



**DURHAM
CATHEDRAL**

THE CATHEDRAL CHURCH OF CHRIST, BLESSED MARY THE VIRGIN AND ST CUTHBERT OF DURHAM
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

Registered Charity Number 1205971



**DURHAM
CATHEDRAL**

The Cathedral Church of Christ, Blessed Mary the Virgin and St. Cuthbert of Durham ("Durham Cathedral") is a Christian Church of the Anglican Communion, the shrine of St Cuthbert and the seat of the Bishop of Durham. It is a focus of pilgrimage and spirituality in North East England.

Our Mission

Inspired by our saints, Cuthbert and Bede, the mission of Durham Cathedral is to offer everyone the opportunity to encounter God and know God's love in Jesus Christ.

Our Vision 2033

We have identified four priorities for us as a cathedral looking ahead to 2033. In 2033 we want Durham Cathedral to be known locally and internationally as:

- a welcoming and engaging place for people to encounter God
- a leading destination and resource for life-transforming pilgrimage for people of all stages of life and faith
- a leading centre for the learning and practice of prayer
- a leading focus for world-engaging discussion, witness and proclamation in the name of Christ

In each of these areas, and in the vital enabling priorities which underpin them, we have identified specific goals for the years 2025-2027, so that we can work together on seeing our vision becoming a reality. Our prayer is that Vision 2033 will enable more people to be impacted positively by the story of Durham Cathedral, its saints and the faith that inspired this extraordinary building.

What We Do

The Cathedrals Measure 2021-which has underpinned the governance of Durham Cathedral since August 2023, sets out provision around the governance, management, property and financial affairs of Cathedrals. It sets out the following three objects of a Cathedral which define what we exist to do:

1. 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;
2. Care for and conserve the fabric and structure of the Cathedral church building;
3. Any other charitable purposes which are ancillary to the furtherance of these two purposes.

The operational and management structures of the Cathedral are aligned to these Objects.

Our Values

Our values help guide us in recognising how we fulfil our vocation as a Cathedral. They reflect the qualities we believe are essential to our life and work as a 21st century cathedral. We use them to highlight the necessity of working in ways motivated by wisdom, responsibility and ethics. In all things, we are inspired, motivated and challenged by the Christian faith and the values of the Gospel.

Spirituality

We recognise and respond to God's presence in our world and among us, practicing a reflective approach to what we do.

Respect

We recognise the image of God in all human beings, honour their dignity and treat them with courtesy.

Justice

We deal fairly in our personal and collective behaviours, work to the highest ethical standards, and are honest in our speech and behaviour. We think, speak and act with integrity, are professional in our conduct, and are publicly accountable for our actions.

Collaboration

We are a community founded on trust that prizes teamwork and builds partnerships that contribute to the common good.

Sustainability

We recognise and respond to God's presence in our world and among us, practicing a reflective approach to what we do.

Welcome

We are welcoming and hospitable to all. We show Christian love and care to our guests and those who need our help.

Aspiration

We are an outward-facing Cathedral that reaches for the future with energy and courage, and reaches out to our communities in the hope of personal and social transformation.

Constitution

The Cathedral is governed by the Constitution and Statutes of the Cathedral Church of Christ, Blessed Mary the Virgin and St Cuthbert of Durham, which were most recently amended on 4 August 2023.

The Cathedral is an ecclesiastical corporation and a registered charity (number 1205971).

The Chapter

The members during the year were:

The Very Revd Dr Philip Plyming

The Dean

The Revd Canon Michael Hampel

The Revd Canon Charlotte Allen

The Revd Canon Michael Everitt

(resigned 3 August 2025)

The Revd Canon Professor Simon Oliver

Canon Andrew Thurston

(resigned 12 December 2024)

Canon Paul Chandler

Senior Non-Executive member of Chapter

Canon Dr Maria Cockerill

Canon Jonathan Ward

Durham Cathedral Accounts for the year ended 31 March 2025

Canon Professor Stefanie Sheen
Canon Dr Apollo Tutesigensi
Canon Alice Ambrose-Thurman

(appointed 6 October 2024)
(appointed 6 October 2024)
(appointed 22 January 2025)

The Executive Leadership Team

Mr Guy Sampson
Mrs Jayne Manns
Mr George Carter
Mr Andrew Usher
Dr Matthew Mills
Mrs Susie Doyle
Ms Caroline Hayward
Ms Clare Knowles
Mr Michael Corkhill
Mr Gary Holliday
Ms Hannah Ellis
Mrs Rebekah Best
Mr Daniel Cook

Chapter Clerk & Chief Operating Officer
Chief Officer: Finance *(resigned 6 September 2024)*
Chief Finance Officer *(appointed 1 March 2025)*
Chief Officer: Visitor Experience & Enterprise
Head of Development *(resigned 4 March 2025)*
Director of Development *(appointed 30 April 2025)*
Head of Human Resources
Head of Marketing and Digital
Head of Facilities
Head of Works
Head of Enterprise
Head Verger
Master of the Choristers and Organist

In addition to these, the residentiary clergy who have executive roles complete the other members of the ELT:

The Very Revd Dr Philip Plyming
The Revd Canon Michael Hampel
The Revd Canon Charlotte Allen
The Revd Canon Michael Everitt

The Dean
Vice-Dean and Canon Precentor
Canon Chancellor
Canon Pastor *(Resigned 3 August 2025)*

The College of Canons

The members during the year were:

The Very Revd Dr Philip Plyming
The Revd Canon Charlotte Allen
The Revd Canon Michael Everitt
The Revd Canon Michael Hampel
The Revd Canon Professor Simon Oliver
Canon Paul Chandler
Canon Alice Ambrose-Thurman
Canon Dr Maria Cockerill
Canon Andrew Thurston
Canon Jonathan Ward
Canon Dr Maria Cockerill
Canon Jonathan Ward
Canon Professor Stefanie Sheen
Canon Dr Apollo Tutesigensi
The Revd Canon Ann Anderson
The Revd Canon Katharine Bagnall
The Revd Canon Sheila Bamber
The Revd Canon Dr Alan Bartlett
The Revd Canon Tom Brazier
The Revd Canon Kate Brooke
The Revd Canon Anna Brooker
Canon Dr Jocelyn Bryan

The Dean

(Resigned 3 August 2025)

Senior Non-Executive member of Chapter
(appointed 22 January 2025)

(Resigned 12 December 2024)

(appointed 6 October 2024)
(appointed 6 October 2024)

Durham Cathedral Accounts for the year ended 31 March 2025

The Revd Canon Janet Burbury
The Revd Canon Dr Nichola Carla Chater
The Right Revd Sarah Clark
The Revd Canon Steph Clark
The Venerable Robert Cooper
The Revd Canon Caroline Dick
The Revd Canon Adrian Gatrill
The Revd Canon Yvonne Greener
The Revd Canon Alec Harding
Canon Dr James Harrison
The Revd Canon Eileen Harrop
Canon Professor Mike Highton
The Revd Canon Colin Jay
The Revd Canon Paul Kennedy
Canon Susan Marshall
Canon Dr Margaret Masson
The Revd Canon Mark Miller
Canon James Morgan
The Revd Canon Remi Omole
The Revd Canon Dr Emma Parker
The Revd Canon Sarah Parkinson
Canon Andrew Rogers
The Venerable Richard Simpson
Canon Frances Stenlake
The Revd Canon Matthew Paul Tarling
The Revd Canon David Tolhurst
The Revd Canon Paul Tyler
Canon Margaret Vaughan
The Venerable Elizabeth Wilkinson
The Revd Canon Keith Woodhouse
The Revd Canon Gavin Wort
Canon Nigel Wyrley-Birch

Bishop of Jarrow

Archdeacon of Sunderland

Archdeacon of Auckland

Archdeacon of Durham

In attendance:

Mrs Eva West

(resigned 22 September 2024)

Ms Sian Bell

Secretary from 3 March 2025

Fabric Advisory Committee

The members during the year were:

Mr Humphrey Welfare

Chair

Mr Andrew Boyce

Dr Mary Brooks

Ms. Sarah Brown

Mr David Carrington

Mr Colin Haylock

Dr Julian Luxford

Mr Thomas Pearson

Mr Martin Roberts

In attendance:

The Revd Canon Michael Everitt

(resigned 3 August 2025)

Ms Alison Cullingford

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Mr Norman Emery
The Revd Canon Michael Hampel
The Very Revd Dr Philip Plyming
Mr Guy Sampson

Mrs Eva West (resigned 22 September 2024)
Ms Sian Bell Secretary from 3 March 2025

Audit and Risk Committee

The members during the year were:

Canon Alice Ambrose-Thurman *Chair from 5 September 2023 (resigned as Chair 22 Jan 2025 upon becoming a member of Chapter)*
Ann Hall *Chair from 6 March 2026*
Canon Dr Maria Cockerill
The Revd Canon Michael Everitt *(Resigned 3 August 2025)*
Catherine Winfield *From 30 July 2024*
Michael Weaver *From 30 July 2024*

In attendance:

Mrs Jayne Manns (Resigned 6 September 2024)
Mr Guy Sampson
Mr George Carter From 1 October 2024
Canon Andrew Thurston (Resigned 12 December 2024)
Mr Simon Still Special Advisor to the Committee
Mrs Eva West Secretary (resigned 22 September 2024)
Ms Sian Bell Secretary from 3 March 2025

Investment and Property Committee

The members during the year were:

Mr John Newlands *Chair*
The Hon. Canon James Ramsbotham *(resigned 25 June 2024)*
Mr Harry Swan *(resigned 25 June 2024)*
Canon Andrew Thurston *(resigned 12 December 2024)*
Mr Edward Peat
Steven Hall *From 11 July 2024*
Mark McKelvey *From 11 July 2024*
In attendance:
Mrs Jayne Manns (Resigned 6 September 2024)
The Very Revd Dr Philip Plyming
Mr Guy Sampson
Mr George Carter From 1 October 2024
Mrs Eva West (resigned 22 September 2024)
Ms Sian Bell Secretary from 3 March 2025

Finance Committee

The members during the year were:

Canon Andrew Thurston (Chair)	<i>(resigned as Chair 15 October 2024)</i> <i>(resigned 12 December 2024)</i> <i>Chair from 22 January 2025</i>
Canon Alice Ambrose-Thurman (Chair)	
Mr William Baker Baker	
Mr Jonathan Brown	
The Revd Canon Michael Everitt	<i>(resigned 3 August 2025)</i>
The Hon. Canon James Ramsbotham	
Canon Jonathan Ward	<i>Chair from 15 October 2024</i> <i>(resigned as Chair 22 January 2025)</i>
<i>In attendance:</i>	
<i>Mrs Jayne Manns</i>	<i>(resigned 6 September 2024)</i>
<i>The Very Revd Dr Philip Plyming</i>	
<i>Mr Guy Sampson</i>	
<i>Mr George Carter</i>	<i>From 1 October 2024</i>
<i>Mrs Eva West</i>	<i>(resigned 22 September 2024)</i>
<i>Ms Sian Bell</i>	<i>Secretary from 3 March 2025</i>

Strategic Safeguarding Committee

The members during the year were:

Revd Canon Michael Everitt	<i>(resigned as Chair 19 September 2024)</i> <i>(resigned 3 August 2025)</i> <i>Chair from 19 September 2024</i> <i>(resigned 15 July 2025)</i>
Ms Karen Robb	
The Very Revd Dr Philip Plyming	
The Revd Canon Michael Hampel	
Mr Guy Sampson	
Ms Caroline Hayward	
Ms Beth Miller	
Ms Sharon Lewis	
Ms Isabel Owens	
Mr Ian Haddick	<i>(resigned 12 July 2024)</i>
<i>In attendance:</i>	
<i>Mrs Eva West</i>	<i>(resigned 22 September 2024)</i>
<i>Ms Sian Bell</i>	<i>Secretary from 3 March 2025</i>

Nominations Committee

The members during the year were:

Canon Paul Chandler	
Canon Dr Maria Cockerill	
Professor Adekunle Adeyeye	
The Hon. Canon James Ramsbotham	
Ms Sue Winfield	
The Revd Canon Professor Simon Oliver	
<i>In attendance:</i>	
<i>Mrs Jayne Manns</i>	<i>(resigned 6 September 2024)</i>
<i>Mr Guy Sampson</i>	
<i>Mrs Eva West</i>	<i>(resigned 22 September 2024)</i>
<i>Ms Sian Bell</i>	<i>Secretary from 3 March 2025</i>

Durham Cathedral Accounts for the year ended 31 March 2025

Title: The Cathedral Church of Christ Blessed Mary the Virgin and St Cuthbert of Durham.

Address	The Cathedral Office The College Durham DH1 3EH	Investment managers	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
Auditors	Armstrong Watson Audit Limited One Strawberry Lane Newcastle NE1 4BX		Rathbone Investment Management Limited 1 Curzon Street London W1J 5FB
Bankers	Barclays Bank plc Barclays House 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX		CCLA Investment Management 1 Angel Lane London EC4R 3AB
			Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

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Definitions

Durham Cathedral	Working name of The Cathedral Church of Christ, Blessed
DCT	Durham Cathedral Trading Limited
DCOT	Durham Cathedral Open Treasure Limited
FY25	Financial year ended 31 March 2025
PYA	Prior year actual

THE CHAPTER'S ANNUAL REPORT

The Chapter presents its report and the Cathedral's audited financial statements for the year ended 31 March 2025.

Role and Organisation

Durham Cathedral, or to give it its full title, 'The Cathedral Church of Christ, Blessed Mary the Virgin and St Cuthbert of Durham', is a Christian Church in the Diocese of Durham and the Church of England. It is the home of two prominent northern saints, Cuthbert and Bede and a focus of pilgrimage and prayer in North East England. The Cathedral's governing Constitution and Statutes were most recently amended on 4 August 2023, in accordance with the Cathedrals Measure 2021.

The Chapter is the governing body of the Cathedral, providing strategic direction and oversight. The objects of the Chapter are, under the terms of the Cathedrals Measure 2021, to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England, to care for and conserve the fabric and structure of the Cathedral Church building, and to advance any other charitable purposes which are ancillary to the furtherance of the above two purposes.

Chapter is formed of both clergy and lay people who act as executive and non-executive members respectively. The Dean and all Residentiary Canons are executive members. The Bishop appoints a non-executive member who is not a Residentiary Canon to serve as Senior Non-Executive Member. The Chapter, with the approval of the Bishop, appoints further non-executive members, and the Chapter must have more non-executive than executive members. As of 31 March 2025 there were six non-executive members (including the Senior Non-Executive Member). The Chapter is chaired by the Dean.

All new Chapter members are encouraged to undertake an Association of English Cathedrals Programme of Induction, which provides training covering Cathedral legislation, governance, Cathedral finances and property management.

Chapter met seven times in the course of 2024/2025.

Chapter is further supported by the committees listed on pages 4 to 6 of this document as well as by the Executive Leadership Team which makes operational decisions under the delegated authority of the Chapter. In addition, the work of Chapter is supported by over 400 volunteers, providing approximately 44 full time equivalent roles across a range of positions within the Cathedral.

The members of Chapter would like to acknowledge and thank all members of the bodies that have supported its work over the past year; their contribution has been invaluable to the achievements set out in this report.

The Chapter of Durham Cathedral plays an active role across the Diocese of Durham supporting the work of the Bishop, sharing our skills and knowledge, and working with communities and partners to further our mission. The Dean is a member of the Bishop's Leadership Team. Chapter works with the Diocese and Parishes to promote the role of Durham Cathedral as a place of pilgrimage and spiritual renewal in North East England.

Public benefit

Chapter confirm that they have complied with section 4 of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission determining the activities of the Cathedral. The Cathedral not only serves the community daily in its religious and charitable work, but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

Operational Review

The financial year 2024/2025 was a year of significant ongoing development at Durham Cathedral. Key to this was the development of Vision 2033, the Cathedral's vision and strategy for the years leading up to the 900th anniversary of the building's completion in 1133. Over 200 internal and external stakeholders contributed to the consultation process, which led to the soft launch of Vision 2033 in February 2025 and its full launch in June 2025.

Vision 2033 is focused on four priorities – Encountering God: Pilgrimage, Prayer and Proclamation, underpinned by the enabling priorities of empowering our people, growing our resources and caring for our fabric and collections. Key goals have been identified for the period 2025-2027 and these inform the Cathedral's strategic planning.

The governance of Durham Cathedral was further strengthened by the appointment of three new non-Exec members of Chapter: Prof. Stefanie Sheen, Dr Apollo Tutesigensi and Alice-Ambrose-Thurman (replacing Andrew Thuston as Canon Treasurer). George Carter also joined the team as Chief Finance Officer, replacing Jayne Manns who stepped down in September 2024.

The Cathedral was honoured to be invited to serve as the host for the Office of the Royal Maundy which took place in April 2025. The six months prior to this was thus a time of significant preparation for the visit of HM The King and HM The Queen and while their visit took place outside the reporting period for this annual report, it can be noted that it was a great success.

Alongside the regular rhythm of worship and prayer, the following represent key highlights / achievements of the financial year 2024/2025:-

- In May 2024 Durham Cathedral Choir joined the choirs of St Paul's and Rochester Cathedral for the 2024 Clergy Support Trust Festival, held at St Paul's Cathedral.
- In July the Cathedral ran its first Hospitality Week, welcoming over 500 guests to a range of events designed to thank people for their support of Durham Cathedral and strengthen the partnerships which are crucial to the Cathedral's success
- The summer exhibition – Peace Doves – was visited by over 80,000 people and enabled visitors both to co-create and enjoy an artwork which was inspiring and enabled prayerful reflection. BBC Radio 3 broadcast their breakfast show from Durham Cathedral in August 2025
- Durham Cathedral, in partnership with Durham Churches Together, hosted a General Election Hustings Event in June 2024, the only such event in the City of Durham constituency.
- In October 2024 Cathedral hosted an exhibition of 35 miners' banners from across the region to mark the 40th anniversary of the Miners' Strike of 1984-85. This was well attended by people from local communities and beyond.
- In November 2024 the Cathedral hosted Dr Fiona Hill, Chancellor of Durham University, for an event Prospects for US Politics under the auspices of the Durham Cathedral Institute.
- Durham Cathedral Museum was awarded the significant accolade of Museum Accreditation, administered by Arts Council England on behalf of UK Accreditation Partnership
- The Revd James Shelton was appointed as the first Director of the Cuthbert Centre for Pilgrimage and Prayer in March 2025. This Centre is a key part of Vision 2033, designed to increase the Cathedral's capacity to welcome and host pilgrims and encourage pilgrimage
- For its Lent Talks the Cathedral welcomed an acclaimed set of preachers including Dame Sue Snowden, Revd Dr Justin Mihoc, and Rt Revd Sarah Clark

- During Lent the Scott Screen was completely cleaned, a significant operation generously supported by the Friends of Durham Cathedral
- The Cathedral Choir's performance of Bach's St John Passion took place on Palm Sunday and was well attended by over 500 people, with considerable diversity in the audience
- For its Holy Week and Easter services the Cathedral welcomed Revd Dr Kate Bruce as guest preacher. Attendance at the services was up around 10% in 2024.
- Other guest preachers included Prof Michelle Brown, the Rt Revd Nick Baines and Sir Robert Buckland
- In January the Cathedral mourned the loss of Trevor Chesterton, much-loved member of the verging team for almost 20 years, and a Service of Thanksgiving took place in February

Financial review

These accounts have been prepared in accordance with the Charities (Accounts and Reports) Regulations 2008.

The accounts have been prepared in thousands of pounds, and this may result in rounding differences of £1k.

Income

Income from donations and legacies totalled £1,545k, a slight increase on the FY24 total of £1,367k. This increase is largely driven by the addition of £329k of assets transferred to the Cathedral in a Restricted Fund to support 'Raising a Voice'. Other variations include a reduction in income from legacies (£35k vs £216k), but a noticeable increase in the amount of tax recoverable from the Gift Aid scheme (£162k vs £46k).

Grants in support of mission increased from £798k in FY24 to £809k in FY25 primarily due to the higher payment made by the Church Commissioners in connection with the residential Canons & Dean now that staffing is at a full complement for the whole year.

For the 2024/5 financial year, all 'Events' activity was moved from being directly overseen by the Cathedral to part of the activity of the subsidiary company Durham Cathedral Trading. This change was necessary due to the fact that as the income from Events continues to grow it is appropriate that this is properly captured within a corporate entity for tax and VAT purposes. However, as a result of this change, some of the income which in the prior year was recorded as 'facility fees' and 'charges to visitors' now being shown as 'income from trading activities'. On a like for like basis, facility fees were higher in 2024/25 than the prior year, but charges to visitors were lower (mainly due to Tower income reducing and less fee income from organ recitals). In aggregate, income across all these areas was slightly up on the prior year (£1,493k vs £1,440k).

Total income is £5,869k, 2.0% higher than the prior year. The increase of £113k is less than maybe expected when allowing for the additional income for Raising a Voice noted above. It should be noted that this is largely explained by the ~£125k less sundry income relating to the Gaia event which took place in 2023/24 but not this financial period.

Expenditure

Overall expenditure increased by 6.3% from £7,354k to £7,817k. However, core costs were modestly lower, with over £600k of additional expenses being accounted for by the increased spending on repairs, maintenance and upkeep of both the investment properties and the Cathedral & precincts, which together increased from £2,167k to £2,776k. This is part of a wider strategic plan to increase spending on necessary maintenance which had been left undone in previous years, and includes the ongoing committed spending on the Chorister School. The financial plan to fund these works is covered below under the 'Financial Strategy' section.

Net gains on property and investments are £1,122k (FY24: £10,477k). The prior year's figure was unusually large due to the sale of property at a significant premium to its book value. The gains in the 2024/5 year arose largely from mark-to-market adjustments in the valuation of the investment portfolio. As at year end financial markets had slumped materially from highs in late January, but have since recovered most of those losses. Nevertheless, for the financial year, the investments provided a capital return over and above the income received.

Going Concern

Chapter has considered the current position of the Cathedral and is satisfied that the Cathedral will continue to be able to meet its liabilities as they fall due. Notwithstanding the overall loss for the year, Chapter notes that a significant portion of this relates to the charge on disposal of assets that no longer have economic value. Additionally, some expenses are one-off in nature relating to capital projects, and furthermore the Cathedral has a strong expectation of further capital gains to be made from the future sale of property assets which will both fund future projects directly and also increase the size of the endowment thereby generating higher future income.

Financial strategy

Chapter has agreed the broad structure of the financial strategy that will operate over the period over which Vision 2033 is delivered, and beyond. Under this strategy, Cathedral income and expenditure will be managed within two distinct 'Revenue' and 'Capital' budgets.

Under this strategy, capital receipts arise from increases in investment asset values largely associated with property disposals for development at above existing use value. The Cathedral's strategy is that the proceeds from any property sales will be treated as follows: Firstly, the current balance sheet value of the asset will be re-invested back into the property part of the endowment investment portfolio to maintain the revenue potential from property assets. Secondly, any 'uplift' in value will be split 50/50 such that half the proceeds will be invested with the permanent endowment investment funds to grow the asset base from which income is derived, and half will be allocated towards capital works on the Cathedral and ancillary buildings.

Reserves policy

Reserves are needed both to maintain the level of the Cathedral's current activities and to enable the completion of long-term projects.

The Cathedral has a large pool of highly liquid investment assets (in excess of £33m is in liquid investment funds, cash and short term deposits). Furthermore, the Unapplied Total Return (£34.4m) can be utilised as Chapter sees fit, thus providing significant flexibility in balancing the needs of current and future expenditure. As noted above in the Financial Strategy section, Chapter anticipates that this figure will grow substantially over the next decade, thus increasing the financial security of the Cathedral.

However, as the reserves are significantly weighted towards equities in line with the Cathedral's long-term timeframe and modestly high tolerance for risk, it would be undesirable to have to draw down on these assets at inopportune times. Accordingly, Chapter has determined that any drawdowns from UTR required for meeting annual budget requirements and money set aside for capital expenditure in a particular year will be held in interest bearing cash funds/accounts to avoid risk to falls in value in the short-term.

Accordingly, the Cathedral will always have sufficient cash required to meet its annual budget commitments.

Where specific future funding needs are identified, Chapter has the discretion to set aside free funds for designated purposes, those funds being declared as Designated Funds. Details of Designated Funds are given in Note 16 to the Accounts.

Total return investment policy

A resolution was passed at the meeting of Chapter in March 2020 adopting a total return approach to investments.

At the time of the resolution, the Trust for Investment was determined at £20.6m based on the 1996 book value of endowed assets, adjusted for inflation and new capital received from that date to 31 March 2020. The value of the Trust for Investment will be increased annually in line with CPI to maintain its real value and applying the annual rate of CPI of 2.6%, at 31 March 2025 the value of the Trust for Investment was £26.3m (2024: £25.5m).

The income from the endowment's cash, investment & property portfolios totalled £1.9m and was added to the endowment fund. This has been transferred (net of costs) to unrestricted funds in alignment with the financial strategy. In addition, a transfer has been made for the expected budget deficit in 2025/6 and the approved net income from investments and rental income for 2025/6. Finally, an adjustment has been made from the unapplied total return to the Surtees Restricted Fund to correct its balance. Overall, this results in a sum of £4.6m being transferred from the endowment fund to the unrestricted and restricted funds, and is shown as a transfer between funds within the statement of financial activities (see note 16).

Other realised and unrealised gains and losses on the disposal and revaluations of endowment investments and property amounted to a gain of £0.9m (2024: £10.5m) in the year.

After allowing for the increase in the Trust for Investment, the application of income to cover operating costs and the impact of remaining realised and unrealised gains and losses, the value of the unapplied total return at 31 March 2025 stood at £34.4m. (2024: £37.6m). Over time, Chapter will make further allocations of unapplied total return resulting from capital growth on a sustainable basis, balancing the interests of current and future generations.

Investments

The investment objective was revised in the previous financial year to be CPI+4% per annum after expenses over the longer term. This should allow Chapter to draw a sustainable sum of 4% each year whilst maintaining the real value of the funds over the long-term. Chapter will set a fixed drawdown from the portfolios at the start of each financial year based on this principle but using a smoothed asset figure to avoid large movements year-on-year from capital asset value movements.

During the year, Chapter carried out a full review of its non-property investments. This resulted in a thorough tender process being undertaken which concluded that:

- It was desirable to retain the principle of having two separate investment managers
- It was desirable to utilise pooled investment funds rather than holding securities directly

Chapter determined that the two managers to be appointed would be CCLA and Sarasin with the transition to be completed by 31 March 2025. Subsequently Chapter became aware that CCLA was the subject of an acquisition and therefore decided it would not be appropriate to continue with the transition to them and instead Cazenove was retained but that the assets would be moved into their pooled vehicle (as per principle 2 noted above)

Separately, the Chapter is trustee for three separate independent trusts. The Academic Fund (previously invested with Rathbones and now invested with Sarasin), the Durham Cathedral Trust for the Relief of Poverty and the Durham Cathedral Trust for Education. These second two trusts were formed from the amalgamation of a number of longstanding and legacy trusts (sometimes referred to as 'Special Trusts') and were lodged with the Charities Commission after the end of the 2024/25 financial year. The investment assets for these Trusts remain invested with CCLA.

Investment property

Durham Cathedral owns property to house clergy, staff, and Cathedral offices. Other property is held for investment purposes and is rented out on a commercial basis. The property portfolio includes commercial buildings, property rented to Durham Cathedral Schools Foundation for educational purposes, farms, houses and sundry property including garages and allotments.

The income return on the property portfolio is as follows:

	FY25	FY24
	£'000	£'000
Gross rental income	1,196	1,280
less non-recurring income	-	-
Adjusted income	1,196	1,280
Repairs & maintenance costs	(402)	(584)
Net income	<u>794</u>	<u>696</u>
Average capital value of investment properties - Note 1	29,027	28,818
<i>Return on capital value</i>	2.74%	2.41%

Note 1 - a weighted average has been used for the capital value in 2024, taking account of property sales during that year

Plans for future periods

The Budget for 2025/26 was approved in March 2025 by Chapter. The underlying assumptions reflecting the economic outlook meant that the budget shows an operating deficit of £620k, which will be met by a drawdown from the Cathedral's Unapplied Total Return. A re-forecasting exercise will take place during the year.

Chapter remains committed to reducing the structural deficit as part of the wider financial strategy, and in a manner aligned with the overall organizational vision and strategy. Income growth, cost reduction and margin improvement remain high priorities for the current and future years.

Chapter has also provided a separate budget (funded from the UTR) for the delivery of the 2033 strategic vision which was formally launched at the hospitality week in June 2025. Whilst the strategic vision is an integral part of the day-day activities of the Cathedral it was deemed prudent to separately budget for this. The budget for 2025/6 was £159k.

In addition to the long-term endowment portfolios of property and investments, Chapter has also set aside two separate funds (currently held in cash) for i) Capital works and ii) Reinvestment of base capital value. The Capital works fund receives 50% of the value of any uplift in the holding value of a property which is sold (the other 50% of the uplift being invested in the long-term endowment investment portfolios). This Fund is used for supporting the ongoing major capital expenditure projects. The Reinvestment of base capital value fund receives the balance sheet value of any property sold. This is not intended to be a long-term holding, but rather is set aside to be re-invested in the property portfolio to maintain its real value and income generating power over time.

Chapter has also agreed that a capital budget envelope of £2.8m for FY26 as part of a longer-term plan for capital works that ties in with the recommendations of the Quinquennial Inspection of the Cathedral's fabric. This work includes both the development work to bring existing assets back into commercial operation as well as non-commercial fabric repair. At this stage the larger projects are still being scoped, and this year's work will contribute to more detailed costs and timeframes being identified.

Key Risks and Uncertainties

The principal financial uncertainty is unexpected repair work/damage to the Cathedral's properties and land. With responsibility not only for the Cathedral church, but a number of other grade 1 listed buildings and heritage land around the Durham peninsula, large costs can arise in short time frames putting a significant pressure on cashflow and endowment assets.

In addition, the short and medium-term risk of above-inflation cost expansion (whether staff costs, driven by the labour-market response to cost-of-living pressures, or non-wage costs driven by external factors) make closing the gap on the annual revenue budget much harder. This problem was compounded this year by the Government's imposition of higher NI costs for employers, which added nearly £100k p.a. to the Cathedral's core operating costs.

The major risks to which Durham Cathedral is exposed are assessed on a regular basis based mainly on a specific risk register which covers most aspects of the organisation. The Chapter considers that systems are in place which mitigate those risks. Monitoring of risk is undertaken throughout the course of the year by the Chapter, the senior management team and the Audit and Risk Committee.

Investment powers

Under the Cathedrals Measure 2021, the Chapter may invest the Cathedral's funds in the following categories:

- Land;
- The improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself or its ancillary buildings;
- Funds administered by the Central Board of Finance of the Church of England by CCLA Investment Management Limited; and
- Investments in which trustees may invest under the general power of investment under the Trustee Act 2000.

Statement of the Chapter's responsibilities

Collectively, members of Chapter are responsible for preparing the Chapter's annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, Chapter are required to:

- a. Select suitable accounting policies and then apply them consistently;
- b. Observe the methods and principles of the Charities SORP (FRS 102);
- c. Make judgements and accounting estimates that are reasonable and prudent;
- d. State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- e. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Chapter is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and

Reports) Regulations 2008 and the provisions of the Constitution and Statutes. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

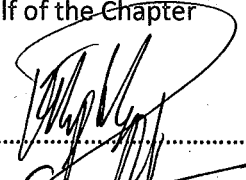
In so far as the Chapter is aware:


- there is no relevant audit information of which the auditor of Durham Cathedral and its subsidiaries is unaware; and
- the Chapter members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Following a tender process last year, Chapter appointed Armstrong Watson Audit Limited as auditors.

On behalf of the Chapter


..... The Very Revd Dr. Philip Plyming, Dean


..... Canon Paul Chandler, Senior Non-Executive Member/Vice Chair of Chapter

Date: 18 November 2025

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CATHEDRAL CHURCH OF CHRIST, BLESSED MARY THE VIRGIN AND ST CUTHBERT OF DURHAM

Opinion

We have audited the financial statements of The Cathedral Church Of Christ, Blessed Mary The Virgin And St Cuthbert Of Durham for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the Cathedral's affairs as at 31 March 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the guidelines specified by the Church Commissioners under the powers given to them by section 30 of the Cathedrals Measure 2021 and in accordance with the Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material

inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Cathedrals Measure 2021 and Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees 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 Cathedral's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, such as the Cathedrals Measure 2021 and the Charities Act 2011;
- we identified the laws and regulations applicable to the Cathedral through discussions with Trustees and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Durham Cathedral Accounts for the year ended 31 March 2025

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

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

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

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- tested the operating effectiveness of key controls over key transaction cycles such as income, purchases and wages; and
- reviewed the application of accounting policies including the application of capitalisation of tangible assets

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

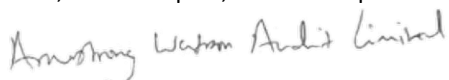
- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or noncompliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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

Use of our report

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



Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Newcastle

Date: 17 December 2025

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Durham Cathedral Accounts for the year ended 31 March 2025

Consolidated Statement of Financial Activities for the year ended 31 March 2025

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total 2025	Total 2024
		£'000	£'000	£'000	£'000	£'000
Income and endowments from:	4					
Donations and legacies		1,050	494	1	1,545	1,367
Grants in support of mission		568	111	130	809	798
Charges and fees in the course of mission		70	-	-	70	346
Trading and chargeable events		1,423	-	-	1,423	1,094
Investments		128	24	1,858	2,010	2,014
Other income		12	-	-	12	138
Total income		3,251	629	1,989	5,869	5,757
Expenditure on:	5					
Raising funds		(1,732)	(248)	(402)	(2,382)	(3,166)
Ministry		(1,540)	(16)	-	(1,556)	(1,316)
Education and outreach		(383)	(75)	-	(458)	(358)
Cathedral and precincts upkeep		(3,126)	(35)	(260)	(3,421)	(2,514)
Total expenditure		(6,781)	(374)	(662)	(7,817)	(7,354)
Net (outgoing)/incoming resources before investment gains/(losses)		(3,530)	255	1,327	(1,948)	(1,597)
Net gains on investments		-	225	897	1,122	10,477
Net (expenditure)/income		(3,530)	480	2,224	(826)	8,880
Transfer between funds		4,025	603	(4,628)	-	-
Net movement in funds		495	1,083	(2,404)	(826)	8,880
Funds brought forward	16	1,833	7,186	63,103	72,122	63,242
Funds carried forward	16	2,328	8,269	60,699	71,296	72,122

The consolidated SOFA for the year ended 31 March 2024 (by fund type) is included as Note 18.

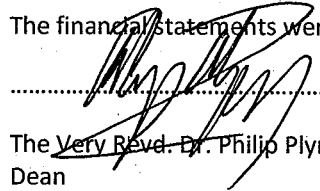
The notes on pages 24 to 49 form part of these Financial Statements.

Durham Cathedral Accounts for the year ended 31 March 2025

Consolidated Balance Sheet as at 31 March 2025

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
		£'000	£'000	£'000	£'000	£'000
Fixed assets						
Investment assets						
Property	6a	-	2,718	26,309	29,027	28,753
Listed Investments	6b	-	1,709	21,891	23,600	22,888
		-	4,427	48,200	52,627	51,641
Non-investment assets						
Property	7a	-	-	6,640	6,640	6,165
Inventory	7b	116	600	-	716	716
Intangible fixed assets	7c	3	12	-	15	22
Tangible fixed assets	7d	911	19	-	930	1,419
		1,030	631	6,640	8,301	8,322
Total fixed assets		1,030	5,058	54,840	60,928	59,963
Current assets						
Stocks	9	120	-	-	120	106
Debtors	10	453	28	265	746	2,973
Short term deposits		-	480	8,671	9,151	515
Cash at bank and in hand		280	1,078	298	1,656	10,189
Intra-fund loan		1,335	1,780	-	3,115	-
		2,188	3,366	9,234	14,788	13,783
Liabilities due within one year						
Creditors	11	(759)	(155)	(260)	(1,174)	(1,484)
Intra-fund loan		-	-	(3,115)	(3,115)	-
Net current assets		1,429	3,211	5,859	10,499	12,299
Total assets less current liabilities		2,458	8,269	60,699	71,426	72,262
Liabilities due after more than one year						
Creditors	12	(130)	-	-	(130)	(140)
Net assets		2,328	8,269	60,699	71,296	72,122
Funds						
Unrestricted		2,328	-	-	2,328	1,833
Restricted		-	8,269	-	8,269	7,186
Endowment		-	-	60,699	60,699	63,103
Total funds	16.1	2,328	8,269	60,699	71,296	72,122

The financial statements were approved by the Chapter on 18 November 2025 and signed on their behalf by:


 The Very Revd. Dr. Philip Plymington
 Dean

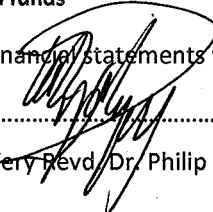

 Canon Paul Chandler
 Senior Non-Executive Member/Vice Chair of Chapter

The notes on pages 24 to 49 form part of these Financial Statements.

Durham Cathedral Balance Sheet as at 31 March 2025

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2025	Total funds 2024
		£'000	£'000	£'000	£'000	£'000
Fixed assets						
Investment assets						
Property	6a	-	2,718	26,309	29,027	28,753
Listed Investments	6b	-	1,708	21,891	23,599	22,888
Investment in subsidiary	6c	-	1	-	1	0
		-	4,427	48,200	52,627	51,641
Non-investment assets						
Property	7a	-	-	6,640	6,640	6,165
Inventory	7b	115	600	-	715	716
Intangible fixed assets	7c	-	12	-	12	17
Tangible fixed assets	7d	10	19	-	29	221
		125	631	6,640	7,396	7,119
Total fixed assets		125	5,058	54,840	60,023	58,760
Current assets						
Stocks	9	4	-	-	4	15
Debtors	10	938	28	265	1,231	3,695
Short term deposits		-	480	8,671	9,151	515
Cash at bank and in hand		106	1,078	298	1,482	10,105
Intra-fund loan		1,336	1,780	-	3,116	-
		2,383	3,366	9,234	14,984	14,330
Liabilities due within one year						
Creditors	11	(567)	(155)	(260)	(982)	(1,424)
Intra-fund loan		-	-	(3,115)	(3,115)	-
Net current (liabilities)/assets		1,816	3,211	5,859	10,886	12,906
Total assets less current liabilities		1,941	8,269	60,699	70,909	71,666
Liabilities due after more than one year						
Creditors	12	(130)	-	-	(130)	(140)
Net assets		1,811	8,269	60,699	70,779	71,526
Funds						
Unrestricted		1,811	-	-	1,811	1,480
Restricted		-	8,269	-	8,269	6,943
Endowment		-	-	60,699	64,568	63,103
Total funds	16.2	1,811	8,269	60,699	70,779	71,526

The financial statements were approved by the Chapter on 18 November 2025 and signed on their behalf by:


The Very Revd. Dr. Philip Plyming
Dean


Canon Paul Chandler
Senior Non-Executive Member/Vice Chair of Chapter

The notes on pages 24 to 49 form part of these Financial Statements.

Durham Cathedral Accounts for the year ended 31 March 2025

Consolidated statement of cashflows for the year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Net cash outflow from operating activities	17.1	(971)	(4,355)
Returns on investments			
Rents received net of costs		896	696
Interest and dividends received net of costs		711	460
		<u>1,607</u>	<u>1,156</u>
Capital expenditure & financial investment			
Purchase of investments		(15,848)	(4,785)
Sales and transfers of investments		15,335	4,650
Disposal of investment properties		-	8,882
Additions to fixed assets		(20)	(10)
		<u>(533)</u>	<u>8,737</u>
Cash (outflow)/inflow before management of liquid resources and financing		163	5,538
Management of liquid resources			
Net (increase)/decrease in short term deposits		(8,636)	179
Financing			
Repayment of loan		-	-
(Decrease)/Increase in cash	17.3	<u>(8,533)</u>	<u>5,717</u>

The notes on pages 24 to 49 form part of these Financial Statements.

Note: The purchase and sale values for the year ending 31 March 2025 are materially higher than the previous year because the Cathedral moved between investment managers during the year.

Notes to the accounts for the year ended 31 March 2025

1. Accounting policies

The accounting policies which affect items that are material in determining the financial position of the Cathedral and its subsidiary entities are set out below. These policies form part of the notes to the financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention except for the valuation of investments and certain investment and non-investment properties that are carried at fair value. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The accounts are presented in £ sterling, which is considered to be the functional currency, and are rounded to the nearest £'000.

The Cathedral is classed as a public benefit entity.

Basis of consolidation

The group financial statements consolidate the accounts of Durham Cathedral and its wholly owned subsidiary undertakings Durham Cathedral Trading Limited and Durham Cathedral Open Treasure Limited, all with financial year ends of 31 March. Transactions between group entities are eliminated on consolidation. No Statement of Financial Activities ("SOFA") is presented for Durham Cathedral alone as permitted by the Regulations.

Going Concern

Having considered budgets and cash flow projections, the Chapter is confident that the Cathedral will continue to be able to meet its liabilities as they fall due for the foreseeable future and will have sufficient levels of liquid reserves to cover short-term fluctuations in income. Notwithstanding the overall loss for the year, Chapter notes that a significant portion of this relates to the charge on disposal of assets that no longer have economic value. Additionally, some expenses are one-off in nature relating to capital projects, and furthermore the Cathedral has a strong expectation of further capital gains to be made from the future sale of property assets which will both fund future projects directly and also increase the size of the endowment thereby generating higher future income. The Chapter therefore considers that it is appropriate to prepare the accounts on a going concern basis.

Incoming resources

All incoming resources are included in the SOFA when the Cathedral is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Proceeds from the sale of property under the terms of the Endowment are credited to permanent Endowment capital. Any charges incurred in the purchase of property for the Endowment are capitalised where appropriate.

Grants given towards the capital cost of assets are credited as income to a restricted fund and the depreciation of the asset acquired is charged against the fund over the useful economic life of the associated asset.

Grants awarded for revenue costs are credited to the SOFA when the Cathedral has entitlement to the grant, receipt is probable and the value of the grant can be measured reliably.

Legacies

The recognition of income from legacies is dependent upon establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Chapter has sufficient evidence that a gift has been left to it (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the legacy in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be when the expected cash amount to be distributed to Chapter can be reliably measured.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure on repairs, restoration and maintenance of the Cathedral is charged as incurred, with the cost of major repairs and restoration being charged against the Fabric Fund, a restricted fund as disclosed in Note 16. Expenditure on Investment Property is charged against revenue unless the work results directly in a substantial increase in the value of the property and also an increase in rental income when it is capitalised. Irrecoverable VAT has been added to the item of expenditure giving rise to it.

Allocation of support costs

The Regulations require allocation of the support costs to those activities which they directly support. Support costs have been allocated to departments on the basis of headcount.

Cathedral and Inventory

The Cathedral and Ancillary Buildings

The Cathedral is not valued in the financial statements on the grounds that it is historic and inalienable and being held for the continuing use and mission of the Cathedral. The Cathedral is a priceless asset and is insured at a value agreed with the Ecclesiastical Insurance Group, representing the cost of restoration and repair in the event of a serious loss but not complete rebuilding.

Inventory

Inventory assets relate to heritage assets acquired since 2002. Such assets are recorded in the balance sheet at cost.

Heritage Assets

The Chapter considers that obtaining valuations for all of the books, manuscripts and artefacts and other heritage assets in its care would involve disproportionate cost compared with the benefit derived by users of the accounts. Consequently no values are attributed to heritage assets in the balance sheet. Disclosure regarding heritage assets is given in Note 8.

The Chapter has a policy of retaining its heritage assets for the long term and cannot dispose of such assets held within Endowment Funds without the agreement of the Cathedral Fabric Commission for England (CFCE) and/or the Church Commissioners. Heritage items are generally acquired by donation.

Total return approach to investment

The Chapter passed a resolution on 23 March 2020 to adopt a total return policy in respect of permanently endowed funds. The Church of England (Miscellaneous Provisions) Measure 2014 received Royal Assent on 14 May 2014. This enabled Cathedrals to adopt a total return approach to investment.

This approach allows any increase in the value of an investment to be used as income. The decision was taken to ensure that Chapter invests in a way that has appropriate regard to the furtherance of its aims both now and in the future.

Chapter identified the relevant funds and apportioned it into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). The calculation of the value of the investment fund on the date of adoption was based upon the book value of assets in 1996, adjusted for inflation and additions since that date. Chapter used their best endeavor to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

All endowed investment returns are designated as unapplied total return until Chapter decide how it is to be used. At the discretion of Chapter, some of the total unapplied return may be allocated to the income fund to be spent on its aims.

Chapter may allocate an amount of the unapplied total return to the investment funds. The amount that can be allocated to the investment fund is capped. The cap is calculated by using the rise in inflation from a particular date, being either the date of resolution if no previous allocation has been made or date of the last allocation to the investment fund.

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised when the asset is available for use. Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:

Software	20% pa straight line
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Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use. Details of the basis of valuation adopted as at 31 March 2025 are given in Notes 6a and 7a.

Non-investment properties, which are occupied by clergy and lay employees of the Cathedral, the offices, library and stone yard are included at open market value at the last valuation date.

The Chapter considers that the properties (non-investment) need not be depreciated due to the policy of maintaining these assets to such a high standard that they retain a high residual value. Investment properties are not depreciated in accordance with FRS 102.

Equipment, plant and facilities are written off to the Revenue Account in the period in which the expenditure is incurred, except that capital expenditure (typically determined as being items with a cost in excess of £2,500) is capitalised at cost and depreciated over its useful economic life.

Depreciation rates

Capitalised tangible fixed assets are written off at the following rates:

Land and buildings	2% to 6.67% pa straight line
Plant and equipment	5% to 33% pa straight line
Fixtures and fittings	2% to 20% pa straight line
Motor vehicles	25% pa straight line
IT equipment	20% to 33% pa straight line

Investment properties

Investment properties are measured at fair value at each reporting date, with any changes in fair value recognised in the statement of financial activities incorporating income and expenditure account. Investment properties are not depreciated.

Financial Instruments

The Chapter only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances, bank loans and loans to and from related parties, including fellow group companies.

Debt instruments due within one year are measured, initially and subsequently at the transaction price. Debt instruments due after one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method. At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the statement of financial activities incorporating income and expenditure account.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/ (losses) on investments" in the statement of financial activities incorporating income and expenditure account.

Stock

Stock is valued at the lower of cost and net realisable value.

Fund accounting

Endowment funds are funds which are held for the permanent benefit of the Cathedral.

Chapter has adopted a total return approach to investments, the permanent endowment. Assets are invested to produce an investment return without regard to whether that return is in the form of income or capital appreciation. An allocation is made each year from unapplied total return to Trust for Investment to ensure that the capital value of assets in trust are not eroded over time.

Gains and losses on the sale of properties and investments and changes in the value of properties and investments, together with any related costs, are transferred to the Endowment Fund which has been designated as a separate fund not available for allocation as part of the surplus for the year. Chapter may, however, determine which part of the unapplied total return may be applied for the purposes of the Cathedral and which part should be available for accumulation as part of investments.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the Cathedral. Restrictions arise when specified by the funder or when funds are raised for a specific purpose.

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Chapter.

Designated funds are funds set aside by the Chapter out of the unrestricted general fund for specific purposes or projects.

Trusts where Durham Cathedral acts merely as custodian trustee with no control over management of the funds are not included in the financial statements but are summarised in the notes to the financial statements.

Pensions

The Chapter operates a stakeholder pension scheme that is open to all staff with three months or more service. Under new pension legislation, all eligible staff are auto-enrolled in the stakeholder pension scheme after three months service. Contributions are paid to approved funds and are charged as expenditure in the year in which they accrue.

2. Key areas of judgement and estimation uncertainty

The preparation of financial statements requires management to make judgements, assumptions and estimates that affect the application of accounting policies and amounts reported in the statement of financial activities and balance sheet. Such decisions are made at the time the financial statements are prepared and adopted based on the best information available at the time. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

The key areas of judgements in the audited accounts are regarding property valuations, total return, accounting for grant income, and provisions for debtors.

Investment and non-investment properties are subject to an external professional valuation every 5 years. Between the external valuations Chapter assess whether there have been any material changes to the valuation. Desktop property valuations were carried out at 31st March 2019, 2020 and 2021 by Savills (UK) Limited. At 31st March 2025 approximately one third of the properties managed on behalf of the Cathedral by Savills (UK) Limited were valued at fair value, ignoring any hope value and not accruing any value for potential change of use unless planning permission had been obtained. It is likely that the value of the properties would be higher if marketed.

On passing the resolution to adopt a total return policy in 2020, Chapter identified the relevant funds and apportioned them into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). Chapter used their best endeavor to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

Project specific grant income is accounted for on receipt of the grant, with the grant conditions having been fulfilled in advance.

3. Employees

The average number of employees (both by full time equivalent and headcount) during the year was as follows:

Full time equivalent	2025 Number	2024 Number
Dean and Chapter	77	80
Durham Cathedral Trading Limited	-	-
Durham Cathedral Open Treasure Limited	-	-
Total	77	80
Headcount	2025 Number	2024 Number
Dean and Chapter	118	119
Durham Cathedral Trading Limited	-	-
Durham Cathedral Open Treasure Limited	-	-
Total	118	119

The total cost of all paid staff of the Cathedral was:

	2025 £'000	2024 £'000
Salaries and stipends	2,723	2,537
Employer's National Insurance costs	245	197
Employer's pension costs - stakeholder pensions	128	92
Total	3,096	2,826

There was one employee who received remuneration between £60,000 and £70,000 in FY25 (FY24: 0), and one employee who received remuneration between £70,000 and £80,000 in FY25 (FY24: 0).

Members of Chapter received the following remuneration for the year ended 31 March 2025:

	Salary or stipend £'000	Employer's NIC contributions £'000	Pension contributions £'000	Total £'000
The Very Revd Dr Philip Plyming	42	3	8	53
The Revd Canon Charlotte Allen	34	3	7	44
The Revd Canon Michael Hampel	34	3	7	44
The Revd Canon Michael Everitt	41	5	8	54
The Revd Canon Prof Simon Oliver	8	1	-	9
Total	159	15	30	204

Durham Cathedral Accounts for the year ended 31 March 2025

Comparative figures for the year ended 31 March 2024 are as follows:

	Salary or stipend	Employer's NIC contributions	Pension contributions	Total
	£'000	£'000	£'000	£'000
The Very Revd Dr. Philip Plyming	12	1	3	16
The Revd Canon Charlotte Allen	32	3	7	42
The Revd Canon Michael Hampel	40	4	7	51
The Revd Canon Michael Everitt	28	1	9	38
Total	<u>112</u>	<u>9</u>	<u>26</u>	<u>147</u>

The Dean and the two Residentiary Canons received stipends in accordance with the scales laid down by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board.

None of the lay members of Chapter received remuneration in either year, other than reimbursement of travel and subsistence costs, as disclosed below.

Four members (FY24: five) of the Chapter were reimbursed a total of £3,343 (FY24: £5,339) in respect of expenses whilst carrying out the business of the Chapter.

Durham Cathedral Accounts for the year ended 31 March 2025

4. Income	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Donations and legacies					
Congregational collections and giving	76	-	-	76	77
Donations	752	92	1	845	967
Income from appeals and fundraising	-	329	-	329	-
Tax recoverable under gift aid on voluntary donations	162	-	-	162	46
Income from Friends and local trusts	25	73	-	98	39
Income from Benefact Trust	-	-	-	-	22
Legacies	35	-	-	35	216
	<u>1,050</u>	<u>494</u>	<u>1</u>	<u>1,545</u>	<u>1,367</u>
Grants in support of mission					
Church Commissioners	160	-	-	160	137
Cultural Recovery Fund	-	-	-	-	-
Other revenue grants	408	111	130	649	661
	<u>568</u>	<u>111</u>	<u>130</u>	<u>809</u>	<u>798</u>
Charges and fees in the course of mission					
Facility and other fees	70	-	-	70	346
Income of the Chorister School	-	-	-	-	-
	<u>70</u>	<u>-</u>	<u>-</u>	<u>70</u>	<u>346</u>
Trading and chargeable events					
Charges to visitors	170	-	-	170	254
Income from shop, restaurant and other trading activities	1,253	-	-	1,253	840
	<u>1,423</u>	<u>-</u>	<u>-</u>	<u>1,423</u>	<u>1,094</u>
Investments					
Investment property	-	-	1,196	1,196	1,290
Investments	-	18	662	680	606
Interest receivable on short term deposits	128	6	-	134	118
	<u>128</u>	<u>24</u>	<u>1,858</u>	<u>2,010</u>	<u>2,014</u>
Other sundry income	12	-	-	12	138
Total income	<u>3,251</u>	<u>629</u>	<u>1,989</u>	<u>5,869</u>	<u>5,757</u>

Please refer to Note 18 for the FY23 SOFA analysed by fund type.

Durham Cathedral Accounts for the year ended 31 March 2025

5. Expenditure	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Raising funds					
Shop, restaurant and other trading costs	1,223	97	-	1,320	1,226
Marketing and development	282	5	-	287	434
Investment property	-	-	402	402	1,288
Allocated support costs	227	146	-	373	218
	<u>1,732</u>	<u>248</u>	<u>402</u>	<u>2,382</u>	<u>3,166</u>
Ministry					
Clergy stipends and working expenses	204	-	-	204	174
Clergy housing costs	19	-	-	19	17
Services, music and congregational costs	1,057	16	-	1,073	875
Allocated support costs	260	-	-	260	250
	<u>1,540</u>	<u>16</u>	<u>-</u>	<u>1,556</u>	<u>1,316</u>
Education and outreach					
Chorister School costs	-	-	-	-	-
Educational activities	93	60	-	153	81
Archives and library	176	3	-	179	167
Charitable and other giving	-	12	-	12	1
Allocated support costs	114	-	-	114	109
	<u>383</u>	<u>75</u>	<u>-</u>	<u>458</u>	<u>358</u>
Cathedral and precincts upkeep					
Major repairs and restoration	1,149	-	-	1,149	-
Maintenance and interior upkeep	937	29	260	1,226	879
Utilities	215	-	-	215	518
Cathedral insurance	224	-	-	224	219
Precincts, security and gardens upkeep	82	6	-	88	311
Allocated support costs	519	-	-	519	587
	<u>3,126</u>	<u>35</u>	<u>260</u>	<u>3,421</u>	<u>2,514</u>
Total expenditure	<u><u>6,781</u></u>	<u><u>374</u></u>	<u><u>662</u></u>	<u><u>7,817</u></u>	<u><u>7,354</u></u>

Please refer to Note 18 for the FY23 SOFA analysed by fund type.

6. Investment assets

Consolidated and Charity

6a. Investment property at valuation	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
At 1 April	-	2,518	26,235	28,753	28,883
Additions	-	-	3	3	-
Disposals	-	-	-	-	(1,535)
Transfers	-	-	(470)	(470)	-
Net increase on revaluations	-	200	541	741	1,405
At 31 March	<u>-</u>	<u>2,718</u>	<u>26,309</u>	<u>29,027</u>	<u>28,753</u>

Basis of property valuation

All investment properties are freehold. The Regulations recommend that an independent formal professional valuation is carried out at least every five years with material movements between valuations being included in the accounts.

The majority of properties were valued at 31st March 2019 by Savills (UK) Limited. The remaining properties were valued at 31st March 2020, by undertaking desktop valuations. The Chorister School was valued at 31st March 2021. Approximately one third of the properties managed on behalf of the Cathedral by Savills (UK) Limited were valued at 31st March 2025. Valuations reflect the opinion of fair value in FRS 102: *The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants.*

6b. Listed Investments

Consolidated and Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000	Total 2024 £'000
Investments at market value 1 April	-	1,683	21,205	22,888	21,028
Additions	-	-	15,848	15,848	4,785
Disposals	-	-	(16,158)	(16,158)	(4,650)
Transfers	-	-	640	640	-
Net increase/(decrease) on revaluation	-	26	355	371	1,725
Investments at market value 31 March	<u>-</u>	<u>1,709</u>	<u>21,890</u>	<u>23,599</u>	<u>22,888</u>
Analysed as follows:				£'000	£'000
UK equities				749	5,086
Overseas equities				16,130	12,479
UK fixed interest				1,003	2,560
Overseas fixed interest				1,029	186
Other investments				4,688	2,577
Total investments				<u>23,599</u>	<u>22,888</u>

6c. Subsidiary Undertakings

The subsidiary undertakings of the Cathedral comprise:

Entity	Company registered number	Percentage shareholding	Net assets/(liabilities) as at 31 March 2025 £'000	Profit/(Loss) for year ended 31 March 2025 £'000
Durham Cathedral Trading Limited	06366806	100	521	280
Durham Cathedral Open Treasure Limited	08009824	100	(4)	(162)

Durham Cathedral Accounts for the year ended 31 March 2025

7a. Non-investment property

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Consolidated				
At cost/valuation 1 April 2024	-	8,945	6,165	15,110
Transfers	-	-	470	470
Net increase on revaluations	-	-	5	5
At cost/valuation 31 March 2025	<u>-</u>	<u>8,945</u>	<u>6,640</u>	<u>15,585</u>
Depreciation				
At 1 April 2024 and 31 March 2025	<u>-</u>	<u>8,945</u>	<u>-</u>	<u>8,945</u>
Net Book Value				
At 31 March 2025	<u>-</u>	<u>-</u>	<u>6,640</u>	<u>6,640</u>
At 31 March 2024	<u>-</u>	<u>-</u>	<u>6,165</u>	<u>6,165</u>
	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Charity				
At cost/valuation 1 April 2024	-	1,493	6,165	7,658
Transfers	-	-	470	470
Net increase on revaluations	-	-	5	5
At cost/valuation 31 March 2025	<u>-</u>	<u>1,493</u>	<u>6,640</u>	<u>8,133</u>
Depreciation				
At 1 April 2024 and 31 March 2025	<u>-</u>	<u>1,493</u>	<u>-</u>	<u>1,493</u>
Net Book Value				
At 31 March 2025	<u>-</u>	<u>-</u>	<u>6,640</u>	<u>6,640</u>
At 31 March 2024	<u>-</u>	<u>-</u>	<u>6,165</u>	<u>6,165</u>

	2025	2024
The Endowment properties are occupied as follows:		
	£'000	£'000
Clergy and staff housing	5,070	5,070
Cathedral activities	1,570	1,095
Total	<u>6,640</u>	<u>6,165</u>

All non-investment properties are freehold and most relate to Endowment funds. All of the properties were valued at fair value as defined in FRS 102 as at 31 March 2020 by Savills (UK) Limited. Approximately one third of the properties managed on behalf of the Cathedral by Savills (UK) Limited were valued at 31st March 2025, and all properties are expected to be valued every 3 years.

Durham Cathedral Accounts for the year ended 31 March 2025

7b. Inventory	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
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Consolidated and Charity

Net book value at 1 April 2024 and 31 st March 2025	<u>116</u>	<u>600</u>	<u>-</u>	<u>716</u>
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Inventory assets relate to works of art and heritage assets, at purchase cost.

7c. Intangible fixed assets

Consolidated

	Software £'000	Website £'000	Total £'000
Cost or valuation			
At 1 April 2024	10	24	34
Additions	-	-	-
	<u>10</u>	<u>24</u>	<u>34</u>
At 31 March 2025	<u>10</u>	<u>24</u>	<u>34</u>
Amortisation			
At 1 April 2024	5	7	12
Charge for year	2	5	7
	<u>7</u>	<u>12</u>	<u>19</u>
At 31 March 2025	<u>7</u>	<u>12</u>	<u>19</u>
Net book value			
At 31 March 2025	<u>3</u>	<u>12</u>	<u>15</u>
At 31 March 2024	<u>5</u>	<u>17</u>	<u>22</u>

Charity

**Website
£'000**

Cost or valuation	
At 1 April 2024	24
Additions	-
	<u>24</u>
At 31 March 2025	<u>24</u>
Amortisation	
At 1 April 2024	7
Charge for year	5
	<u>12</u>
At 31 March 2025	<u>12</u>
Net book value	
At 31 March 2025	<u>12</u>
At 31 March 2024	<u>17</u>

Durham Cathedral Accounts for the year ended 31 March 2025

7d. Tangible fixed assets

Consolidated	Land & buildings £'000	Plant & Equipment £'000	Fixtures, fittings & IT Equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 April 2024	1,021	316	1,598	30	2,965
Category transfer re opening figures	-	19	(19)	-	(-)
Additions	-	-	17	-	17
Disposals	(131)	(182)	(1,282)	(9)	(1,604)
At 31 March 2025	<u>890</u>	<u>153</u>	<u>314</u>	<u>21</u>	<u>1,378</u>
Depreciation					
At 1 April 2024	252	290	989	15	1,546
Category transfer re opening figures	-	(92)	92	-	-
Charge for the year	29	33	113	5	181
Disposals	(52)	(128)	(1,089)	(9)	(1,278)
At 31 March 2025	<u>229</u>	<u>103</u>	<u>105</u>	<u>11</u>	<u>448</u>
Net book value					
At 31 March 2025	<u>661</u>	<u>50</u>	<u>209</u>	<u>10</u>	<u>930</u>
At 31 March 2024	<u>769</u>	<u>26</u>	<u>609</u>	<u>15</u>	<u>1,419</u>
Charity					
Cost					
At 1 April 2024	131	212	148	30	521
Category transfer re opening figures	-	11	(13)	-	(2)
Additions	-	-	1	-	1
Disposals	(131)	(172)	(100)	(9)	(412)
At 31 March 2025	<u>-</u>	<u>51</u>	<u>36</u>	<u>21</u>	<u>108</u>
Depreciation					
At 1 April 2024	51	126	108	15	300
Category transfer re opening figures	(1)	3	(4)	-	(2)
Charge for the year	2	17	13	5	37
Disposals	(52)	(118)	(87)	(9)	(266)
At 31 March 2025	<u>-</u>	<u>28</u>	<u>30</u>	<u>11</u>	<u>69</u>
Net book value					
At 31 March 2025	<u>-</u>	<u>13</u>	<u>6</u>	<u>10</u>	<u>29</u>
At 31 March 2024	<u>80</u>	<u>86</u>	<u>40</u>	<u>15</u>	<u>221</u>

8. Heritage assets not recognised in the balance sheet

Cathedral, Ancillary Buildings and Inventory

The construction of Durham Cathedral commenced in 1093 and was completed by about 1133. It is regarded as one of the finest examples of Norman architecture in the world and is situated within the Durham UNESCO World Heritage Site. The Cathedral replaced the 10th Century “White Church” built as part of a monastic foundation to house the shrine of St Cuthbert of Lindisfarne.

Objects considered to be of architectural, archaeological, artistic or historic interest are recorded in an Inventory in accordance with S24 of the Care of Cathedrals Measure 2011. These objects are held primarily for use by the Cathedral in its mission or have been vested in Chapter over time and are held as part of the historical record of the Cathedral. Items disclosed in Note 7b Inventory, are separate from those held in the S24 Inventory. No value is attributed on the balance sheet to the Cathedral, ancillary buildings or items recorded in the Inventory as explained in the accounting policy note.

By virtue of its extensive history Durham Cathedral owns many valuable heritage assets with historic and educational value. The nature and scale of the collection belonging to the Chapter of Durham Cathedral include:

- Prebends Bridge;
- The riverbanks and woodlands that extend round the Cathedral to the River Wear;
- Mediaeval manuscripts from the sixth century onwards;
- 1,000 volumes of post-mediaeval manuscripts;
- 10,000 books printed in the 20th and 21st centuries;
- Printed volumes of music, mainly 16th-19th century;
- A collection of artefacts associated with the shrine of St Cuthbert: the wooden coffin, pectoral cross and other items.

The Chapter considers that the Cathedral’s heritage assets are practically very difficult and prohibitively expensive to value, as a result of the unique nature of many of the items. None of the aforementioned heritage assets are therefore included on the Cathedral’s balance sheet. Despite the difficulties in valuation, the Chapter believes that there is significant value in the heritage assets relative to the Cathedral’s net asset value at the financial year end.

The Chapter has a statutory duty under S24 (1) (a) of the Care of Cathedrals Measure 2011 to manage and maintain the Cathedral, its contents and other buildings and monuments. The Chapter has a planned programme of major restoration works to the Cathedral and other buildings which is informed by a full quinquennial review by the Cathedral Architect. Works are overseen by the Property team and the Cathedral Architect. The majority of the conservation and repair is carried out by highly skilled craftsmen employed by the Cathedral.

The collections in the Library are managed by a Head of Collections and library team. Necessary conservation works are carried out by accredited conservators. The Library welcomes researchers with interests in the collections. Access to the Library's collections is freely available to members of the public.

9. Stocks

	Consolidated	Charity	Consolidated	Charity
	2025	2025	2024	2024
	£'000	£'000	£'000	£'000
Goods for resale	<u>120</u>	<u>4</u>	<u>106</u>	<u>15</u>

10. Debtors

Debtors-amounts due within one year	Consolidated 2025 £'000	Charity 2025 £'000	Consolidated 2024 £'000	Charity 2024 £'000
Trade debtors	189	127	375	367
Amounts owed by group companies	-	576	-	745
Other debtors	159	151	2,313	2,308
Prepayments and accrued income	398	377	285	275
	<u>746</u>	<u>1,231</u>	<u>2,973</u>	<u>3,695</u>

11. Creditors - amounts falling due within one year

	Consolidated 2025 £'000	Charity 2025 £'000	Consolidated 2024 £'000	Charity 2024 £'000
Trade creditors	569	534	477	444
Amounts owed to group companies		10		
Taxes and social security	85	53	67	50
Other creditors	100	28	522	469
Accruals and deferred income	420	357	418	461
	<u>1,174</u>	<u>982</u>	<u>1,484</u>	<u>1,424</u>

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

	Consolidated 2025 £'000	Charity 2025 £'000	Consolidated 2024 £'000	Charity 2024 £'000
Other creditors	<u>130</u>	<u>130</u>	<u>140</u>	<u>140</u>

13. Future commitments and contingent liabilities

There are no uninsured legal claims against the Chapter outstanding at the date of signing the annual accounts. No existing claims are expected to result in significant cost to the Cathedral.

Capital commitments

There were no capital commitments as at 31st March 2025.

Other commitments

The Cathedral entered into a merger agreement of the Cathedral Chorister School with Durham School on 23 November 2020. As part of the terms of the merger, the Cathedral agreed to invest up to £4.7m in the fabric of the existing buildings of the Chorister School over a period of time. Since the merger the Cathedral has funded agreed works of £0.8m up to 31 March 2024, and an additional £0.7m up to 31 March 2025. A further £0.8m has been budgeted for the 2025/6 financial year. The Cathedral is expecting the balance of the agreed contributions to be paid in future financial periods.

Commitments under operating leases

The Cathedral's commitments under operating leases is as follows:

	Computer & other IT Equipment £'000	2025 total £'000	2024 total £'000
Total payable within one year	0	0	3
Total payable during years 2 to 4	-	-	-
	<u>0</u>	<u>0</u>	<u>3</u>

14. Pensions

Stakeholder scheme

The Chapter introduced a new individual stakeholder pension scheme in April 2002. This is for all staff employed by the Chapter, and/or the trading subsidiaries. Employer payments under the stakeholder pension scheme in FY25 totaled £106k (FY24: £92k).

15. Associated entities and related parties

Controlled by the Chapter

Durham Cathedral Trading Limited, a wholly owned subsidiary, undertakes trading activities on behalf of the Chapter and transfers profits back to the Chapter through Gift Aid or cash/profit transfers. Durham Cathedral Open Treasure Limited is also a wholly owned subsidiary which became operational in July 2016. Profits will also be transferred back to the Chapter through Gift Aid. Transactions undertaken by both wholly owned subsidiaries are included in the Cathedral's consolidated financial statements.

Not controlled by the Chapter

The Friends of Durham Cathedral, Durham Cathedral Choir Association, Durham Cathedral Academic Charity.

Whilst both The Friends of Durham Cathedral and Durham Cathedral Choir Association give support to Durham Cathedral, the powers of both charities regarding distribution of income are discretionary.

The following parties have been identified as being related parties, through the involvement of Member(s) of Chapter in their management. Values of transactions between Durham Cathedral and each related party for the year ended 31 March 2025 are disclosed below.

Related party	Sales to £'000	Purchases from £'000	Year-end debtor or (creditor) £'000	Rent charged £'000	Year-end rent owed or (prepaid) £'000
1.Durham University	200	161	(3)	34	-
2.St Chad's College	-	1	1	-	-
3.Lord Crewe's Charity	-	-	-	-	-
4.Durham Diocese	6	-	-	-	-
5.Friends of Durham Cathedral	142	1	10	-	-
7.Visit County Durham	12	3	-	-	-
8.Durham Cathedral Choir Association	10	-	-	-	-
9.Durham Cathedral Schools Foundation ¹	8	493	(136)	324	(12)
Total	<u>378</u>	<u>659</u>	<u>(128)</u>	<u>358</u>	<u>(12)</u>

¹ Durham School figures included with Durham Cathedral Schools Foundation (DCSF)

Durham Cathedral Accounts for the year ended 31 March 2025

Comparative figures for the year ended 31 March 2024 are as follows:

Related party	Sales to	Purchases from	Year-end debtor or (creditor)	Rent charged	Year-end rent owed or (prepaid)
	£'000	£'000	£'000	£'000	£'000
1. Durham University	148	67	24	34	-
2. St Chad's College	-	1	1	60	-
3. Lord Crewe's Charity	-	1	-	-	-
4. Durham Diocese Board of Finance	-	-	-	-	-
5. Friends of Durham Cathedral	27	1	-	-	-
6. Durham School	-	-	58	151	(12)
7. Visit County Durham	-	5	-	-	-
8. Durham Cathedral Choir Association	5	-	-	-	-
9. Durham Cathedral Schools Foundation	27	-	56	157	52
Total	<u>207</u>	<u>75</u>	<u>139</u>	<u>402</u>	<u>40</u>

Durham Cathedral Accounts for the year ended 31 March 2025

16. Statement of Funds

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	Balance carried forward
	£'000	£'000	£'000	£'000	£'000
16.1 Consolidated Endowment funds					
Endowment funds	63,103	1,989	(662)	(3,731)	60,699
	<u>63,103</u>	<u>1,989</u>	<u>(662)</u>	<u>(3,731)</u>	<u>60,699</u>
Restricted funds					
1. Open Treasure restricted fund	243	-	(87)	(156)	-
2. Friends	65	73	(124)		14
3. Durham Cathedral Institute	123	10	(1)		132
4. Inventory funds	106	-	-	-	106
5. Library department fund	311	-	-	-	311
6. Cathedral fabric fund	740		(11)		729
7. Music	94	-	-	-	94
8. Provision of Cathedral Music fund	104	-	(1)	-	103
9. School outreach fund	61	-	-	-	60
10. Raise A Voice	469	404	(45)	-	828
11. Cloister Roof	34	19	-	-	53
12. Surtees legacy fund	4,189	-	(6)	984	5,167
13. Woodlands fund	234	-	(17)		217
14. Other restricted funds (< £50k)	182	102	(68)		216
15. Special trust funds	230	21	(13)	-	238
Total Restricted funds	<u>7,185</u>	<u>629</u>	<u>(373)</u>	<u>828</u>	<u>8,269</u>
Unrestricted funds					
General fund	1,518	3,251	(6,702)	4,166	2,232
Designated funds	315	-	(78)	(141)	96
	<u>1,833</u>	<u>3,251</u>	<u>(6,780)</u>	<u>4,025</u>	<u>2,328</u>
Total consolidated funds	<u><u>72,122</u></u>	<u><u>5,869</u></u>	<u><u>(7,815)</u></u>	<u><u>1,122</u></u>	<u><u>71,296</u></u>

Durham Cathedral Accounts for the year ended 31 March 2025

16. Statement of Funds - continued

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers £'000	Balance carried forward £'000
	£'000	£'000	£'000	£'000	£'000
16.2 Entity					
Endowment funds					
Endowment funds	63,103	1,989	(662)	(3,731)	60,699
	<u>63,103</u>	<u>1,989</u>	<u>(662)</u>	<u>(3,731)</u>	<u>60,699</u>
Restricted funds - as analysed above	7,185	629	(373)	828	8,269
Deduct DCOT element of OT Restricted fund	(242)	-	87	155	(-)
	<u>6,943</u>	<u>629</u>	<u>(287)</u>	<u>984</u>	<u>8,269</u>
Total Restricted funds					
Unrestricted funds					
General fund	1,164	2,124	(5,581)	4,009	1,715
Designated funds	315	-	(78)	(141)	96
	<u>1,480</u>	<u>2,124</u>	<u>(5,661)</u>	<u>3,868</u>	<u>1,811</u>
Total entity funds	<u><u>71,526</u></u>	<u><u>4,742</u></u>	<u><u>(6,610)</u></u>	<u><u>1,121</u></u>	<u><u>70,779</u></u>

Endowment funds

Endowment funds are funds which are held for the permanent benefit of the Cathedral.

Durham Cathedral Accounts for the year ended 31 March 2025

	Trust for Investment £'000	Unapplied Total return £'000	Total Endowment £'000
At the beginning of the reporting period:			
Unapplied total return	25,535	37,568	63,103
Movements during the reporting period:			
New capital added	131	-	131
Allocation to capital	664	(664)	-
Investment property rent	-	1,196	1,196
Less: Investment property manager costs	-	(116)	(116)
Less: Investment property costs	-	(468)	(468)
Investment return: dividends and interest	-	662	662
Investment return: realised and unrealised gains and losses	-	897	897
Less: Investment Manager costs	-	(78)	(78)
Total	795	1,429	2,224
Unapplied total return allocated to income in the reporting period	-	(4,628)	(4,628)
Net movements in reporting period	795	(3,199)	(2,404)
At the end of the reporting period:			
Gift component of the permanent endowment	26,330	-	26,330
Unapplied total return	-	34,369	34,369
Total	<u>26,330</u>	<u>34,369</u>	<u>60,699</u>

Restricted funds

1. Open Treasure Restricted fund

This was created to ensure that funds (donations and grants) given specifically for this project were ring-fenced. The fund was fully written down following a review of the company's ongoing trading performance.

2. Friends

The Friends of Durham Cathedral generously donate funds each year for specific projects

3. Durham Cathedral Institute

This Fund was created to support the work of the Durham Cathedral Institute. It is funded from donations received and income from the Academic Trust and is used to support the work of and events hosted by, the Institute.

4. Inventory funds

These were originally created by grants and relate to the acquisition of items added to the Cathedral's inventory.

5. Library department fund

Generous donations were received during the year ended 31 March 2012 to enable the Library to buy back books and manuscripts that were owned by Durham Cathedral (Durham Priory) before the dissolution of the monasteries in 1540.

6. Cathedral Fabric fund

Income comprises donations towards the cost of Cathedral repairs. Expenditure represents repairs and maintenance of the Cathedral fabric.

7. Music fund

The Music fund is used to facilitate special musical enhancements of the Cathedral's worship.

8. Provision of Cathedral Music fund

The Provision of Cathedral Music fund was used to facilitate special musical enhancements of the Cathedral's worship but is in the process of being re-named the Organ Appeal Fund due to it being set aside for that purpose on the basis of a specific legacy gift.

9. School outreach fund

This fund is for Choral outreach: to inspire as many children as possible in the joy of singing, supported by both Choristers and the Cathedral.

10. Raising A Voice

This fund exists to receive grants and donations for the purposes of improving the financial sustainability of the Cathedral's choral foundation, providing means tested bursaries to eligible chorister, and supporting music outreach activity.

11. Cloister Roof

This fund has been created for grants and donations in support of a planned project to repair the cloister roof. The repairs were first identified in the 2013 Quinquennial Report (QIR) and have subsequently become "high priority" status due to further deterioration of the roof beams.

12. Surtees legacy fund

This fund was created in 2019 when a large legacy, which is for the maintenance of the fabric of the Cathedral and library.

13. Woodlands Fund

This fund, established upon receipt of a legacy in 2022, exists to receive grants and donations for the purpose of caring for and conserving the Cathedral's riverbanks and woodlands.

14. Other Restricted funds

This comprises sundry funds ranging from £1,000 to £50,000 that have been created by donations for specific purposes.

15. Special Trust funds

These funds have subsequently been consolidated into two new Charitable Trusts – the Durham Cathedral Educational Trust and the Durham Cathedral Trust for the Relief of Poverty.

Unrestricted funds

Designated Funds are set aside by the Chapter out of the unrestricted general fund for specific purposes or projects. Movements for the year ended 31 March 2025 are as follows:

Consolidated and Charity	Balance brought forward £'000	Incoming resources £'000	Outgoing resources £'000	Fund transfers £'000	Balance carried forward £'000
Property designated fund	99	-	-	(99)	-
Altar frontals	13	-	-	(13)	-
Riverbanks project	8	-	-	(8)	-
School premises fund	5	-	-	(5)	-
Cultural recovery fund	190	-	(79)	(16)	96
Total	315	-	(79)	(140)	96

Transfers

Transfers from restricted to unrestricted funds represent the transfer of under and overspends on projects which have been completed and all restrictions have been met.

Transfers from Endowment to unrestricted funds represent the application of total returns allocated during the year.

Comparative fund notes are shown in Note 19.

17. Cashflow notes

17.1 Reconciliation of net incoming resources before recognised gains to net cash inflow/(outflow) from operating activities

	2025 £'000	2024 £'000
Net incoming/(outgoing) resources	(826)	8,880
Less: income from property - net of costs	(896)	(696)
Less: investment income - net of costs	(711)	(460)
(Gain)/loss on investments	(198)	(1,725)
(Gain) on property revaluation	(746)	(1,405)
Add: depreciation and amortisation	187	174
Loss on disposal of tangible fixed assets	325	-
(Gain)/Loss on disposal of investment property	-	(7,347)
(Increase) in stocks	(13)	(4)
Decrease/(Increase) in debtors	2,227	(2,139)
(Decrease)/Increase in creditors	(320)	367
Net cash outflow from operating activities	<u>(971)</u>	<u>(4,355)</u>

17.2 Reconciliation of cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	1,655	10,189
Short term deposits	9,151	515
	<u>10,806</u>	<u>10,704</u>
Loans	-	-
Cash and cash equivalents	<u>10,806</u>	<u>10,704</u>

17.3 Analysis of changes in net funds/(debt)

	1 April 2024 £'000	Cashflow £'000	31 March 2025 £'000
Cash at bank and in hand	10,189	(8,533)	1,655
Debt due within one year	-	-	-
Debt due after more than one year	-	-	-
Short term deposits held as current assets	515	8,636	9,151
Net funds	<u>10,704</u>	<u>103</u>	<u>10,806</u>

18. Prior year SOFA analysed by fund type

	Unrestricted funds	Restricted funds	Endowment funds	Total 2024
	£'000	£'000	£'000	£'000
Income and endowments from:				
Donations and legacies	1,075	188	104	1,367
Grants in support of mission	598	200	-	798
Charges and fees in the course of mission	346	-	-	346
Trading and chargeable events	1,094	-	-	1,094
Investments	123	65	1,826	2,014
Other income	138	-	-	138
Total income	<u>3,374</u>	<u>453</u>	<u>1,930</u>	<u>5,757</u>
Expenditure on:				
Raising funds	(1,737)	(176)	(1,253)	(3,166)
Ministry	(1,304)	(12)	-	(1,316)
Education and outreach	(341)	(17)	-	(358)
Cathedral and precincts upkeep	(2,273)	(107)	(134)	(2,514)
Total expenditure	<u>(5,655)</u>	<u>(312)</u>	<u>(1,387)</u>	<u>(7,354)</u>
Net (outgoing)/incoming resources before investment gains/(losses)	<u>(2,281)</u>	<u>141</u>	<u>543</u>	<u>(1,597)</u>
Net gains on investments	<u>-</u>	<u>-</u>	<u>10,477</u>	<u>10,477</u>
Net (expenditure)/income	(2,281)	140	11,020	8,880
Transfer between funds	2,001	(1)	(2,000)	-
Net movement in funds	<u>(280)</u>	<u>140</u>	<u>9,020</u>	<u>8,880</u>
Funds brought forward	2,113	7,046	54,083	63,242
Funds carried forward	<u><u>1,833</u></u>	<u><u>7,186</u></u>	<u><u>63,103</u></u>	<u><u>72,122</u></u>

Durham Cathedral Accounts for the year ended 31 March 2025

19. Prior Year Statement of funds

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	Balance carried forward
	£'000	£'000	£'000	£'000	£'000
Consolidated					
Endowment funds					
Endowment funds	54,083	1,930	(1,387)	8,477	63,103
	<u>54,083</u>	<u>1,930</u>	<u>(1,387)</u>	<u>8,477</u>	<u>63,103</u>
Restricted funds					
1.Open Treasure restricted fund	344	-	(97)	-	247
2.Academic fund	13	-	-	-	13
3.Chapter copes fund	25	-	-	-	25
4.Inventory funds	106	-	-	-	106
5.Library department fund	312	-	-	-	312
6.Cathedral fabric fund	739	-	-	-	739
7.Liturgical and Worship fund	5	-	-	-	5
8.Music fund	90	4	(1)	-	93
9.Cathedral charitable fund	10	3	-	-	13
10.Other restricted funds	256	189	(63)	-	382
11. Education funds	21	-	-	-	21
12. School outreach fund	60	-	-	-	60
13. Special trust funds	202	29	(1)	-	230
14. Raise A Voice	412	57	-	-	469
15. Cloister Roof	35	-	-	-	35
16. Surtees legacy fund	4,162	33	(7)	-	4,188
17. Cathedral Sustainability fund	2	138	(139)	(1)	-
18. Woodlands Fund	234	-	-	-	234
19. HEF change programme fund	1	-	-	-	1
20. Cultural Recovery Fund	17	-	(4)	-	13
Total Restricted funds	<u>7,046</u>	<u>453</u>	<u>(312)</u>	<u>(1)</u>	<u>7,186</u>
Unrestricted funds					
General fund	1,690	3,374	(5,609)	2,063	1,518
Designated funds	423	-	(46)	(62)	315
	<u>2,113</u>	<u>3,374</u>	<u>(5,655)</u>	<u>2,001</u>	<u>1,833</u>
Total consolidated funds	<u>63,242</u>	<u>5,757</u>	<u>(7,354)</u>	<u>10,477</u>	<u>72,122</u>

Durham Cathedral Accounts for the year ended 31 March 2025

19. Prior year Statement of Funds - continued

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	Balance carried forward
	£'000	£'000	£'000	£'000	£'000
Entity					
Endowment funds					
Endowment funds	54,083	1,930	(1,387)	8,477	63,103
	<u>54,083</u>	<u>1,930</u>	<u>(1,387)</u>	<u>8,477</u>	<u>63,103</u>
Restricted funds - as analysed above	7,046	453	(312)	(1)	7,186
Deduct DCOT element of OT Restricted fund	(340)	-	97	-	(243)
	<u>6,706</u>	<u>453</u>	<u>(215)</u>	<u>(1)</u>	<u>6,943</u>
Unrestricted funds					
General fund	1,443	2,573	(4,915)	2,063	1,164
Designated funds	424	-	(46)	(62)	316
	<u>1,867</u>	<u>2,573</u>	<u>(4,961)</u>	<u>2,001</u>	<u>1,480</u>
Total entity funds	<u>62,656</u>	<u>4,956</u>	<u>(6,563)</u>	<u>10,477</u>	<u>71,526</u>

Total returns movement – prior year

	Trust for Investment £'000	Unapplied Total return £'000	Total Endowment £'000
At the beginning of the reporting period:			
Unapplied total return	24,468	29,435	54,083
Movements during the reporting period:			
New capital added	104	-	104
Allocation to capital	783	(783)	-
Investment property rent	-	1,280	1,280
Less: Investment property Manager costs	-	(86)	(86)
Less: Investment property costs	-	(1,215)	(1,215)
Investment return: dividends and interest	-	546	546
Investment return: realised and unrealised gains and losses	-	10,477	10,477
Less: Investment Manager costs	-	(86)	(86)
Total	<u>887</u>	<u>10,133</u>	<u>11,020</u>
Unapplied total return allocated to income in the reporting period	-	(2,000)	(2,000)
Net movements in reporting period	<u>887</u>	<u>8,133</u>	<u>9,020</u>
At the end of the reporting period:			
Gift component of the permanent endowment	25,535	-	25,535
Unapplied total return	-	37,568	37,568
Total	<u>25,535</u>	<u>37,568</u>	<u>63,103</u>

20. Auditor's Remuneration

	2025	2024
	£'000	£'000
For audit services	<u>25</u>	<u>25</u>
For other services	<u>2</u>	<u>2</u>

21. Custodian Funds

The Chapter act as custodian trustee responsible for trust funds held on behalf of others. The movement on these funds during the year is set out below:

	2025	2024
	£'000	£'000
Balance at 1 st April	4,441	4,160
Disposals	(114)	(506)
Additions	-	603
Revaluation of investments held	<u>216</u>	<u>184</u>
	<u>4,543</u>	<u>4,441</u>

The funds held by Durham Cathedral as custodian trustee are investments managed by Sarasin Partners LLP. The funds are held on behalf of Durham Cathedral Academic Trust within a separate investment fund.