

# **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 14<sup>th</sup> February 2023)

**Nominations Committee:** Canon James Spedding, (Chair)  
Canon Alison Clarricoats  
The Reverend Canon Dr Benjamin Carter  
Canon Trevor Hebdon (retired 7<sup>th</sup> February 2023)  
Mrs Clare Hansford (appointed 7<sup>th</sup> 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 30<sup>th</sup> 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 31<sup>st</sup> 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](http://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 4	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
	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
		£	£	£	£	£
<b>Fixed Assets</b>						
<b>Non investment assets</b>						
Property	8	-	-	5,149,172	5,149,172	5,149,172
Equipment and plant	8	-	117,919	-	117,919	83,169
<b>Investment assets</b>						
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
		<b>325,820</b>	<b>1,487,338</b>	<b>8,704,504</b>	<b>10,517,662</b>	<b>10,506,344</b>
<b>Current Assets</b>						
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
		<b>221,733</b>	<b>490,719</b>	<b>-</b>	<b>712,452</b>	<b>598,937</b>
<b>Creditors: amounts falling due within one year</b>	14	(87)	(213,619)	-	(213,706)	(199,506)
<b>Net Current Assets</b>		<b>221,646</b>	<b>277,100</b>	<b>-</b>	<b>498,746</b>	<b>399,431</b>
<b>Total assets less current liabilities</b>		<b>547,466</b>	<b>1,764,438</b>	<b>8,704,504</b>	<b>11,016,408</b>	<b>10,905,775</b>
<b>Creditors: amounts falling due after more than one year</b>	15	-	-	(79,550)	(79,550)	(79,550)
<b>Provision for liabilities and charges</b>	16	-	(3,518)	-	(3,518)	(1,884)
<b>Net Assets</b>		<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>	<b>10,824,341</b>
<b>Funds</b>	17					
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Permanent Endowment</b>						
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
<b>Total Funds</b>		<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>	<b>10,824,341</b>

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
		£	£	£	£	£
<b>Fixed Assets</b>						
<b>Non investment assets</b>						
Property	8	-	-	5,149,172	5,149,172	5,149,172
Equipment and plant	8	-	103,612	-	103,612	69,922
<b>Investment assets</b>						
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
		<b>325,820</b>	<b>1,480,031</b>	<b>8,704,504</b>	<b>10,510,355</b>	<b>10,500,097</b>
<b>Current Assets</b>						
Debtors	13	-	288,090	-	288,090	247,446
Cash at bank and in hand		221,733	174,057	-	395,790	323,984
		<b>221,733</b>	<b>462,147</b>	<b>-</b>	<b>683,880</b>	<b>571,430</b>
<b>Creditors: amounts falling due within one year</b>	14	(87)	(181,258)	-	(181,345)	(168,300)
<b>Net Current Assets</b>		<b>221,646</b>	<b>280,889</b>	<b>-</b>	<b>502,535</b>	<b>403,130</b>
<b>Total assets less current liabilities</b>		<b>547,466</b>	<b>1,760,920</b>	<b>8,704,504</b>	<b>11,012,890</b>	<b>10,903,227</b>
<b>Creditors: amounts falling due after more than one year</b>	15	-	-	(79,550)	(79,550)	(79,550)
<b>Net Assets</b>		<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>	<b>10,823,677</b>
<b>Funds</b>	17					
<b>Unrestricted Funds</b>						
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
<b>Restricted Funds</b>						
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
<b>Permanent Endowment</b>						
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
<b>Total Funds</b>		<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>	<b>10,823,677</b>

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**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by operating activities</b>	<b>23</b>	<b>(10,535)</b>	<b>(259,801)</b>
<b>Cash flows from investing activities:</b>			
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)
<b>Net cash provided by investing activities:</b>		<b>168,026</b>	<b>171,483</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>157,491</b>	<b>(88,318)</b>
Cash and cash equivalents at the beginning of the reporting period		397,025	485,343
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>554,516</b>	<b>397,025</b>
Restricted		221,733	276,403
Unrestricted		332,783	120,622
		<b>554,516</b>	<b>397,025</b>

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 £
<b>Donations and legacies</b>						
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>
<b>Grants receivable</b>						
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>
<b>Trading and fundraising activities</b>						
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>
<b>Investments</b>						
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>
<b>Other</b>						
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>
<b>Total Income</b>	<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 £
<b>Ministry</b>						
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>
<b>Cathedral and precincts upkeep</b>						
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>
<b>Education and outreach</b>						
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>
<b>Other expenditure on mission</b>						
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>
<b>Total Expenditure</b>	<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	-	-	-
<b>Total remuneration and pension contributions</b>	<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 £
<b>COST OR VALUATION</b>					
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
<b>DEPRECIATION</b>					
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)
<b>NET BOOK VALUE</b>					
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 £
<b>COST OR VALUATION</b>					
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
<b>DEPRECIATION</b>					
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)
<b>NET BOOK VALUE</b>					
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
	£	£
<b>VALUATION</b>		
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
	£	£
<b>Market value</b>		
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)
<b>Total Group investments at 31 December 2023</b>	<u><b>3,320,571</b></u>	<u><b>3,344,003</b></u>
Carlisle Cathedral Enterprises Limited (an unlisted company) 100% of the issued ordinary share capital, at par	7,000	7,000
<b>Total Chapter investments as at 31 December 2023</b>	<u><b>3,327,571</b></u>	<u><b>3,351,003</b></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
	£	£	£		£	£
<b>Group</b>						
<b>General funds</b>						
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>
<b>Restricted funds</b>						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
<b>Other funds</b>						
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>
<b>Capital Endowment Funds</b>						
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>
<b>Total Funds</b>	<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
	£	£	£		£	£
<b>General funds</b>						
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>
<b>Restricted funds</b>						
Cathedral Fabric Fund	165,400	40,655	-	1,180	-	207,235
<b>Other funds</b>						
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>
<b>Capital Endowment Funds</b>						
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>
<b>Total Funds</b>	<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
	£	£	£		£	£
<b>Group</b>						
<b>General funds</b>						
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>
<b>Restricted funds</b>						
Cathedral Fabric Fund	148,309	36,341	(17,577)	(1,673)	-	165,400
<b>Other funds</b>						
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>
<b>Capital Endowment Funds</b>						
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>
<b>Total Funds</b>	<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
	£	£	£		£	£
<b>General funds</b>						
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>
<b>Restricted funds</b>						
Cathedral Fabric Fund	148,309	36,341	(17,577)	(1,673)	-	165,400
<b>Other funds</b>						
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>
<b>Capital Endowment Funds</b>						
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>
<b>Total Funds</b>	<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)
<b>Total net assets</b>	<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>

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)
<b>Total net assets</b>	<b>547,466</b>	<b>1,760,920</b>	<b>8,624,954</b>	<b>10,933,340</b>

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)
<b>Total net assets</b>	<b>599,496</b>	<b>1,582,784</b>	<b>8,642,061</b>	<b>10,824,341</b>

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)
<b>Total net assets</b>	<b>599,496</b>	<b>1,582,120</b>	<b>8,642,061</b>	<b>10,823,677</b>

#### 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**

	<b>31.12.23</b>	<b>31.12.22</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>108,999</b>	<b>(100,819)</b>
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)
<b>Net cash provided by (used in) operating activities</b>	<b>(10,535)</b>	<b>(259,801)</b>

The notes form part of these financial statements