have a Head of Finance, or equivalent, in place by the summer of 2024. In 2023 Chapter reviewed the management of its investment portfolio leading to the transfer of these funds to management by Rathbones and CCLA which will be completed in 2024.

In 2023, Chapter formed a Property Working Group whose membership bring extensive experience of commercial and residential property. This group allows for the planning of the Cathedral's properties as we seek to meet the challenges of Net-Zero whilst also maximising the financial benefit of these assets. To support this work, we were delighted to be awarded in December 2023 an Eco-Church Bronze award and are committed to moving to the Silver award in 2024.

A key focus of our financial planning will be the development of a robust fundraising strategy to support the Cathedral's musical heritage including plans for the refurbishment, in time, of the Cathedral organ. The Cathedral's very fine "Father Willis" Organ dates from 1856. Like all pipe organs it requires both regular maintenance and tuning. In the 1990s it received some low-level restoration but is now due a substantial rebuild to maintain this vital part of our musical heritage and Cathedral fabric. Chapter is under no illusions that this strategic aim

requires careful and focused attention through the coming year and that, through that, we remain ambitious to continue to place music, and the worshipping life that it enhances, central to the life, identity, and flourishing of Carlisle Cathedral into the coming year and beyond.

Safeguarding

In the area of safeguarding, we will be working with the Diocese of Carlisle to refine our working relationship to allow both the Cathedral and Diocese to become integrated into the National Safeguarding Case Management System. Both parties envisage this being achieved through a redrafting of the Memorandum of Understanding. We also hope to reform our Cathedral Safeguarding Action Plan around the newly published Church of England National Safeguarding Standards. This process will support and refine our safeguarding systems as we prepare for our next Safeguarding Audit currently scheduled for the beginning of 2025.

Statement of public benefit

As a Cathedral of the Church of England the Chapter's statutory responsibility under the Cathedrals Measure 2021 is to be the seat of the Diocesan Bishop and a centre of worship and mission and to provide a focus for the life and work of the Church of England in the Diocese. The Chapter report explains how Chapter provides a benefit to the public through its support towards the Bishop and the Diocese's "God For All" strategy which is shared by three other Christian denominations representing the ecumenical county of Cumbria; its provision of worship, pastoral and outreach activities for the people of Carlisle and beyond, and the welcome, hospitality, music and increasing range of activities and events provided for all the Cathedral's visitors throughout the year. In setting the Cathedral's objectives the Chapter has paid due regard to the guidance set by the Church Commissioners and the Charity Commission.

Principal risks and uncertainties

Whilst the responsibility for building a robust Risk Management Framework remains entirely with Chapter, the Audit & Risk Committee brings an additional and very important layer of oversight. During the year Chapter, with scrutiny and input from the Audit & Risk Committee, undertook its first review of the new Risk Management Policy and continued to evaluate and refresh the Risk Register with regard to the key risks being faced by the Cathedral.

As identified within the Risk Register, there are a number of risks and uncertainties faced by the Cathedral and, at the time of this report, there were five risks where the implementation of additional control measures is being progressed to further improve the management/mitigation of the risk:

- delivery of an Annual Business Development Plan (underpinned by key performance indicators) by the Senior Management Team and Heads of Department, with quarterly reporting to Chapter so that progress against the achievement of Chapter's overall strategic aims and key strategic objectives can be evaluated;
- proactive management of the investment portfolios by our investment managers and quarterly review of the performance of the investment portfolios against the health of the wider market by the Finance Committee, with subsequent reporting to Chapter;
- development and implementation of a Property Management and Maintenance Plan in conjunction with the Surveyor to the Fabric, the Fabric Advisory Committee, the Fabric Sub Committee and the Chapter-appointed Property Working Group;
- recruitment of key staff (in particular, a new Head of Finance) and volunteers; and
- the ongoing embedding of a strong safeguarding culture.

Progress of the above is reviewed by both Chapter and the Audit & Risk Committee on a regular basis, alongside the periodic monitoring and re-assessment of each of the identified risks in line with the Risk Management Policy, whilst the Senior Management Team holds Chapter-delegated responsibility for day-to-day risk management arrangements.

Financial review

The Chapter originally budgeted for a deficit of £56,753, excluding the distribution from CCEL. The Chapter accounts for the year ended 31st December 2023 show a net surplus in the Common Fund of £125,598, including a distribution from CCEL of £118,021, and before considering unrealised gains or losses, and without taking into consideration income and expenditure on major projects, including the Fraternity Project.

Group incoming Common Fund resources amounted to £1,234,094 (2022 - £1,074,908).

Regular sources of income including congregational giving, investment income, property and Gift Aid from visitor donations continue to come under pressure, reflecting the challenges that Chapter faces in achieving sustainable income streams. More visitors are choosing to donate to the Cathedral using electronic means such as Goodbox and other online platforms that have been set up this year.

Total group Common Fund resources expended amounted to £1,109,160 (2022 £1,113,213). Chapter continue to seek efficiency savings throughout its operations, which were notably achieved in the Cathedral. Expenditure on music is also being rigorously managed. Chapter will develop a long-term funding plan for music in order to sustain the Choir into the future and support its development.

Carlisle Cathedral Enterprises Limited accounts for the year ended 31 December 2023 show a profit before tax of £119,140 (2022: £34,714). Turnover amounted to £598,507 (2022: £481,883). This has resulted in a donation of £118,021 (2022: £34,609) to Chapter this year.

Overall, there has been a surplus this year of £108,999. This is made up of the following:

	<u>Common Fund</u>	<u>Bequest</u>	<u>Abbey Properties</u>	<u>Fabric fund</u>	<u>Other funds</u>	<u>Fraternity fund</u>	<u>Endowment funds</u>	<u>Total</u>
Net surplus/deficit	124,935	285	2,191	40,655	(432)	(27,801)	-	139,833
Unrealised gains/losses	(8,600)	(5,039)	588	1,180	(1,856)	-	(17,107)	(30,834)
Transfers	63,777	-	-	-	(7,251)	(56,526)	-	-
	<u>180,112</u>	<u>(4,754)</u>	<u>2,779</u>	<u>41,835</u>	<u>(9,539)</u>	<u>(84,327)</u>	<u>(17,107)</u>	<u>108,999</u>

The cash balances held by each of above funds is:

	<u>Common Fund</u>	<u>Bequest</u>	<u>Abbey Properties</u>	<u>Fabric fund</u>	<u>Other funds</u>	<u>Fraternity fund</u>	<u>Endowment funds</u>	<u>Total</u>
Cash held	95,357	67,376	179,066	140,999	9,574	62,145	-	554,517

Chapter is able to fund the forecasted deficits from reserves built up over previous years. We are working hard to return to a balanced budget as soon as possible and rebuild our reserves to ensure the future financial stability of the Cathedral. Central to this will be our plan to optimise the market opportunities arising from the Fraternity re-development and build important new income streams, without which the Cathedral is not likely to become financially sustainable.

Fundraising standards information

The charity does not hold any agreements with professional fundraisers or commercial participants.

Remuneration of key management personnel

Chapter determines the remuneration of the Chief Operating Officer, whose performance is reviewed by the Dean. The remuneration of senior staff is determined by Chapter on the advice of the Chief Operating Officer, who reviews their performance. Pay is set with regard to the pay of equivalent roles in English cathedrals of similar standing.

Investment policy and performance

Chapter's investment objective is to create sufficient income and capital growth to enable the Chapter to carry out its purposes consistently year by year with due and proper consideration to future needs and to maintain and enhance (where possible) the invested funds.

Investments held by the Chapter were managed and split between CCLA Investment Management Ltd, Schroders, M&G Charity funds, Charities Property Fund and Rathbones Investment managers; and follow ethical investment guidelines.

Reserves Policy

Chapter holds unrestricted free reserves to manage financial risk, secure the preservation and management of its assets, and to ensure the fulfilment of its mission.

Unrestricted free reserves are held so that financial commitments are met as they fall due, optimal investment in the fabric of the Cathedral and its surrounding property is made, and to protect against uncertainties in its future income levels.

Chapter assesses that the Cathedral's need for reserves will fluctuate depending on its financial position and the assessment of the risks faced at any one time. This Reserves Policy will, accordingly, be reviewed on an annual basis. Chapter's present policy is to hold unrestricted free reserves of at least 6 months' operating costs or £354,280.

This threshold has been set by Chapter following an assessment of the following factors:

- Chapter's projected annual income and expenditure
- An assessment of risks – analysing probability and impact
- The state of the Cathedral's assets; and
- The level of fixed, non-adjustable outgoings (such as insurance etc)

The level of unrestricted reserves held in Chapter only as at 31st December 2023 were £1,760,920 of which £179,066 are designated for property repairs; £103,612 held as fixed assets, £1,369,419 held as investments and £108,823 free as unrestricted reserves. The level of these reserves is subject to volatility and kept under annual review.

Statement of responsibilities of the Trustees

The Cathedrals Measure 1999 and the Care of Cathedrals Measure 2011 are the two principal pieces of legislation which govern cathedrals. The Cathedrals Measure 2021 further governs Carlisle Cathedral since it registered as a charity with the Charity Commission.

The trustees are responsible under requirements laid down by the Church Commissioners under the powers given to them by the Cathedrals Measure 2021 and in accordance with applicable law and United Kingdom Accounting Standards for:

- preparing and publishing a Trustees' Report and audited financial statements which give a true and fair view of the financial activities for each financial year and of the assets, liabilities and funds at the end of each financial year of the Cathedral and its connected entities;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation;
- keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time;
- safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

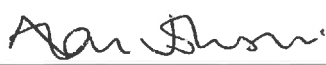
Auditors

The auditors, Dodd & Co Audit Limited, will be proposed for re-appointment.

On behalf of the Trustees:



Dean of Carlisle



Treasurer of Carlisle Cathedral

Dated: 7/5/24

Dated: 7/5/24

Report of the Independent Auditors to the Cathedral Church of the Holy and Undivided Trinity of Carlisle

Year ended 31 December 2023

We have audited the consolidated financial statements of the Cathedral Church of the Holy and Undivided Trinity of Carlisle for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

In our opinion, the financial statements:

- give a true and fair view of the state of the group and the Cathedral's affairs as at 31 December 2023 and of its income and expenditure 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 guidelines specified by the Church Commissioners under the powers given to them by the Cathedrals Measure 2021 and the Charities Act 2011 as amended by the Charities Act 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to

be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Cathedrals Measure 2021 and Charities Act 2011 as amended by the Charities Act 2022 requires us to report to you if, in our opinion:

- the information in the Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

We have been appointed auditor under section 27 of the Cathedrals Measure 2021 and the Charities Act 2011 as amended by the Charities Act 2022 and report in accordance with 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 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/auditorresponsibilities. This description forms part of our auditors report.

Responsibilities of the members

As explained more fully in the statement of responsibilities set out on page 10, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks,

including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;
 - detecting and responding to risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Cathedrals Measure 2021, the Cathedral SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Cathedral Church of the Holy and Undivided Trinity of Carlisle
Year ended 31 December 2023

Use of this report

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

Dodd + Co Audit

Dodd & Co Audit Limited

Chartered Accountants & Registered Auditors

FIFTEEN Rosehill

Montgomery Way

Rosehill Estate

CARLISLE

CA1 2RW

Dated: *23/5/24*

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Consolidated Statement of Financial Activities

for the year ended

31 December 2023

		31.12.23				31.12.22				
Notes		Restricted	Unrestricted	Permanent Endowment	Total	Restricted	Unrestricted	Permanent Endowment	Total	
		£	£	£	£	£	£	£	£	
2	Income from									
	Donations and legacies	26,189	299,128	-	325,317	61,109	274,770	-	335,879	
	Grants	309,815	158,175	-	467,990	366,126	135,236	-	501,362	
	Other trading activities	-	558,704	-	558,704	-	479,377	-	479,377	
	Investments	34,838	215,668	-	250,506	29,342	188,998	-	218,340	
	Other	-	11,709	-	11,709	-	11,799	-	11,799	
	Total income	370,842	1,243,384	-	1,614,226	456,577	1,090,180	-	1,546,757	
3	Expenditure on									
	Raising funds	30,563	518,415		548,978	19,875	515,290	-	535,165	
	Charitable activities:									
		- Ministry	180,515	230,018	-	410,533	198,557	241,699	-	440,256
		- Cathedral and precincts upkeep	118,488	308,822	-	427,310	110,143	333,078	-	443,221
		- Education and outreach	6,032	33,776	-	39,808	16,748	15,360	-	32,108
4	Other	22,821	24,943	-	47,764	6,301	48,181	-	54,482	
	Total expenditure	358,419	1,115,974	-	1,474,393	351,624	1,153,608	-	1,505,232	
	Net income before gains / (losses) on investments	12,423	127,410	-	139,833	104,953	(63,428)	-	41,525	
	Net gains / (losses) on investments	(676)	(13,051)	(17,107)	(30,834)	(12,830)	(58,817)	(70,697)	(142,344)	
	Net income / (expenditure)	11,747	114,359	(17,107)	108,999	92,123	(122,245)	(70,697)	(100,819)	
	Transfers between funds	(63,777)	63,777	-	-	(45,876)	24,821	21,055	-	
	Net movement in funds	(52,030)	178,136	(17,107)	108,999	46,247	(97,424)	(49,642)	(100,819)	
	Funds brought forward	599,496	1,582,784	8,642,061	10,824,341	553,249	1,680,208	8,691,703	10,925,160	
	Funds carried forward	547,466	1,760,920	8,624,954	10,933,340	599,496	1,582,784	8,642,061	10,824,341	

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Consolidated Balance Sheet as at
31 December 2023

	Notes	31.12.23				31.12.22
		Restricted	Unrestricted	Permanent Endowment	Total	Total
		£	£	£	£	£
Fixed Assets						
Non investment assets						
Property	8	-	-	5,149,172	5,149,172	5,149,172
Equipment and plant	8	-	117,919	-	117,919	83,169
Investment assets						
Property	11	-	-	1,930,000	1,930,000	1,930,000
Investments	12	325,820	1,369,419	1,625,332	3,320,571	3,344,003
		325,820	1,487,338	8,704,504	10,517,662	10,506,344
Current Assets						
Stock		-	31,157	-	31,157	27,290
Debtors	13	-	126,778	-	126,778	174,622
Cash at bank and in hand		221,733	332,784	-	554,517	397,025
		221,733	490,719	-	712,452	598,937
Creditors: amounts falling due within one year	14	(87)	(213,619)	-	(213,706)	(199,506)
Net Current Assets		221,646	277,100	-	498,746	399,431
Total assets less current liabilities		547,466	1,764,438	8,704,504	11,016,408	10,905,775
Creditors: amounts falling due after more than one year	15	-	-	(79,550)	(79,550)	(79,550)
Provision for liabilities and charges	16	-	(3,518)	-	(3,518)	(1,884)
Net Assets		547,466	1,760,920	8,624,954	10,933,340	10,824,341
Funds	17					
Unrestricted Funds						
Common Fund		-	756,171	-	756,171	576,060
Bequest Fund		-	825,683	-	825,683	830,437
Bequest Fund - Abbey Properties		-	179,066	-	179,066	176,287
Restricted Funds						
Cathedral Fabric Fund		207,235	-	-	207,235	165,400
Music Fund		215,506	-	-	215,506	214,164
Brown and Ford Prize Fund		1,427	-	-	1,427	1,305
Chapter Discretionary Fund		37,396	-	-	37,396	-
Jack Dix Local Mission Fund		8,721	-	-	8,721	9,053
Other Restricted Funds		1,818	-	-	1,818	50,099
Whitelaw Fund		4,216	-	-	4,216	4,001
Fratry Project Fund		71,147	-	-	71,147	155,474
Permanent Endowment						
Rev. G Bennett Estate		-	-	585,840	585,840	593,463
Cathedral Endowment		-	-	1,039,492	1,039,492	1,048,976
Cathedral Property fund		-	-	6,999,622	6,999,622	6,999,622
Total Funds		547,466	1,760,920	8,624,954	10,933,340	10,824,341

The accounts of Carlisle Cathedral were approved by the Trustees and authorised for issue on
and signed on its behalf by:

Dean of Carlisle
Dated:

Treasurer of Carlisle Cathedral
Dated:

James Funder
7/5/24

Anthony
7.5.24

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Carlisle Cathedral Balance Sheet as at 31 December 2023

	Notes	31.12.23				31.12.22
		Restricted	Unrestricted	Permanent Endowment	Total	Total
		£	£	£	£	£
Fixed Assets						
Non investment assets						
Property	8	-	-	5,149,172	5,149,172	5,149,172
Equipment and plant	8	-	103,612	-	103,612	69,922
Investment assets						
Property	11	-	-	1,930,000	1,930,000	1,930,000
Investments	12	325,820	1,376,419	1,625,332	3,327,571	3,351,003
		325,820	1,480,031	8,704,504	10,510,355	10,500,097
Current Assets						
Debtors	13	-	288,090	-	288,090	247,446
Cash at bank and in hand		221,733	174,057	-	395,790	323,984
		221,733	462,147	-	683,880	571,430
Creditors: amounts falling due within one year	14	(87)	(181,258)	-	(181,345)	(168,300)
Net Current Assets		221,646	280,889	-	502,535	403,130
Total assets less current liabilities		547,466	1,760,920	8,704,504	11,012,890	10,903,227
Creditors: amounts falling due after more than one year	15	-	-	(79,550)	(79,550)	(79,550)
Net Assets		547,466	1,760,920	8,624,954	10,933,340	10,823,677
Funds	17					
Unrestricted Funds						
Common Fund		-	756,171	-	756,171	575,396
Bequest Fund		-	825,683	-	825,683	830,437
Bequest Fund - Abbey Properties		-	179,066	-	179,066	176,287
Restricted Funds						
Cathedral Fabric Fund		207,235	-	-	207,235	165,400
Music Fund		215,506	-	-	215,506	214,164
Brown and Ford Prize Fund		1,427	-	-	1,427	1,305
Chapter Discretionary Fund		37,396	-	-	37,396	-
Jack Dix Local Mission Fund		8,721	-	-	8,721	9,053
Other Restricted Funds		1,818	-	-	1,818	50,099
Whitelaw Fund		4,216	-	-	4,216	4,001
Fratry Project Fund		71,147	-	-	71,147	155,474
Permanent Endowment						
Rev. G Bennett Estate		-	-	585,840	585,840	593,463
Cathedral Endowment		-	-	1,039,492	1,039,492	1,048,976
Cathedral Property Fund		-	-	6,999,622	6,999,622	6,999,622
Total Funds		547,466	1,760,920	8,624,954	10,933,340	10,823,677

The accounts of Carlisle Cathedral were approved by the Trustees and authorised for issue on and signed on its behalf by:

Dean of Carlisle Cathedral
Dated:

Jonathan Funnell
7/5/24

Treasurer of Carlisle Cathedral
Dated:

Alan Shaw
7.5.24

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Consolidated Statement of Cash Flows
for the year ended
31 December 2023**

	Note	2023	2022
Cash flows from operating activities:			
Net cash provided by operating activities	23	(10,535)	(259,801)
Cash flows from investing activities:			
Dividends, interest and rents from investments		250,506	218,340
Proceeds from sale of investments		6,336	14,627
Purchase of investments		(13,737)	(25,278)
Purchase of property, plant and equipment		(75,079)	(36,206)
Net cash provided by investing activities:		168,026	171,483
 Change in cash and cash equivalents in the reporting period		 157,491	 (88,318)
 Cash and cash equivalents at the beginning of the reporting period		 397,025	 485,343
 Cash and cash equivalents at the end of the reporting period		 554,516	 397,025
Restricted		221,733	276,403
Unrestricted		332,783	120,622
		554,516	397,025

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

1 Accounting policies

Statement of compliance

The accounts have been prepared in accordance with the *Accounting and Reporting Regulations for English Anglican Cathedrals 2018*, and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 as amended by the Charities Act 2022.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Cathedrals Measure 1999 and the Care of Cathedrals Measure 2011 are the two principal pieces of legislation which govern cathedrals. The Cathedrals Measure 2021 further governs Carlisle Cathedral since it registered as a charity with the Charity Commission.

Basis of preparation

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes

Going Concern

The Trustees have considered whether the use of the going concern basis of accounting is appropriate. To do this, they have considered whether there are any material uncertainties as to the charity's ability to continue as a going concern. They have carried out this assessment for a period of at least one year from the date of approval of these accounts.

The trustees have prepared, and keep under review, detailed budgets. As a result of this review, the members are satisfied that there are no material uncertainties about the charity's ability to continue as a going concern.

Income

Income is recognised in the SOFA when a transaction or other event results in an increase in the cathedral's assets or a reduction in its liabilities. Income must only be recognised when the criteria of entitlement, probability and measurement are met. Payments made direct to third parties which are never received by the Chapter are also included, along with the corresponding expenditure. The main example of this in the accounts is the stipends paid by the Church Commissioners. This income is shown as restricted, but as the income always matches the expenditure the balance at the year end is always nil.

Legacies

Legacies are accounted for when they are due. They are deemed to be due when the criteria of entitlement, probability and measurement have been met.

Grants receivable and payable

Grants are credited or charged on an accruals basis.

Expenditure

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

- Cost of raising funds comprise the costs of commercial trading and their associated support costs; and
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the cathedral and their associated support costs.

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

Support costs are those functions that assist the work of the cathedral but do not directly undertake either charitable or fundraising activities.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

1 Accounting policies(continued)

Tangible fixed assets

Individual fixed assets costing £200 or more are capitalised at cost and depreciated over their useful economic lives on a straight line basis as follows:

Motor vehicles	20% straight line
Equipment	20% straight line

Buildings are not depreciated, as the Chapter has a policy and practice of regular maintenance of the property. Repairs are charged to the SOFA and the Chapter therefore considers that any depreciation charge would be immaterial.

The Fraternity project buildings are included at fair value. No depreciation is charged on these assets. The fair value is determined by the value in use of the buildings, based on their service potential. As the buildings are expected to continue to meet their service potential for the foreseeable future, their value in use is reflected by the costs of construction of the buildings rather than the amount for which they can be sold in the market.

Heritage assets

Heritage assets include the cathedral and ancillary buildings and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. No value has been attributed to these assets acquired before 31 December 2023, because information on their historical cost is not available.

Investment properties

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

Investments

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

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

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

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

1 Accounting policies(continued)

Equity sharing loan

In 1988 the Church Commissioners granted an equity sharing loan to finance the cost of improvements to the Deanery. The capital value of the loan is expressed as a percentage of the value of the Deanery and is repayable only if the property is sold. Interest on the loan was initially set at 3% per annum, to be increased annually by no more than the movement in the retail price index for the preceding year.

Funds

The Chapter operates restricted, unrestricted, designated and permanent endowment funds. Restricted funds are those where the donor is specific as to the use to which the funds are to be put. The main restricted funds are the Fraternity Fund, Cathedral Fabric Fund and the Music Fund. Smaller funds are set up when specific donations make this requirement.

Unrestricted funds are those where the Chapter is free to expend the funds in accordance with the constitution. Designated funds are those set aside for a specific purpose.

There are three permanent endowment funds. The first is in the form of a legacy received from the Reverend G S Bennett. This endowment may not be expended and the income is to be spent on the annual repair and maintenance of the Cathedral. This income is therefore restricted in use and is credited to the Cathedral Fabric Fund.

The second endowment fund consists of the Cathedral Endowment Fund. These assets were transferred to the Church Commissioners under Section 24 of the Cathedrals Measure 1963. These funds may in certain circumstances be expended, but the proceeds or any replacement asset would form part of the original endowment under the terms of section 23 of the Cathedrals Measure 1963. Income from this endowment is unrestricted in use.

The third endowment is the Cathedral Property Fund, which consists of the cathedral properties that are held within the cathedral precinct, as well as the deanery loan.

Consolidation

The consolidated accounts include the accounts of the charity and subsidiary, Carlisle Cathedral Enterprises Limited, drawn up to 31 December 2023. Subsidiary undertakings are included using the acquisitions method of accounting.

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2023

2 Income

	31.12.23			31.12.22		
	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
Donations and legacies						
Collections	-	96,210	96,210	-	88,717	88,717
Visitor donations	-	81,420	81,420	-	71,992	71,992
Donations	12,670	3,191	15,861	-	-	-
Appeals and fundraising	-	20,351	20,351	14,577	-	14,577
Development Trust grants	3,968	49,460	53,428	38,714	42,136	80,850
Friends grants	9,401	22,500	31,901	7,352	12,500	19,852
Special events	150	25,711	25,861	466	48,563	49,029
Legacies	-	285	285	-	10,862	10,862
	<u>26,189</u>	<u>299,128</u>	<u>325,317</u>	<u>61,109</u>	<u>274,770</u>	<u>335,879</u>
Grants receivable						
Church Commissioners	256,702	65,875	322,577	287,495	54,795	342,290
Other revenue and capital grants	53,113	92,300	145,413	78,631	80,441	159,072
	<u>309,815</u>	<u>158,175</u>	<u>467,990</u>	<u>366,126</u>	<u>135,236</u>	<u>501,362</u>
Trading and fundraising activities						
Visitor donations	-	5,748	5,748	-	3,981	3,981
Facility fees	-	24,509	24,509	-	8,972	8,972
Gross income from shop, café and works department	-	528,447	528,447	-	466,424	466,424
	<u>-</u>	<u>558,704</u>	<u>558,704</u>	<u>-</u>	<u>479,377</u>	<u>479,377</u>
Investments						
Rental income	-	83,326	83,326	-	83,318	83,318
Investment income	34,838	132,342	167,180	29,342	105,680	135,022
	<u>34,838</u>	<u>215,668</u>	<u>250,506</u>	<u>29,342</u>	<u>188,998</u>	<u>218,340</u>
Other						
Other income	-	11,709	11,709	-	11,799	11,799
	<u>-</u>	<u>11,709</u>	<u>11,709</u>	<u>-</u>	<u>11,799</u>	<u>11,799</u>
Total Income	<u>370,842</u>	<u>1,243,384</u>	<u>1,614,226</u>	<u>456,577</u>	<u>1,090,180</u>	<u>1,546,757</u>

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2023**

3 Raising funds

	31.12.23			31.12.22		
	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
General marketing costs	7,711	1,514	9,225	-	6,924	6,924
Property repairs and maintenance	-	3,577	3,577	-	9,354	9,354
Cost of trading activities	-	431,772	431,772	-	435,302	435,302
Support costs	22,852	81,552	104,404	19,875	63,710	83,585
	<u>30,563</u>	<u>518,415</u>	<u>548,978</u>	<u>19,875</u>	<u>515,290</u>	<u>535,165</u>

4 Expenditure on

	31.12.23			31.12.22		
	Restricted £	Unrestricted £	Total £	Restricted £	Unrestricted £	Total £
Ministry						
Clergy stipends and working expenses	113,203	41,806	155,009	133,796	48,429	182,225
Services, music and choir	44,828	114,905	159,733	44,396	107,306	151,702
Visitor services	-	52	52	-	32,600	32,600
Support costs	22,484	73,255	95,739	20,365	53,364	73,729
	<u>180,515</u>	<u>230,018</u>	<u>410,533</u>	<u>198,557</u>	<u>241,699</u>	<u>440,256</u>
Cathedral and precincts upkeep						
Major repairs and renovations	28,923	6,446	35,369	41,500	23,732	65,232
Maintenance and interior upkeep	16,347	63,654	80,001	16,789	73,683	90,472
Cathedral insurance	-	57,126	57,126	-	49,825	49,825
Vergers and interior upkeep	46,264	95,363	141,627	26,080	116,350	142,430
Precinct and grounds	-	5,590	5,590	1,665	18,044	19,709
Support costs	26,954	80,643	107,597	24,109	51,444	75,553
	<u>118,488</u>	<u>308,822</u>	<u>427,310</u>	<u>110,143</u>	<u>333,078</u>	<u>443,221</u>
Education and outreach						
Outward giving and education	567	15,968	16,535	12,013	2,990	15,003
Support costs	5,465	17,808	23,273	4,735	12,370	17,105
	<u>6,032</u>	<u>33,776</u>	<u>39,808</u>	<u>16,748</u>	<u>15,360</u>	<u>32,108</u>
Other expenditure on mission						
Interest payable	-	4,341	4,341	-	4,050	4,050
Other expenses	22,821	20,602	43,423	6,301	44,131	50,432
	<u>22,821</u>	<u>24,943</u>	<u>47,764</u>	<u>6,301</u>	<u>48,181</u>	<u>54,482</u>
Total Expenditure	<u>358,419</u>	<u>1,115,974</u>	<u>1,474,393</u>	<u>351,624</u>	<u>1,153,608</u>	<u>1,505,232</u>

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

5 Allocation of support costs

	31.12.23			31.12.22
	Direct costs	Support costs	Total	Total
	£	£	£	£
Cost of raising funds	444,574	104,404	548,978	535,165
Ministry	314,794	95,739	410,533	440,256
Cathedral and precincts upkeep	319,713	107,597	427,310	443,221
Education and outreach	16,535	23,273	39,808	32,108
Other expenditure on mission	47,765	-	47,765	54,482
	<u>1,143,381</u>	<u>331,013</u>	<u>1,474,394</u>	<u>1,505,232</u>

The following expenditure is included in support costs:

Auditors remuneration for:

Audit services	-	10,990	10,990	10,990
Other services	-	41,427	41,427	2,360
	<u>-</u>	<u>52,417</u>	<u>52,417</u>	<u>13,350</u>

Other services includes assistance with management accounts for the first 9 months of the year.

6 Employees

Employee remuneration	31.12.23			31.12.22
	Restricted £	Unrestricted £	Total £	Total £
Total gross salary and stipend cost	209,803	483,093	692,896	746,855
Apprenticeship levy	292	-	292	373
Employers national insurance	16,688	34,846	51,534	60,097
Employers pension contributions	22,950	26,876	49,826	65,117
	<u>249,733</u>	<u>544,815</u>	<u>794,548</u>	<u>872,442</u>

The Church Commissioners finance directly the stipend, pension and associated employer's national insurance of the Dean and two Canons.

The remuneration of, and pension provision for, clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishop's Council and the Church of England Pensions Board.

The remuneration and pension contributions of the residentiary members of the Chapter are set out below:

	31.12.23		31.12.22	
	Stipend £	Pension £	Stipend £	Pension £
The Very Reverend Mark Boyling	-	-	28,442	8,835
The Reverend Canon Michael Manley	29,485	7,127	28,268	9,342
The Reverend Canon Dr Benjamin Carte	29,485	7,127	28,268	9,342
The Very Reverend Jonathan Brewster	10,099	-	-	-
Total remuneration and pension contributions	<u>69,069</u>	<u>14,254</u>	<u>84,978</u>	<u>27,519</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

6 Employees, contd.

No single employee received remuneration exceeding £60,000.

The key management personnel of the charity comprises the chief operating officer, Head of Fundraising, and the Dean's PA. The total remuneration of key management personnel during the year was £121,666 (2022 - £126,064), the reduction was due to the revision of the guest services role.

The total number of employees of the Cathedral during the year was as follows:

	31.12.23	31.12.22
Clergy	3.0	3.0
Administration and office	9.0	10.0
Music	8.0	6.0
Works Department	2.0	3.0
Vergers	5.0	4.0
Carlisle Cathedral Enterprises	14.0	12.0
	<u>41.0</u>	<u>38.0</u>

The full time equivalent number of staff during the year was as follows:

	31.12.23	31.12.22
Clergy	3.00	2.75
Administration and office	3.01	8.50
Music	4.30	1.68
Works Department	0.17	1.92
Vergers	2.28	3.80
Carlisle Cathedral Enterprises	8.53	12.25
	<u>21.29</u>	<u>30.90</u>

During the year expenses were reimbursed to three Chapter members as follows:

£11,080 (2022: £10,512) Travel, subsistence, office and entertaining

There were no additional payments made to Chapter members for additional work done over and above their normal duties during the year.

7 Heritage assets

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

The Care of Cathedrals Measure 2011 requires cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the cathedral church. No additions to the inventory in the last four years have met the definition of heritage asset and there have been no transactions involving heritage assets in the same time period.

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements
for the year ended
31 December 2023

8 Tangible fixed assets

Group	Motor vehicles £	Equipment £	Land and buildings £	Fratry project buildings £	Total £
COST OR VALUATION					
At 1 January 2023	8,097	207,080	1,633,000	3,516,172	5,364,349
Additions	-	75,079	-	-	75,079
Disposals	-	(18,744)	-	-	(18,744)
At 31 December 2023	8,097	263,415	1,633,000	3,516,172	5,420,684
DEPRECIATION					
At 1 January 2023	(8,097)	(123,912)	-	-	(132,009)
Charge for year	-	(40,328)	-	-	(40,328)
Eliminated on disposals	-	18,744	-	-	18,744
At 31 December 2023	(8,097)	(145,496)	-	-	(153,593)
NET BOOK VALUE					
At 31 December 2023	-	117,919	1,633,000	3,516,172	5,267,091
At 31 December 2022	-	83,168	1,633,000	3,516,172	5,232,340

Chapter	Motor vehicles £	Equipment £	Land and buildings £	Fratry project buildings £	Total £
COST OR VALUATION					
At 1 January 2023	8,097	183,258	1,633,000	3,516,172	5,340,527
Additions	-	71,034	-	-	71,034
Disposals	-	(18,744)	-	-	(18,744)
At 31 December 2023	8,097	235,548	1,633,000	3,516,172	5,392,817
DEPRECIATION					
At 1 January 2023	(8,097)	(113,337)	-	-	(121,434)
Charge for year	-	(37,343)	-	-	(37,343)
Eliminated on disposals	-	18,744	-	-	18,744.00
At 31 December 2023	(8,097)	(131,936)	-	-	(140,033)
NET BOOK VALUE					
At 31 December 2023	-	103,612	1,633,000	3,516,172	5,252,784
At 31 December 2022	-	69,921	1,633,000	3,516,172	5,219,093

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

9 Land and buildings, including Fraternity project buildings

Non investment property is all freehold, and is carried in the accounts at valuation. The Fraternity project buildings are held at fair value. The full accounting policy is disclosed on Page 25. All other fixed assets are carried at cost. Non investment property is split as follows:

	31.12.23	31.12.22
	£	£
For cathedral trading activities	3,516,172	3,516,172
For occupation by cathedral staff or used for worship, educational or administrative purposes	1,633,000	1,633,000
	<u>5,149,172</u>	<u>5,149,172</u>

Land and buildings were revalued during the year ending 31 December 2010.

10 The properties other than the Cathedral which are held by the charity are as follows:

Deanery	3 The Abbey	7 The Abbey	10 garages
Prior's Tower	4 The Abbey	8 The Abbey	Fraternity
1 The Abbey	5a The Abbey	9 The Abbey	Prior Snee House
2 The Abbey	5b The Abbey	10 The Abbey	Bishop Smith Registry
2a The Abbey	5c The Abbey	Masons' Lodge	Cathedral Café
2b The Abbey	6 The Abbey	The Lodge	

11 Investment property

	Permanent Endowment	Total
	£	£
VALUATION		
At 1 January 2023	1,930,000	1,930,000
Revaluation	-	-
At 31 December 2023	<u>1,930,000</u>	<u>1,930,000</u>

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2021 by D C Goodland FRICS IRRV of Walton Goodland (Chartered Surveyors.)

12 Investments

	31.12.23	31.12.22
	£	£
Market value		
As at 1 January 2022	3,344,003	3,475,695
Revaluation	(30,834)	(142,344)
Additions	13,738	25,279
Disposals	(6,336)	(14,627)
Total Group investments at 31 December 2023	<u>3,320,571</u>	<u>3,344,003</u>
Carlisle Cathedral Enterprises Limited (an unlisted company) 100% of the issued ordinary share capital, at par	7,000	7,000
Total Chapter investments as at 31 December 2023	<u>3,327,571</u>	<u>3,351,003</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

13 Debtors

Group	31.12.23			31.12.22
	Restricted £	Unrestricted £	Total £	Total £
Trade debtors	-	45,018	45,018	18,521
Prepayments and accrued income	-	80,463	80,463	145,021
Other debtors	-	1,297	1,297	11,080
	-	126,778	126,778	174,622
Chapter	31.12.23			31.12.22
	Restricted £	Unrestricted £	Total £	Total £
Trade debtors	-	58,030	58,030	34,940
Prepayments and accrued income	-	196,963	196,963	179,671
Other debtors	-	1,297	1,297	1,035
Amounts owed by connected entities	-	31,800	31,800	31,800
	-	288,090	288,090	247,446

The amounts owed by connected entities comprise a loan to Carlisle Cathedral Enterprises Limited. The loan is interest free and has no fixed date for repayment. It is due in more than one year. No discounting has been applied to this balance because the time value of money would be immaterial. Trade debtors includes £17,023 due from Carlisle Cathedral Enterprises Limited (2022 - £17,977). Prepayments and accrued income include £118,021 due from Carlisle Cathedral Enterprises Limited (20212 - £34,609).

14 Creditors: amounts falling due within one year

Group	31.12.23			31.12.22
	Restricted £	Unrestricted £	Total £	Total £
Trade creditors	-	79,308	79,308	96,656
Accruals and deferred income	87	107,087	107,174	81,241
Other taxes and social security	-	27,224	27,224	21,609
	87	213,619	213,706	199,506
Chapter	31.12.23			31.12.22
	Restricted £	Unrestricted £	Total £	Total £
Trade creditors	-	79,486	79,486	86,417
Accruals and deferred income	87	101,772	101,859	81,883
	87	181,258	181,345	168,300

Trade creditors includes £12,952 due to Carlisle Cathedral Enterprises Limited (2022 - £317). Accruals and deferred income have no balance due to Carlisle Cathedral Enterprises Limited (2022 - £8,902).

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

15 Creditors: amounts falling due after more than one year

	31.12.23				31.12.22
	Restricted	Unrestricted	Permanent Endowment	Total	Total
	£	£	£	£	£
The Deanery value linked loan	-	-	79,550	79,550	79,550
	-	-	79,550	79,550	79,550

The Deanery Loan was taken out in 1988 and is repayable if the charity sell the property (in which case the Church Commissioners are entitled to 37.02571% of the selling price less any selling costs as full settlement of the loan). If the charity wish to repay the loan, but not sell the property, then an independent valuation of the property's open market value is required (in which case the Church Commissioners are entitled to 37.02571% of the valuation as full settlement of the loan).

16 Provisions for liabilities and charges

Group (Chapter - Nil)

	31.12.23				31.12.22
	Restricted	Unrestricted	Permanent Endowment	Total	Total
	£	£	£	£	£
Deferred income	-	-	-	-	108
Deferred tax	-	3,518	-	3,518	1,776
	-	3,518	-	3,518	1,884

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

17 Funds	1.1.23	Incoming Resources	Outgoing Resources	Re- valuations	Transfers	31.12.23
	£	£	£		£	£
Group						
General funds						
Common Fund	576,060	1,234,094	(1,109,160)	(8,600)	63,777	756,171
Bequest Fund	830,437	285	-	(5,039)	-	825,683
Bequest Fund - Abbey Properties	176,287	9,005	(6,814)	588	-	179,066
	<u>1,582,784</u>	<u>1,243,384</u>	<u>(1,115,974)</u>	<u>(13,051)</u>	<u>63,777</u>	<u>1,760,920</u>
Restricted funds						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
Other funds						
Music Fund	214,164	-	-	(1,978)	3,320	215,506
Brown and Ford Prize Fund	1,305	-	-	122	-	1,427
Chapter Discretionary Fund	-	-	-	-	37,396	37,396
Church Commissioners	-	256,702	(256,702)	-	-	-
Jack Dix Local Mission Fund	9,053	150	(482)	-	-	8,721
Other Restricted Funds	50,099	2,390	(572)	-	(50,099)	1,818
Clock Fund	-	15,276	(17,204)	-	1,928	-
Cumbria Journey	-	4,677	(4,881)	-	204	-
Hedge Fund	-	1,090	(1,090)	-	-	-
Whitelaw Fund	4,001	215	-	-	-	4,216
Fratry Project	155,474	49,687	(77,488)	-	(56,526)	71,147
	<u>599,496</u>	<u>370,842</u>	<u>(358,419)</u>	<u>(676)</u>	<u>(63,777)</u>	<u>547,466</u>
Capital Endowment Funds						
Rev. G Bennett Estate	593,463	-	-	(7,623)	-	585,840
Cathedral Endowment	1,048,976	-	-	(9,484)	-	1,039,492
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	<u>8,642,061</u>	<u>-</u>	<u>-</u>	<u>(17,107)</u>	<u>-</u>	<u>8,624,954</u>
Total Funds	<u>10,824,341</u>	<u>1,614,226</u>	<u>(1,474,393)</u>	<u>(30,834)</u>	<u>-</u>	<u>10,933,340</u>

General Funds

- The Bequest Fund is an unrestricted fund and collects all income received from legacies.
- The Bequest Fund - Abbey Properties is funds from a bequest from Grace Little.
- The Common fund was set up to manage the day to day running of the Cathedral finances.

Restricted funds

- The Cathedral Fabric Fund was set up to maintain the fabric of the Cathedral buildings. This fund is primarily used to pay for large scale maintenance and improvements.
- The Music fund exists to provide funds to support music in the Cathedral
- The Brown & Ford Prize Fund exists to provide an annual prize to one of the Cathedral Choristers.
- The Chapter Discretionary fund includes donations and income that Chapter can spend at their discretion.
- The Church Commissioners Fund deals with money received from the Church Commissioners towards staff costs.
- The Whitelaw Fund was set up to fund works to the Treasury.
- The Fraternity Fund was set up to fund works on the Fraternity building.
- Other Restricted Funds includes all other donations and income sources where the donor has placed a restriction on the use of the funds.
- Jack Dix Local Mission Fund is a local Mission Fund created to find a gap-year volunteer to staff the Cathedral's young people's work.
- The Clock fund was set up to fund vital work on the Cathedral's historic clock, work was completed in summer 2023
- The hedge fund is a restricted fund was set up to fund a schools engagement project for the planting of an 80 metre British native hedge in February 2023
- Cumbria Journey is a restricted fund was set up to fund the *Rest Under the Stars: A Cumbrian Journey* tour in 2023, during which the mixed visual and sound installation toured around east Cumbria

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

17 Funds (continued)

Capital Endowment Funds

- The Reverend G Bennett Estate Fund was set up by a legacy from Rev G Bennett. Income from this fund is used to fund the repair and maintenance of the cathedral and is credited to the Fabric Fund.
- The Cathedral Endowment Fund was set up to provide income to support the general running of the Cathedral. Income received is credited to the Common Fund.
- The Cathedral Property Fund comprises the property held within the Cathedral Precinct, as well as the Deanery Loan.

Transfers

The transfer of £50,099 from other restricted funds was a transfer of £37,396 to the Discretionary Fund, £3,320 to the Music Fund and £9,383 to the Common Fund.

A transfer of £56,526 from the Fraternity Fund related to a number of items capitalised in the year and therefore moved to the Common Fund.

An additional transfer from the Common Fund for £2,132 was to cover the deficit balances in the Clock Fund of £1,928 and the Cumbria Journey fund of £204.

Chapter	1.1.23	Incoming Resources	Outgoing Resources	Re- valuations	Transfers	31.12.23
	£	£	£		£	£
General funds						
Common Fund	575,396	832,813	(707,215)	(8,600)	63,777	756,171
Bequest Fund	830,437	285	-	(5,039)	-	825,683
Bequest Fund - Abbey Properties	176,287	9,005	(6,814)	588	-	179,066
	<u>1,582,120</u>	<u>842,103</u>	<u>(714,029)</u>	<u>(13,051)</u>	<u>63,777</u>	<u>1,760,920</u>
Restricted funds						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
Other funds						
Music Fund	214,164	-	-	(1,978)	3,320	215,506
Brown and Ford Prize Fund	1,305	-	-	122	-	1,427
Chapter Discretionary Fund	-	-	-	-	37,396	37,396
Church Commissioners	-	256,702	(256,702)	-	-	-
Jack Dix Local Mission Fund	9,053	150	(482)	-	-	8,721
Other Restricted Funds	50,099	2,390	(572)	-	(50,099)	1,818
Clock Fund	-	15,276	(17,204)	-	1,928	-
Cumbria Journey	-	4,677	(4,881)	-	204	-
Hedge Fund	-	1,090	(1,090)	-	-	-
Whitelaw Fund	4,001	215	-	-	-	4,216
Fraternity Project	155,474	49,687	(77,488)	-	(56,526)	71,147
	<u>599,496</u>	<u>370,842</u>	<u>(358,419)</u>	<u>(676)</u>	<u>(63,777)</u>	<u>547,466</u>
Capital Endowment Funds						
Rev. G Bennett Estate	593,463	-	-	(7,623)	-	585,840
Cathedral Endowment	1,048,976	-	-	(9,484)	-	1,039,492
Cathedral Property fund	6,999,622	-	-	-	-	6,999,622
	<u>8,642,061</u>	<u>-</u>	<u>-</u>	<u>(17,107)</u>	<u>-</u>	<u>8,624,954</u>
Total Funds	<u>10,823,677</u>	<u>1,212,945</u>	<u>(1,072,448)</u>	<u>(30,834)</u>	<u>-</u>	<u>10,933,340</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

17 Funds (continued)

Comparative funds

Funds	1.1.22	Incoming Resources	Outgoing Resources	Re- valuations	Transfers	31.12.22
	£	£	£		£	£
Group						
General funds						
Common Fund	604,406	1,074,908	(1,113,213)	(26,046)	36,005	576,060
Bequest Fund	843,047	10,862	-	(23,472)	-	830,437
Bequest Fund - Abbey Properties	232,755	4,410	(40,395)	(9,299)	(11,184)	176,287
	<u>1,680,208</u>	<u>1,090,180</u>	<u>(1,153,608)</u>	<u>(58,817)</u>	<u>24,821</u>	<u>1,582,784</u>
Restricted funds						
Cathedral Fabric Fund	148,309	36,341	(17,577)	(1,673)	-	165,400
Other funds						
Music Fund	225,148	-	-	(10,984)	-	214,164
Brown and Ford Prize Fund	1,478	-	-	(173)	-	1,305
Churchill Book Fund	-	-	-	-	-	-
Church Commissioners	-	287,495	(287,495)	-	-	-
Jack Dix Local Mission Fund	8,587	466	-	-	-	9,053
Other Restricted Funds	50,423	14,869	(15,193)	-	-	50,099
Whitelaw Fund	4,623	61	(683)	-	-	4,001
Fratry Project	114,681	117,345	(30,676)	-	(45,876)	155,474
	<u>553,249</u>	<u>456,577</u>	<u>(351,624)</u>	<u>(12,830)</u>	<u>(45,876)</u>	<u>599,496</u>
Capital Endowment Funds						
Rev. G Bennett Estate	623,074	-	-	(29,611)	-	593,463
Cathedral Endowment	1,090,062	-	-	(41,086)	-	1,048,976
Cathedral Property fund	6,978,567	-	-	-	21,055	6,999,622
	<u>8,691,703</u>	<u>-</u>	<u>-</u>	<u>(70,697)</u>	<u>21,055</u>	<u>8,642,061</u>
Total Funds	<u>10,925,160</u>	<u>1,546,757</u>	<u>(1,505,232)</u>	<u>(142,344)</u>	<u>-</u>	<u>10,824,341</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2023**

17 Funds (continued)

Comparative funds

Chapter	1.1.22	Incoming Resources	Outgoing Resources	Re- valuations	Transfers	31.12.22
	£	£	£		£	£
General funds						
Common Fund	604,406	657,883	(696,852)	(26,046)	36,005	575,396
Bequest Fund	843,047	10,862	-	(23,472)	-	830,437
Bequest Fund - Abbey Properties	232,755	4,410	(40,395)	(9,299)	(11,184)	176,287
	<u>1,680,208</u>	<u>673,155</u>	<u>(737,247)</u>	<u>(58,817)</u>	<u>24,821</u>	<u>1,582,120</u>
Restricted funds						
Cathedral Fabric Fund	148,309	36,341	(17,577)	(1,673)	-	165,400
Other funds						
Music Fund	225,148	-	-	(10,984)	-	214,164
Brown and Ford Prize Fund	1,478	-	-	(173)	-	1,305
Churchill Book Fund	-	-	-	-	-	-
Church Commissioners	-	287,495	(287,495)	-	-	-
Jack Dix Local Mission Fund	8,587	466	-	-	-	9,053
Other Restricted Funds	50,423	14,869	(15,193)	-	-	50,099
Whitelaw Fund	4,623	61	(683)	-	-	4,001
Fratry Project	114,681	117,345	(30,676)	-	(45,876)	155,474
	<u>553,249</u>	<u>456,577</u>	<u>(351,624)</u>	<u>(12,830)</u>	<u>(45,876)</u>	<u>599,496</u>
Capital Endowment Funds						
Rev. G Bennett Estate	623,074	-	-	(29,611)	-	593,463
Cathedral Endowment	1,090,062	-	-	(41,086)	-	1,048,976
Cathedral Property fund	6,978,567	-	-	-	21,055	6,999,622
	<u>8,691,703</u>	<u>-</u>	<u>-</u>	<u>(70,697)</u>	<u>21,055</u>	<u>8,642,061</u>
Total Funds	<u>10,925,160</u>	<u>1,129,732</u>	<u>(1,088,871)</u>	<u>(142,344)</u>	<u>-</u>	<u>10,823,677</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

18 Net assets by fund

Group	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	117,919	5,149,172	5,267,091
Investment property	-	-	1,930,000	1,930,000
Investments	325,820	1,369,419	1,625,332	3,320,571
Current Assets	221,733	490,719	-	712,452
Creditors:				
amounts due within one year	(87)	(213,619)	-	(213,706)
Creditors:				
amounts due after one year	-	(3,518)	(79,550)	(83,068)
Total net assets	547,466	1,760,920	8,624,954	10,933,340

Chapter	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	103,612	5,149,172	5,252,784
Investment property	-	-	1,930,000	1,930,000
Investments	325,820	1,376,419	1,625,332	3,327,571
Current Assets	221,733	462,147	-	683,880
Creditors:				-
amounts due within one year	(87)	(181,258)	-	(181,345)
Creditors:				-
amounts due after one year	-	-	(79,550)	(79,550)
Total net assets	547,466	1,760,920	8,624,954	10,933,340

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

18 Net assets by fund

Comparative funds

Group	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	83,169	5,149,172	5,232,341
Investment property	-	-	1,930,000	1,930,000
Investments	323,976	1,377,588	1,642,439	3,344,003
Current Assets	279,922	319,015	-	598,937
Creditors:				
amounts due within one year	(4,402)	(195,104)	-	(199,506)
Creditors:				-
amounts due after one year	-	(1,884)	(79,550)	(81,434)
Total net assets	599,496	1,582,784	8,642,061	10,824,341

Chapter	Restricted	Unrestricted	Permanent Endowment	Total
	£	£	£	£
Tangible fixed assets	-	69,922	5,149,172	5,219,094
Investment property	-	-	1,930,000	1,930,000
Investments	323,976	1,384,588	1,642,439	3,351,003
Current Assets	279,922	291,508	-	571,430
Creditors:				
amounts due within one year	(4,402)	(163,898)	-	(168,300)
Creditors:				
amounts due after one year	-	-	(79,550)	(79,550)
Total net assets	599,496	1,582,120	8,642,061	10,823,677

19 Ultimate controlling party

The activities of the Cathedral are controlled by the Trustees.

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

20 Related party transactions

The Friends of Carlisle Cathedral and Carlisle Cathedral Development Trust are not controlled by the Trustees but are wholly for the benefit of the Cathedral. Income receivable from these entities is included in the financial statements.

Grants of £31,901 were receivable from the Friends of Carlisle Cathedral during the year (2022 - £29,852) of which nil was outstanding at the year end (2022 - £2,094). Further grants of £53,428 were receivable from Carlisle Cathedral Development Trust (2022 - £80,849), of which £8,059 was outstanding at the year end (2022 - £17,152).

The Friends of Carlisle Cathedral purchased services of £286 from the Cathedral during the year for printing works and staff costs.

Carlisle Cathedral Development Trust is a charity controlled by the board of trustees which must include one executive member of the Chapter and one non-executive member of the chapter. In consequence Carlisle Cathedral Development Trust is a related party.

During the year Carlisle Cathedral Development Trust rented property to the charity, rent and utilities totalling £25,416 were paid in the year (2022 - £13,848).

Carlisle Cathedral Development Trust purchased nil services from the charity (2022 - £2,296). There were £1,825 from trustees of the charity (2022: £3,140) through regular giving and one-off donations.

The following extracts are taken from the audited financial statements of the Friends of Carlisle Cathedral and the Carlisle Cathedral Development Trust. Both organisations received unqualified audit reports.

Summarised financial statements

	Friends of Carlisle Cathedral		Carlisle Cathedral Development Trust	
	2023	2022	2023	2022
	£	£	£	£
Total incoming resources	36,083	34,027	83,982	61,949
Net movement on funds	6,742	(38,809)	17,922	(96,715)
Gross assets	642,705	637,086	1,418,203	1,417,119
Net assets	638,087	631,345	1,404,644	1,386,722

At the year end, the charity owned one trading subsidiary - Carlisle Cathedral Enterprises Limited. The amounts owed between these two parties is set out in notes 13 and 14.

During the year, the charity bought goods and services totalling £29,827 from the Enterprise Company on normal commercial terms (2022 - £5,870). The charity also supplied goods and services totalling £93,555 to the Enterprise Company (2022 - £63,691).

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

21 Pension contributions

Carlisle Dean & Chapter (DBS) participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

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

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2023: £24,908, 2022: £24,937).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2022. The overall surplus in DBS was £73.6m.

The next actuarial valuation is due at 31 December 2025.

Pension Builder Scheme

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

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

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

Cathedral Church of the Holy and Undivided Trinity of Carlisle

Notes to the Financial Statements for the year ended 31 December 2023

21 Pension contributions (continued)

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

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

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

For the Pension Builder Classic section, the 2022 valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2022 valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

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

22 Operating leases

Future minimum lease payments:

	31.12.23	31.12.22
	£	£
Expiry of lease:		
Land & buildings		
Not later than one year	19,500	19,500
Later than one year and not later than five years	97,500	97,500
Later than five years	<u>52,000</u>	<u>71,500</u>
Other		
Not later than one year	1,504	1,653
Later than one year and not later than five years	<u>675</u>	<u>1,557</u>

The notes form part of these financial statements

Cathedral Church of the Holy and Undivided Trinity of Carlisle

**Notes to the Financial Statements
for the year ended
31 December 2023**

23 Reconciliation of net movement in funds to net cash flow from operating activities

	31.12.23	31.12.22
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	108,999	(100,819)
Adjustments for:		
Depreciation charges	40,328	31,327
Gains/(Losses) on investments	30,834	142,344
Dividends, interest and rents from investments	(250,506)	(218,340)
(Increase)/decrease in stock	(3,867)	(800)
(Increase)/decrease in debtors	47,844	(73,354)
Increase/(decrease) in creditors	15,833	(40,159)
Net cash provided by (used in) operating activities	(10,535)	(259,801)

The notes form part of these financial statements