

# Annual Report and Financial Statements for the year ended 31 December 2021





# St Paul's Cathedral Annual Report and Financial Statements 2021

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## **THE DEAN'S REPORT**

Following hopes for recovery and re-opening at the end of 2020, 2021 started with renewed lockdown, which meant that although the Cathedral's ministers continued to offer daily prayer from their homes, the state of emergency across London meant that for three months we were unable to open our doors for public worship or to welcome visitors. We were grateful to have been able to do so from Palm Sunday and, although with a slightly muted set of services without our full choir who joyfully returned to singing on 19 May, we were delighted to be able to celebrate Easter under the Dome.

From the time that we were fully open, we have returned to a heavy schedule of special services and events. We have been proud to hold services of national thanksgiving, for consecrating bishops, for weddings, baptisms and memorials, and many more. We were delighted to welcome *Little Amal*, the giant Syrian refugee puppet, to the Cathedral in October, to be able to bless the new Lord Mayor on Show Day with singing by our wonderful choristers, and to welcome the Hackney Outreach Choir back to the Cathedral. We have also partnered with the Department of the History of Art from the University of York, introducing a range of different perspectives on our collections through 50 different people responding in a wide range of ways to 50 of our monuments.

One area of growth over the past couple of years, driven by the necessity of the pandemic, has been our engagement with people through digital media. The creativity of our staff and volunteers has meant that we have been able to change the way in which we engage with people, to broaden that outreach and continue to put mission at the forefront of what we do. This year we have live-streamed some of our core services, broadcast a set of conversations about faith and delivered weekly reflections to thousands. When we could not host school visits in person, we provided virtual tours, set up on-line talks about our collections, and live-streamed our organ recitals. Thanks to external sponsorship we have also been working through the year to make our resources more digitally accessible through the development of our new much more user- and mobile-friendly website, as a portal to our mission resources for people around the world.

Remember Me, the digital online memorial to commemorate those of all faiths and none who have died as a result of the pandemic, is an example of this innovation. Over the course of the year the campaign to create a physical manifestation of this memorial captured the hearts of thousands, and the Inner Portico at the top of the Equal Access ramp was funded, and the build was completed in May 2022. This also enabled the final realisation of a forty-year vision to provide an equal access entrance to the Cathedral for all our visitors. The ramp and memorial will both be open to the public in Summer 2022.

The pandemic has again had a significant impact on our visitor numbers in 2021. The Chapter had cautiously budgeted on the basis of only 50,000 paying visitors spread over the year, and were delighted to welcome 113,840 together with many worshippers; but this has to be compared to a baseline of over 929,000 paying visitors in 2019. Although supplemented by above-expected receipts from St Paul's Cathedral Enterprises Ltd, our commercial arm, including a significant increase in funding from filming receipts, we have operated at a considerable underlying loss all

year, and forecast doing so in 2022 and 2023 as well. We were therefore exceptionally grateful to other partners for supporting us this year, by way of donations, legacies or grants which totalled over £6m in the year to keep the doors open and continue to deliver our mission and progress key projects.

These projects have included undertaking urgent repairs to our roof, where the collective expertise of our stonemasons, lead plumber and wood craftsmen, brought together through a generous grant, has secured vulnerable parts of the Cathedral. It is also wonderful to have been able to complete the long outstanding Library project, and we look forward to seeing the return of our books later in 2022. We are grateful for the ongoing efforts of all who maintain the Cathedral on an on-going basis to keep it safe to visit.

In 2021, we tested the safety of the Cathedral, for staff and visitors, by auditing our health and safety processes, and undertaking reviews of our security. We also welcomed a team from SCIE (Social Care Institute for Excellence) into the Cathedral to conduct a safeguarding audit. We were pleased that the strategic and operational leadership of safeguarding was considered good, and are truly grateful to all our staff and volunteers

for making sure that safeguarding is a commonly understood priority across the Cathedral and those responsible for safeguarding take every opportunity to improve this.

The passion and commitment of our staff and volunteers enables the Cathedral to deliver its mission of worship, learning and welcome. The past year has been characterised by absolute determination to deliver the best for all our visitors, despite fewer resources and the challenge of frequent changes and uncertainty due to COVID. It is not possible to list all that they have achieved, but this report touches on the contributions that everyone has made. The Chapter is very grateful to each and every one for all they bring to the Cathedral. We are also grateful to the contribution of those staff, volunteers and ministers who have left us over the year, including the Treasurer, The Reverend Canon Jonathan Brewster, who went to lead a team ministry in the Lake District, and the Succentor, The Reverend Rosemary Morton, who left the Cathedral after 7 years' service. The Registrar, Emma Davies, left the Cathedral in June 2022. We are very grateful to her for the expertise and hard work which has enabled the professionalisation of the Cathedral's operations, and for her leadership in dealing with the effects of the pandemic which included a difficult restructuring process. There have been sadnesses too, with the death of some friends and colleagues, including the Chair of our Council, Sir Roger Gifford, who brought much to the Cathedral in the short time he was Chair. We are grateful to Sir Peter Estlin for taking the

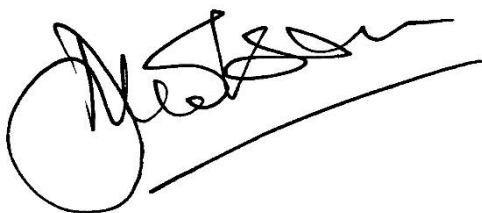


*Figure: The sun shining through the west window reflecting from the brass cross on the high altar.*

position as Chair of the Council as we move forward to the implementation of the Cathedrals Measure.

In 2022, the Jubilee service in June provided us with an opportunity to lead the country in giving thanks to God for the life-long service offered by Her Majesty The Queen. Starting the work to increase girls' voices at the Cathedral is firmly on the agenda along with the health and safety improvements which are required to re-open the Whispering Gallery. We will also be taking forward the work to implement the new Cathedrals Measure and to register with the Charity Commission. We are in good position to do so, having professionalised our systems over the past few years.

This is my last year as Dean, having served the Cathedral for ten years. I started here ten days before Her Majesty's Diamond Jubilee, and her Platinum Jubilee service was my last major national event before retirement. I started my ministry in Deptford in a church with a 1697 nave and carvings by Grinling Gibbons, and end it here in similar surroundings though on a rather different scale. Over the last ten years the Cathedral has opened up more to partners in the City and the Diocese, has developed its mission and improved its governance, and built up the financial reserves which have helped us to survive the pandemic so far. Much remains to be done: we have been spending the future to survive in the present, and the loss of the Cathedral's endowment to inflation in the twentieth century which makes us so reliant on visitor income needs to be addressed for future sustainability. The sad loss of many staff in the 2020 restructuring means that the Cathedral in 2022 is overstretched, with our heroic staff doing as much as before with fewer resources. But I am hopeful for the future: there is much goodwill towards St Paul's, it is known and loved around the world, and it has a vital part to play in witnessing to the endurance of Christian faith and the love of God in an uncertain world. My successor, Andrew Tremlett, will have much to do, and my prayers will be with him and all those working alongside him; but it is also an extraordinary privilege to be Dean and to receive so much thanks for so many things achieved by others in the name of St Paul's.

A handwritten signature in black ink, appearing to read 'David Ison', written over a horizontal line.

**The Very Reverend Dr David Ison**  
Dean

**22 June 2022**

## **GOVERNANCE AND STRUCTURE**

St Paul's Cathedral is an ecclesiastical corporation and has been governed according to several constitutions during its long history, all drawn up according to law and subject to the Sovereigns of this Realm. The Constitution and Statutes established for, and currently applying to, St Paul's Cathedral were made under the Cathedrals Measure 1999 by Order in Council dated 13th April 2000 and last amended on 8 May 2019.

### The Chapter

The governing body of the Corporation is the Chapter, which meets monthly on average. From time to time, the Chapter invite key personnel and department heads to their meetings to review proposals or recommendations put forward for authorisation.

In accordance with the Cathedral's Constitution and Statutes (as amended 8th May 2019) the membership of the Chapter consists of:

- The Dean, who is appointed by the Crown and instituted by the Bishop under the Terms of Common Tenure.
- The Canons Residentiary of the Cathedral, who shall not exceed six at any one time, three of whom may be appointed by the Crown and instituted by the Bishop, and three appointed by the Bishop with the agreement of the Dean after consultation with the Chapter and collated by the Bishop; the appointments being held under the Terms of Common Tenure.
- Up to seven additional persons, at least two-thirds of whom shall be lay persons, appointed by the Bishop with the agreement of the Dean, after consultation with the Chapter and the Chair of the Council. These persons hold office for three years and are eligible for further Terms of Office. Any such person who is a Clerk in Holy Orders shall be a Canon Non-Residentiary of the Cathedral.

All new members of the Chapter are required to undergo appropriate induction training to brief them on key elements of their role. This involves meeting other Chapter members, key employees and safeguarding training. Members of the Chapter are encouraged to attend appropriate external training events and personal development activities where these will facilitate the undertaking of their role.

The Chapter are responsible under requirements laid down by the Church Commissioners for the powers given to them by Section 27 of the Cathedrals Measure 1999. These responsibilities are outlined on page 46.

St Paul's as a Cathedral has a particular role in supporting the Bishop's ministry both directly and across the Diocese. The pandemic meant that nearly all Diocesan services had to be cancelled, although some online services were produced and the Bishop was involved in on-line learning and reflective resources which were hosted on the Cathedral's Resource Hub so that they were easier to access.



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The Dean is ex officio on the Bishop's staff and the major Diocesan governance bodies, and has been part of the development process for the Diocese of London's Capital Vision 2030 programme, which is primarily concerned with parish ministry but does have some reference to St Paul's as a resource.

Canon Mark Poulson continued his interfaith work across the Diocese as well as supporting the Bishop and some of the Cathedral's work: his three-year appointment ended in summer 2021.

There are two Minor Canons (Succentor and Sacrist) and a Priest Vicar (Chaplain) who are assistant stipendiary clergy at the Cathedral. They have no governance role but assist the Chapter with the liturgical and pastoral work of St Paul's.

## The Cathedral Council

The Cathedral Council furthers and supports the work of the Cathedral – spiritual, pastoral, evangelistic, missionary, social and ecumenical - and reviews and advises upon the direction and oversight of that work by the Chapter. The Bishop of London, the Chapter and College of Canons have responsibility for appointing a specific number of members. Although the Bishop is not a member, she has the right to attend and speak at Council meetings. The Council met three times in 2021, in person and virtually, and received and considered the Annual Report and audited Financial Statements for 2020 and the Annual Budget for 2022.

## College of Canons

The College of Canons deals with the election of the Bishop and advises the Bishop when requested. It also receives and considers the Annual Report and audited Financial Statements, as well as discussing other matters raised by the members. The College of Canons met in July 2021 to receive and consider the Annual Report and audited Financial Statements for 2020.

## Fabric Advisory Committee

Five members of the Fabric Advisory Committee are appointed by the Chapter, and five by the Cathedrals Fabric Commission for England. The Committee meets three times each year giving broad advice on, and statutory endorsement of, fabric project proposals.

## Chapter Finance Committee

The Chapter Finance Committee advises the Chapter on the Cathedral's financial management. It meets at least four times each year to review the Cathedral's financial strategy and financial performance.

## Investment Advisory Committee

The Investment Advisory Committee comprises up to five independent members and staff members, all of whom are appointed by the Chapter. The Committee meets twice a year in order to oversee the Cathedral's investment portfolio.

## Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee comprises not less than five members, of whom the majority are independent lay people. At least one member of the Committee is a member of the Cathedral's clergy. It meets at least four times a year to monitor the effectiveness of the Cathedral's finance function; to review the Cathedral's annual budget and long-term financial plans; to review the Annual Report and audited Financial Statements; to monitor the processes relating to the management of the Cathedral's overall risks and internal controls and to oversee the appointment of the external auditors.

## Liturgy and Music

The liturgical and musical life of the Cathedral Church is the responsibility of the Precentor on behalf of the Chapter.

## Cathedral School

The Cathedral School was created for the education of Boy Choristers, but has accepted day pupils and girls for many years. It is wholly owned by the Chapter, who are its Trustees and who have delegated its running to a Board of Governors with a majority of external lay governors. The Board of Governors' management agreement is described as an 'Instrument of Delegation' effective since 2005 and is cancellable. In 2022 we announced that we will be taking on girl choristers in the near future.

## Registrar

The Registrar is the Senior Administrative Officer assisting the Chapter in their executive responsibilities and is appointed by the Chapter. The remuneration for this post is decided by the Chapter, taking into account the responsibilities of the role and also market factors. The Chapter also considers and decides the annual pay award for all Cathedral employees to take account of market factors including cost of living increases.

## Senior Leadership Team

The Senior Leadership Team consists of a mix of Ministerial and Lay Directors, accountable to the Chapter via the Registrar for the delivery of the Strategic Plan. The team have defined delegations from the Chapter and meet at least once a week in order to manage the operations of the Cathedral.



## **PURPOSE, PRIORITIES AND PROGRESS**

The Strategic Plan was refreshed during 2020 and in the early part of 2021. This sets out our Mission Statement and our Purpose.

Our Mission Statement guides us in all that we do at St Paul's Cathedral

*St Paul's Cathedral seeks to enable people in all their diversity to encounter the transforming presence of God in Jesus Christ.*

This informs the PURPOSE of St Paul's Cathedral:

*The Cathedral is a community of worship and mission with a particular role in supporting the Bishop of London in her work across the Diocese and beyond.*

*We are above all a living Christian church, inspired by the love of God in Jesus Christ to offer welcome, prayer and learning.*

*Together, we are entrusted with the outstanding building and iconic dome, the fruit of human skills offered to the glory of God. We will curate and fashion the building on behalf of current and future generations as a sign of hope for all.*

*We will bring together all our resources to make a tangible difference to people's lives, shaping policy and attitudes to tackle social injustice, specifically in the area of young people's mental health.*

We will deliver this by being:

**Welcoming** – we all offer a warm inclusive welcome to everyone: our colleagues, volunteers and each one of our visitors.

**Responsible** – we are people of integrity, each responsible for part of the whole of the Cathedral's work, looking after the Cathedral for the next generation.

**Engaging** – we seek to engage everyone in our mission, at the Cathedral, within London and across the world.

**Nourishing** – as a community we work together in a learning environment, aiming for the highest possible standards in everything we do whilst acknowledging we cannot do everything.

To achieve our strategy, our work is now grouped into Directorates, as follows:

- Liturgy and Worship – led by the Precentor
- Learning – led by the Chancellor

- Visitor Engagement – led by the Director of Visitor Engagement
- Corporate Services – led by the Director of Corporate Services and Chief Financial Officer
- Development – led by the Director of Development.

We also introduced a third 'strategic theme' alongside the two previously agreed:

- Diversity – so the whole life of the Cathedral reflects the diversity of its context.
- Engagement with London – with the City, the Diocese of London and the people of Greater London.
- Environment – to reduce our environmental impact.

We have two important partnerships which are continuing to open up new opportunities and help us deliver these cross-cutting themes. We are working closely with the Bishop of London, who has the explicit remit of providing leadership in engaging with society across London. We are also looking forward to continue being part of developments in the City of London, in both the cultural sphere and the area of social responsibility.

Our achievements during 2021 are summarised below.

## **WORSHIP, LITURGY AND MUSIC**

*Throughout 2021, despite the effects of the COVID Pandemic, the daily rhythm of prayer and worship remained at the heart of our common life. Alongside this, although the choir was unable to sing for some months, the excellence of our musical tradition continues.*

In 2021, COVID restrictions meant that the Cathedral's pattern of worship changed in line with government guidance. In the first quarter of the year, the Cathedral was closed for public worship, so the Cathedral ministers offered prayer daily in their own homes. Alongside this, a variety of pre-recorded online services were made available via YouTube: these ranged from services for specific feast days to meditations on the Stations of the Cross throughout the season of Lent.

In person services resumed on Palm Sunday and continued throughout the remainder of the year with appropriate social distancing and other COVID mitigations in place. During Holy Week and Easter, mindful of those who were unable to join in person, a range of services were made available online, most notable of which was the Easter Day Eucharist at which the Bishop of London preached. Music was provided by individual cantors and small groups of singers from Palm Sunday until the full choir returned on 19 May.



*Figure: A busy consecration service held in 2021.*

A particular highlight of the musical year were the online organ recitals which were broadcast on YouTube throughout the year, with in person organ recitals returning midway through the year. These were especially important since, due to COVID restrictions and stretched resources, we were unable to offer our usual highly popular free performances of Handel's Messiah and Bach's St Matthew or St John Passion.

In the latter half of the year we held a variety of special services marking important anniversaries and celebrating the work of various charitable organisations. These included "The Lord Mayor's Service of Reflection and Hope" as the City re-opened, and "A Service of Commemoration and Thanksgiving on the Anniversary of the National Health Service" attended by many of those responsible for helping us to overcome the pandemic. In November, our biannual partnership with the Royal Philharmonic Orchestra enabled us to host a sell-out concert conducted by John Rutter.

The bells of St Paul's are a familiar sound in and around the City of London. In the early part of the year a small number of volunteers took it in turn to chime six of the bells but it was a joy to hear the full twelve bells being rung again from the last Sunday in July onwards. Alongside this, after an inspection in May 2021, Great Paul, being the largest bell in the UK, was declared safe to ring once more and it was first rung for the City Festival of Bells on 31 July, when the ringers included the Lord Mayor of London, the Lady Mayoress and the Bishop of London. It was rung again later in the day and has since been sounded for the Lord Mayor's Show, Remembrance Sunday, Advent, Christmas Eve and Christmas Day. It is intended that it be rung for special occasions throughout 2022.



Numbers attending regular Sunday services have remained low, for example our average Sunday Eucharist figures are around 139 in contrast to 320 before the pandemic. However, Advent and Christmas Services were very well attended; the Cathedral was almost full for nearly all the main services, with a drop in numbers on Christmas Day but otherwise very similar numbers to previous years.

The OBE Music Partnership continued its outreach work through both virtual and in person sessions. Sing with St Paul's provided weekly singing sessions for 11 schools online during the winter lockdown until visits to schools in person resumed after Easter. In addition to this, Singing Assemblies were filmed and recorded to support school singing for a whole liturgical year, from Harvest to Pentecost. Work with choirs also continued both in person and online: the Hackney Summer Choral Course provided an immersive week-long holiday course for 44 children aged 8-16; the Hackney Children's Choir provided 45 children aged 8-11 with weekly choral training, preparing them for monthly services of Choral Evensong online and then in person, as well as end-of-term concerts and the Hackney Senior Choir provided 22 children aged 12-18 with weekly choral training. With Cathedral support, the young people led a fundraising campaign for *CentrePoint*, having composed and recorded their own track, 'Dig Deep', which addressed issues around mental health and youth homelessness.

We look forward to a full and varied 2022. We are planning for a full programme of special services including "The National Service of Thanksgiving to celebrate the Platinum Jubilee of Her Majesty The Queen" which was held on 3 June 2022, along with some important concerts such as the Remember Me concert in March 2022, The Messiah moved from Christmas 2021 to the end of March 2022 and the London Symphony's Gala concert will be held on 23 June. Our reduced workforce, following the 2020 restructuring, means that the delivery of this programme places considerable stress on our remaining staff, so we will be exploring new and less intensive ways of delivering this programme without impacting on the required high standard.

One of our key goals for 2022 is to continue drawing up plans for introducing Girls' Voices to enhance our musical tradition. We will continue to fundraise for this, as well as to secure our musical heritage for future generations.

### **LEARNING**

*For much of 2021, the highly successful digital learning programme continued as it had done for the latter half of 2020. Though, as restrictions lifted, the Schools and Family Learning team and the work of the OBE Outreach Scholar began to return to in person learning.*

The Social Justice programme, which began in the Autumn of 2020, is also growing. It has as its focus three key themes: Young People and Mental Health; Racial Justice; and Climate Change. Some highlights of our social justice work include: an online conversation about the experiences of black and white women in the church, which had over 5,000 views; towards the end of the year when in person events were possible again 30 people attended a very well-received retreat day for weary activists at the Royal Foundation of St. Katherine, run in collaboration with the Diocese of London's Compassionate Communities team. The Cathedral also focused on the Mental Health of staff, delivering a MHFA England 2-day course to 22 employees in order to support them in becoming Mental Health First Aiders.



*Figure: Canon Dr Paula Gooder, Chancellor, speaking at a Learning event.*

The Adult Learning programme produced nine St Paul's Conversations videos of around 45 minutes each in which Canon Dr Paula Gooder, Chancellor, spoke to a wide range of different Christian thinkers such as the former Archbishop of Canterbury, Dr Rowan Williams; the Reverend Jarel Robinson-Brown, and the Bishop of London, Dame Sarah Mullally. The videos produced in 2021 had a total of over 27,000 views and the back catalogue of videos were watched over 3.5 million times. Alongside the videos, a weekly written reflection on topical theological themes is sent out to the Adult Learning mailing and read by nearly 2,500 people a week.

For the first half of the year the majority of engagement with schools, via the Schools and Family Learning team, was in virtual visits, with 563 school children learning more about the Cathedral via a virtual link to one of our team. Over the autumn term, however, schools returned in person, and with enthusiasm, so that by the end of the year nearly 6,000 school children had visited the Cathedral accompanied by nearly 1,000 teachers or other adults. Despite the uncertainty of the pandemic, the autumn term was very nearly fully booked and bookings for 2022 are very strong. The team have found they often needed to be flexible, allowing schools to postpone, cancel or change their visit to a virtual visit at the last moment. While the Cathedral was open the School and Family Learning team also put on family engagement activities on certain days in school holidays, engaging with a total of 917 children with 839 accompanying adults.

In 2022 the Learning Department is returning to more in person events. The Schools and Family Learning team are planning for a full in person return to school and family visits throughout 2022. In our Adult Learning and Social Justice work, there are two Cathedral floor events planned: one in June, with the sponsorship of CCLA, on the theme of Recovering Well as a City, picking up some of our Social Justice work; and one in October exploring the Psalms through word and music. For the rest of the year the team will continue to provide virtual events for our online audience around the world. We are particularly pleased with the launch of the new Cathedral website which showcases all aspects of the Cathedral's life and work, but especially that of the Learning Department.

## **CORPORATE SERVICES**

*The Corporate Services Department, consisting of Finance, HR, IT and Works, have worked together effectively to support the Cathedral in a wide range of areas.*

The critical work of the Finance team has been focused on medium term financial planning in order to ensure that the Cathedral remains financially sustainable (more details about this can be found later in the Financial Report). HR and Finance have worked together to outsource the payroll function in order to ensure that there is sufficient resilience in a very small team and to manage and process the furlough claims as mentioned elsewhere in this report. The Finance and Development teams continue to collaborate in order to develop proposals for grant making trusts, such as the National Lottery Heritage Fund application.

The Finance team have a number of projects planned for 2022 including the implementation of a G4S safe. This will change cash handling from being cashier intensive to a more automated process and will also improve the security and simplify the recording of cash.

The IT team have focused on ensuring that systems are safe and secure and can support the on-going need to maintain hybrid working. They have secured Cyber Essentials accreditation, installed AV systems in the main meeting rooms to support hybrid meetings, enabled multi factor authentication to ensure servers are secure; and have migrated various systems, such as moving the finance accounting system and safeguarding systems to the cloud.



*Figure: Works staff repairing the roof in early 2021.*

In addition to the projects already mentioned elsewhere, the Works Department has undertaken major roof repairs aided by an NLHF grant; enabled the removal of asbestos from the ball and cross (right at the top of the Dome); worked with a third party contractor to complete the Equal Access ramp; prepared the groundwork for the building of the Inner Portico and refurbished an Amen Court property.

### **The Cathedral Buildings**

*The on-going maintenance of the buildings is a high priority for the Cathedral. There are a number of key projects in the process of being delivered, namely the Library renovations as well as the health and safety related changes required so that the Whispering Gallery can be re-opened. The long-term scheduled repair programme for the Cathedral is expected to cost around £30 million.*

There is a full-time team of around 20 staff who are permanently employed to deliver on-going maintenance for the Cathedral. This maintenance includes everyday repairs as well as the longer term repair programme. The Quinquennial Inspection Report is currently being updated but it is estimated that this repair programme will cost around £30 million for which there is no Government or Church of England funding currently planned or readily available.

The Equal Access ramp, the first external addition to Wren's original building, is complete and opened in June 2022. Other important building projects include:

- the renovation of the Library which is nearing completion. Books will return later in 2022 and the Library will then be open for selective visits. All 12,800 books were taken offsite in 977 different boxes and will be replaced in the Library. The oldest book in the collection is the St Paul's Psalter that dates to 1220 but the most significant is a copy of the 1526 Tyndale New Testament, one of only three remaining copies of this volume.
- the re-opening of the Whispering Gallery which has remained closed as a result of health and safety issues. Thanks to a very generous donor we have now been able to commission the prototype safety barriers and are planning for the work to be completed and the Gallery re-opened to visitors early in 2023.



- Throughout 2021 work continued on CCTV for the Cathedral's organ and is now completed. This system provides the Cathedral's organists with the ability to follow a conductor's beat and to see what is happening (such as the progress of a procession) at various key points around the Cathedral. The new, state of the art CCTV system is essential to achieving the exceptionally high standard of liturgy and music for which St Paul's is well-known.

## **Our Staff**

*As with many other institutions around the country, this has been a particularly difficult time for our staff, with the loss of income, the impact of the restructuring in 2020 and the continued uncertainty due to COVID. We remain grateful to and proud of our many talented staff across the Cathedral for their commitment and dedication through such a difficult time.*

This has been a difficult time for staff across the whole Cathedral. In line with the majority of other charitable institutions and businesses, 2021 brought great uncertainty about the future, potential periods of closure and an on-going lack of visitors. In 2020, the Cathedral embarked on a major restructuring programme in order to reduce costs which resulted in over 20% of colleagues leaving, mainly taking voluntary redundancy. Alongside this we maximised the use of the government's furlough scheme which allowed a claim of over £2 million. This sum has been a critical component of the Cathedral's funding throughout 2021, and we are grateful to staff for their flexibility in taking furlough in such a way as allowed us to utilise this opportunity.

Although difficult to fund, the Chapter took the decision to award a pay increase of 3.1%, based on September's RPI, at the end of the year, payable from January 2022 because of the huge cost of living challenges facing staff. We also reiterated and maintained our commitment to paying at least the London Living Wage to all our staff.

## **Our Volunteers**

*We remain very grateful to our many volunteers who support the life and work of the Cathedral in a wide range of roles from Cathedral floor guides to Wandsmen; broderers to bell ringers; Schools and Family volunteers to servers. Although some volunteers do not, yet, feel comfortable returning to the Cathedral, others have returned and we are delighted to see them again.*

Throughout 2021 we worked hard to engage with our volunteers and to continually improve our communication and review strategies for the future; this includes regular communication sessions with Cathedral floor volunteers. The Chapter agreed a new volunteering strategy and plan which was rolled out in early 2022. This included the setting up of a Volunteering Steering Group and has helped drive forward change and improve consistency across the Cathedral in our volunteering offer and experience.

In early 2022, we developed a policy framework for agreement and implementation, which included setting up a Volunteer Advisory Forum to help us understand better the issues that affect our Cathedral volunteers.

Some of the highlights included the development of an online programme delivering talks to potential new audiences on topics such as Holman Hunt's 'The Light of the World' and 'Controversial Colour: The Mosaics of St Paul's Cathedral'. In addition, we successfully rolled out more regular Triforium tours with Visitor Experience Assistants trained to assist our volunteers. We were also delighted to nominate our Schools and Family Learning Volunteers for an Ecclesiastical Heritage Heroes Awards, celebrating the incredible contribution of volunteers in the heritage sector.

## **OUR SUPPORTERS AND FUNDRAISING**

2021 was a busy year for the Development Department. Cash received as a result of fundraising efforts, being donations, legacies and grants totalled over £6 million. The Development team is focussed on building strong long-term relationships with both new and old donors.

The Development team have continued their focus on increasing fundraising across multiple projects as well as to secure funds for the on-going running costs of the Cathedral. St Paul's Cathedral would like to thank everyone who has generously supported us through the on-going COVID crisis. We are incredibly grateful to all of our Donors, Friends, Patrons, Trust and Foundations for their support during this difficult time. A list of our major donors is included on page 37.

There is much to look forward to in 2022. The Cathedral Sustainability Fund has agreed to fund a Corporate Giving Manager who will continue to forge relationships with our City of London partners. As part of this we are working in partnership with CBRE Group with an ambition to engage companies to become part of a programme of regular giving – £50k a year for up to 5 years towards the Fabric of St Paul's. This will enable us to plan critical works to preserve Wren's magnificent building. We will also fundraise for the next phase of the Middlesex Chapel and continue to develop plans to incorporate Girls' Voices into the choral music tradition. However, ensuring that we have the funds to continue to welcome both worshippers and visitors in the Cathedral remains our overall key priority.

## **Remember Me**

*One of the most significant events in the life of the Cathedral in 2021 was raising over £2.5 million for the construction of the Remember Me Inner Portico, a physical memorial which opened on 22nd June 2022 and which complements the online Remember Me memorial.*

In 2020, in response to the many deaths around the country as a result of COVID, the Cathedral opened an online memorial book. Since its inception, the online memorial has, so far, received over 11,000 entries and will remain open for as long as it is needed. The physical memorial is made up of two key elements: the building of the Inner Portico which will be a lasting memorial to those that lost their lives as a result of the pandemic, as well as the creation of a space within the Middlesex Chapel, into which the portico opens, for reflection and prayer. Sir Robert McAlpine were engaged to build the inner portico which was substantially completed before the Jubilee.

The oval structure for the portico was created in English oak using traditional construction methods and the portico itself will be used to welcome visitors who enter via the ramp which provides a permanently accessible entrance to the Cathedral via the north door. The reflection and prayer space in the Middlesex Chapel is planned to be delivered in two phases. At the end of phase one, delivered in the Summer of 2022, there will be reflective space for all those that have been impacted by the pandemic. Phase two will raise money to create an ambitious contemporary memorial space with a strong digital presence for completion in 2023.



*Figure: Early stage build of the Remember Me memorial to remember those who lost their lives as a result of the pandemic.*

## **OUR VISITORS**

*Although our visitor numbers remain low, we have been encouraged by larger than expected numbers of paying visitors welcomed to the Cathedral in 2021 and are working hard through digital marketing and an increased visitor engagement offer to encourage as many people as possible to visit us in 2022.*

We were pleased to have welcomed 113,840 paying visitors into the Cathedral in 2021; a considerable achievement given the very challenging circumstances throughout the year. This generated over £1.5m in ticketing income; 5% down on 2020 figures (which were driven by the first 8-10 weeks of 2020, i.e. pre-lockdown) and 88% down from the 929,003 paying visitors we welcomed in 2019, producing over £10m of ticketing income.

Our Visitor Experience team worked exceedingly hard to react quickly to continuing changes to COVID guidelines including devising new rotas, working patterns, and signage as the government guidance changed throughout the year. Towards the end of the year we successfully recruited new Visitor Experience Assistants (VEA team members) to strengthen the core welcome team; and work was begun on a development strategy to include training in key operational areas to support the Visitor Experience Managers (VEMs). It was also good to restart the Accessibility Advisory Group.

There has been a particular focus on digital engagement this year and successful marketing campaigns contributed to exceeding our 2021 visitor target. There is a digital marketing strategy in place to support our goal of attracting 350,000 visitors to the Cathedral in 2022 and in order to support our digital work we have begun using key digital tools like Hootsuite, which not only make scheduling social media posts more straightforward but provide easier access to analytics.



This has also been a busy year for the Collections team, who facilitated the on-going creation of a digital model of the Great Model design; contributed to the publishing of a new guide book on the Cathedral monuments 1795-1916 in partnership with the Pantheons Project from the Department of the History of Art, University of York; helped to launch the 50 Monuments in 50 Voices project, again in collaboration with the Pantheons Project; loaned carvings to the exhibition, Grinling Gibbons: Centuries in the Making, displayed at two venues, Bonhams and Compton Verney; completed the majority of the toning in and condition checking of the Quire interior carvings; facilitated a range of engagement activities as well as the development of the Jubilee exhibition in collaboration with colleagues.

The Security team continue to work to make the Cathedral as safe a space as possible for all that visit us. They have completed co-ordinated training with Counter Terrorism Security Advisers (CTSA) for most customer facing staff on ACT (Action Counters Terrorism) and SCaN (See, Check and Notify). In addition, the team have focused on understanding the likely changes to the law following the Manchester Arena terrorist attack.



Figure: The Conservator working in the Quire.

### **OUR COMMERCIAL ENTERPRISE**

*Despite a difficult year, St Paul's Cathedral Enterprises exceeded budgeted income as a result of the careful management of resources including the continued utilisation of furlough, helped by a few key filming opportunities. We look forward to re-opening the café and welcoming back the corporate clients that utilise our event space.*

St Paul's Cathedral Enterprises delivered a profit of £607k in 2021, exceeding the budgeted profit. This was largely driven by several large scale filming projects and higher than anticipated visitor numbers which drove increased sales in the shop. The digital presence of the shop was increased making more products available to buy online. The launch of the new website will also help towards driving the digital presence of the shop. We continued to run without a café in the

Cathedral for the second year, but recognise the importance of being able to offer hospitality within the Crypt and aim to have a new offering in place during summer 2022.

St Paul's Cathedral Enterprises delivers a significant income stream for the Cathedral. We anticipate that 2022 will continue to be challenging and recognise that the income will be closely linked to the number of paying visitors who visit the Cathedral.

## **SAFEGUARDING**

*Safeguarding remains a high priority in the life of the whole Cathedral. Both the report of the SCIE audit, which took place in November 2021, and the report of our Independent Chair of the Safeguarding Advisory Group have noted that the importance of safeguarding is understood across the Cathedral and that the Cathedral's response remains effective.*

In 2021 the Cathedral underwent a Social Care Institute for Excellence (SCIE) audit to ensure that our safeguarding provision was effective. Their report concluded that both the strategic leadership and the operational leadership of safeguarding at St Paul's Cathedral is strong and generally well embedded across all departments. It also noted that the Cathedral Safeguarding Advisor at St Paul's Cathedral is highly effective, well recognised and well regarded and that a clear priority was placed on the welfare of choristers. Alongside this, the Cathedral has also benefitted from oversight by our Independent Chair of the Safeguarding Advisory Group whose end of year report notes that: 'the overall Cathedral's safeguarding response remains effective despite the challenges posed by the on-going pandemic'.

On-going activities as regards safeguarding, include supporting both children and adults at risk who come to the Cathedral; delivering the Past Cases Review (PCR2) to the Diocese and taking forward actions arising from that; delivering training to staff and volunteers, including training in safer recruitment and successfully implementing Safe Base, the system used to ensure that records are adequately filed and kept securely.

## **PUBLIC BENEFIT**

The Chapter are aware of the guidance issued by the Charity Commission under the Charities Act 2011 and are confident that the Cathedral's activities, as described in this Annual Report, are delivering public benefit.

St Paul's plays an important role in the local community and runs several impactful community engagement programmes to educate and inspire Londoners particularly those from disadvantaged backgrounds. This work includes:

- Four services a day, five on Sundays.
- An intensive music outreach initiative.
- Educational offering delivering curriculum based learning and events.
- Partnerships with local charities including free entry to the Cathedral.
- A focus on supporting people with mental health illness particularly those resulting from the pandemic.
- An online COVID memorial developed with bereavement partners.

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- An active programme involving over 350 volunteers who benefit from enhanced skills and wellbeing.

In 2021 there were a total of 278,143 paying and non-paying visitors to the Cathedral. This compares to a total of 1,716,417 in 2019 before the pandemic.

	2021	2020	2019
Total paying and non-paying visitors (analysed as below)	<u>278,143</u>	<u>260,622</u>	<u>1,716,417</u>
Those who attended congregational services and other events:	119,002	83,251	466,122
Those who came as school / education visitors:	6,695	5,662	28,473
Other non-paying visitors:	38,606	40,421	292,819
Other paying visitors:	113,840	131,288	929,003

### **SUSTAINABILITY**

The Cathedral takes great care to ensure its long-term sustainability for future years and is working towards the Church of England 2030 net zero target.

The development of this work is seen at three levels:

- The development of high level strategy and policy.
- A theme of reducing our environmental impact through all our projects and other work.
- Making small scale changes that make an everyday difference.

The Chapter are working towards an action plan to ensure the Cathedral can meet the net zero target by 2030.

### **CATHEDRALS MEASURE 2021**

The new Cathedrals Measure 2021 received Royal Assent on 29 April 2021 and will provide cathedrals with a more robust and streamlined framework. Under the Measure, cathedrals will become a registered charity and will come under the remit of the Charity Commission as well as the Church Commissioners. The Chapter of St Paul's are currently working towards registration with the Charity Commission during 2023 at which point the Cathedrals Measure 2021 will apply.



## FINANCIAL REVIEW

The Financial Review primarily focuses on the Cathedral as a stand-alone entity, the results of which are separately identified in its own Statement of Financial Activities (SOFA) on page 51, as well as the Cathedral-only Balance Sheet on page 53. The Group's SOFA includes the results of the Cathedral, consolidated with the results of St Paul's Cathedral Enterprises Limited, St Paul's Cathedral School and St Paul's Cathedral Foundation.

While the Cathedral is first and foremost a place of worship, it is also a major London tourist attraction, welcoming paying visitors from around the globe; historically approximately 80% are from overseas. Following our cost reduction exercise in 2020, base operating costs are in the region of £800k each month without taking into account the major on-going repairs such as the roof. Welcoming paying visitors has covered these costs and successfully generated operating surpluses in years prior to the pandemic.

The consequences of the closure of the Cathedral in early 2020 and again in 2021 caused by the pandemic changed the funding model, in both the short and medium term. This Financial Review covers the significant impact on the finances of the Group and of the Cathedral itself as detailed below.

## Overall Financial Situation

The Cathedral as a stand-alone entity delivered an unrestricted operating deficit<sup>1</sup> of £882k (2020: deficit £4,989k). While this is an improvement from the previous year it is a significant movement from the 2019 surplus of £2,739k.

The Five Year Summary on page 24 shows the dramatic impact of the COVID pandemic on the finances of the Cathedral. Some highlights are shown below:

	2021	2020	2019
Paying visitor numbers: down c.13% on 2020	113,840	131,288	929,003
Income from visitor admissions: down c.5%	£1,527k	£1,610k	£10,437k
Grants from related entities: up c.225%	£965k	£297k	£1,750k
Grants from other sources: down c.36%	£2,757k	£4,328k	£490k
Donations and legacies: down c.4%	£3,302k	£3,433k	£1,767k
Total grants, donations and legacies: down c.13%	£7,024k	£8,058k	£4,007k

Donations, legacies and grants have been a lifeline for the Cathedral during 2020 and 2021. The Cathedral is very grateful for the generosity of individuals and organisations for their donations.

The Cathedral was also fortunate to receive continued support from the National Lottery Heritage Fund (NLHF), the Coronavirus Job Retention Scheme (CJRS) and from the Church Commissioners.

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<sup>1</sup> Net movement in funds before gains / (losses)

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The NLHF awarded the Cathedral £0.875m (2020: £2.125m) in early 2021 bringing total support to £3m during the pandemic. The additional grant received in 2021 supported the Cathedral during the three-month period April to June 2021.

The Group continued to benefit from utilising the Government's Coronavirus Job Retention Scheme amounting to £0.7m (2020: £1.3m in 2021). A large portion of St Paul's staff were furloughed during the lockdowns in order to save costs and part-time furlough enabled us to flex staff working hours for shorter working days during times of uncertainty. The furlough scheme came to an end in September 2021.

The Cathedral received grants totalling £206k (2020: £424k) from the Church Commissioners.

Running and maintaining a Grade 1 listed building which is also a major cathedral requires a significant cost base, a substantial amount of which relates to staff costs. In 2020, the Chapter introduced a plan to deliver annual savings of £2.5m which included reducing staff headcount by approximately 20%.

Cathedral costs reduced by £3,538k to £9,504k. The effect of reduced headcount and savings implemented during 2020 had a twelve-month impact in 2021. Major repair and restoration costs reduced in the year by £652k contributing to the overall reduction.

The organisational structure of the Cathedral was reviewed in 2020, driven by the need to reduce costs, and the revisions were built around achieving 700,000 visitors by 2024. 700,000 visitors is the target we consider to be the breakeven position in order to ensure core operating costs are met. Further details on costs are outlined later in this review.

In 2021, the Cathedral incurred a net loss on its unrestricted funds of £287k. This is made up of an operating loss of £882k (after transfers between funds) and gains on investments of £595k. In 2020 the Chapter agreed to ring-fence £10m to support budgeted losses during 2021-2024. This £10m Coronavirus Fund reduced during the year to £9.12m and is key in order to fund planned deficits.

Stripping out the two designated funds (Coronavirus Fund and short-term fabric works) as well as the Tillingham Property Fund (which relates to land in Essex) leaves the Cathedral's general unrestricted reserves at £4,841k (2020: £3,898k) at the end of 2021. This broadly equates to 6 months of operating costs (2020: 5-6 months). This is in line with our policy but is significantly below that in years prior to the pandemic and requires us to reach our number of paying visitor numbers in 2022-2024 without further major risk.

The Cathedral had cash at bank at the year end of £9,493k which includes £5m from a Coronavirus Business Interruption Loan (CBIL) and needs to be repaid. Of the cash balance, £4,364k makes up part of the £4,841k general unrestricted reserve.

The Cathedral's trading subsidiary, St Paul's Cathedral Enterprises Limited which operates the shop, café, corporate lettings and other commercial activities performed well during 2021 turning over a profit of £607k (2020: loss of £192k). A large portion of the profit related to filming income

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which is unpredictable year on year. Filming income totalled £388k during 2021 (2020: none). Since March 2020 the Cathedral café and restaurant remains closed and alternative options are currently being reviewed.

A charitable donation was made to the Cathedral in 2021 of £415k (2020: none). The trading entity is forecast to make profits and continues to support the Cathedral in its objectives.

St Paul's Cathedral Foundation became a charitable subsidiary of the Cathedral on 28 July 2020 and from this point all income and expenditure is included in the Group Financial Statements. Total income increased from £1,553k to £3,003k of which £2,680k will fund restricted projects with the remaining £323k for general purposes. The Foundation raised nearly £2m in 2021 for Remember Me bringing the total fundraised across the Group to over £2.5m since 2020, when fundraising began. A grant of £1,177k (2020: £0.5k) was made to the Cathedral during the year and a separate grant of £155k (2020: £50k) was made to the School for the Learning in Harmony project. Funds held in the Foundation are to further the charitable objectives of the Cathedral.

St Paul's Cathedral Choir School is a charitable subsidiary of the Cathedral and was founded for the education, nurture and care of the choristers of the Cathedral. During 2021 the Cathedral continued to support the choral tradition by covering the cost of tuition fees and music fees for the Choristers, £384k (2020: £531k). The contribution from St Paul's Cathedral was reduced in 2021, owing to £100k awarded to the School from St Paul's Cathedral Chorister Trust. The Cathedral funds the cost of Chorister education less any restricted donations received by the School for such costs. Total income of the School decreased from £5,235k to £4,533k delivering a surplus in the year of £666k (2020: £1,598k).



## Five Year Summary – Key Trends

Financial year	2021	2020	2019	2018	2017	2016
<u>Total number of visitors into the cathedral</u>	<u>278,413</u>	<u>260,622</u>	<u>1,716,417</u>	<u>1,657,446</u>	<u>1,571,197</u>	<u>1,519,018</u>
<b>Total paying visitors</b>	113,840	131,288	929,003	881,489	817,173	702,038
Year on year change in paying visitors	-13%	-86%	5%	8%	16%	N/A
<b>Admissions income (£000's)*</b>	1,527	1,610	10,437	9,301	8,608	7,752
Year on year change (*including related gift aid)	-5%	-85%	12%	8%	11%	N/A
<b>Shop and commercial income (£000's)</b>	1,086	638	2,942	2,890	2,562	1,657
Year on year change	70%	-78%	2%	13%	55%	N/A
<b>Charitable donation from Trading Subsidiary (£000's)</b>	415	-	1,224	1,225	1,027	513
Year on year change	N/A	-100%	0%	19%	100%	N/A
<b>Grants, donations and legacies (£000's)</b>						
Grants from related entities	965	297	1,750	1,037	975	1,176
Grants from other sources	2,757	4,328	490	192	528	726
Legacies and donations	3,302	3,433	1,767	628	697	482
<b>Total grants, donations and legacies</b>	<u>7,024</u>	<u>8,058</u>	<u>4,007</u>	<u>1,857</u>	<u>2,200</u>	<u>2,384</u>
Year on year change	-13%	101%	116%	-16%	-8%	N/A
<b>Cathedral Only Unrestricted funds (£000's) **</b>	12,643	11,798	21,665	17,435	20,252	18,143
Year on year change (**excluding designated funds)	7%	-46%	24%	-14%	12%	N/A

## Financial Operating Model and Target Visitor Numbers

The Cathedral's financial operating model is heavily dependent on paying visitors. In years prior to the pandemic, with over 80% of those visitors from overseas and about 20% from the UK, it successfully generated significant returns with visitor numbers increasing year on year (see the five year summary). This model ensured that all core costs were covered by commercial activities and fundraising could focus on fabric or incremental projects.

This all went into reverse in 2020 when nearly all income stopped after the Cathedral's doors closed. This meant that the Cathedral had to rely on using the reserves that had been built up over many years. In 2020 £5 million of reserves were used with a further £0.9 million in 2021 to help fund Cathedral operations. The same will continue into 2022 and 2023 until the Cathedral starts rebuilding reserves from 2024 onwards.

Due to the significant loss of visitors from March 2020 the financial model had to be reviewed and the Chapter are currently investigating ways to further diversify income streams. However, given the amounts required to fund core costs, the Cathedral will need to continue to rely on attracting a large number of paying visitors.

The target numbers for paying visitors over the years 2021-2024 are as follows:

- 400,000 over the combined two years 2021 and 2022.
- 600,000 in 2023.
- 700,000 from 2024 onwards.

700,000 visitors is the breakeven position of the Cathedral which is projected to generate sufficient income to cover the core costs for running the Cathedral and its five Directorates.

With foreign travel restrictions in place during 2021, the Cathedral was more dependent on attracting people from in and around London and the UK which traditionally have only accounted for approximately 20% of paying visitors. As with many other visitor attractions, there continues to be significant uncertainty in the sector and if the Cathedral does not achieve 400,000 visitors over 2021 and 2022, the shortfall will need to be covered by other means. Financial results including key performance indicators are under constant review to ensure that the Chapter is able to react quickly to changing circumstances.

The financial operating model for the commercial subsidiary, St Paul's Cathedral Enterprises Limited, is also largely dependent on visitor footfall. Its main source of income is from the shop and it also generates income, mainly from corporate events and filming.

St Paul's Cathedral Foundation's purpose is to fundraise to support the work of the Cathedral. Each year it receives grants, donations and legacies. The majority of its income is restricted in nature to fund specific projects including the upkeep of the Cathedral buildings.

St Paul's Cathedral Choir School operates a different financial model with its main source of income being pupil fees. Each year, the Cathedral covers the costs of Chorister tuition and music lessons.

The Cathedral is fortunate to have a number of associated entities whose sole purpose is to support the Cathedral. These entities donated a total of £965k (see the five year summary) during 2021, for which the Cathedral is very grateful. Further details can be found in note 3 to the financial statements.

## Specific Finance Matters 2021

### Income

Group income decreased by £0.6m to £14.4m, a fall of 4%, with the Cathedral's total income reducing from £9.3m to £7.3m; a decrease of 21%. However, removing the exceptional item of the acquisition of St Paul's Cathedral Foundation in July 2020, income is in line with the previous year.

Donations and legacies totalled £3,302k (2020: £3,433k). Removing the acquisition of St Paul's Cathedral Foundation in July 2020 as a donation of £2,004k, donations and legacies increased by £1,873k.

Grants decreased in the year by £903k from £4,625k to £3,722k.

The Group was in receipt of:

- £0.7 million (2020: £1.3 million) from the Coronavirus Job Retention Scheme to support staff costs.
- £0.2 million (2020: £0.4 million) from the Church Commissioners made up of several amounts including £138k to fund stipends of the Dean and two Residentiary Canons.
- £875k (2020: £2,125k) was awarded from the National Lottery Heritage Fund to fund salary and operational costs for the period April-June 2021 (2020: October 2020-March 2021).
- Over £2.2 million was received from the public appeal that was run in partnership with the Daily Mail for the Remember Me project. This brings total funding to over £2.5 million in 2020 and 2021 and will be used to support the capital build of the Inner Portico together with the running costs for at least two years.

Income from charitable activities predominately relates to pupil fees from the Cathedral School after eliminating inter-group transactions. Net pupil fees marginally decreased by £27k, to £4,001k. Other charitable activities include income from weddings, baptisms and special services, which more than doubled from £176k in 2020 to £397k in 2021.



Income from other trading activities relates to visitor entrance fees, gross income of the shop and other commercial activities. Income increased by £397k to £2,667k predominately due to increased filming income of £0.4m.

### **Expenditure**

Group expenditure for the year fell by £3.2m to £13.4m, a decrease of 19%.

Staff costs make up approximately 65% of all costs for the Group. Staff costs decreased by £1.3m to £8.7m. The full twelve-month cost saving of the 20% staff redundancy in 2020 was felt in 2021.

The cost of raising funds decreased in the year by £992k to £2,999k. Direct cost of admissions (consisting mainly of staff costs, security costs, audio-guides and marketing), decreased by £553k as a result of reduced headcount and savings in key supplier contracts. The cost of operating the shop (which mainly comprised of purchasing stock and salaries), provided £351k of the decrease. Investment and property management costs were consistent with the previous year.

Total charitable direct costs (excluding support costs) decreased by £1,951k to £9,040k (Note 8). Close to £1.5 million of this decrease was a planned reduction in the cost of repairs and restoration.

Support costs fell in the year to £2,036k, a decrease of £158k from 2020 owing to savings made in the year (Note 9).

Ministry direct costs reduced by 18% in 2021 to £1,473k owing to reduced staff costs and reduced costs for services and music events.

Cathedral and precincts upkeep direct costs decreased in the year by 31%. Major repairs and restoration costs decreased from £2,201k to £1,559k; much of this decrease relates to the completion of the Equal Access Project which incurred costs of £362k (2020: £1,883k) in 2021. The construction of the Remember Me Inner Portico started in Autumn 2021, incurring costs of £739k (2020: £12k) during the year.

Other significant refurbishment in the year included the renovation of the Cathedral Library incurring costs of £153k (2020: £220k). This work was put on hold during the pandemic and the Library project is due to be complete in Autumn 2022. Roof repairs work continued into early 2021 incurring costs of £269k (2020: £71k) funded by a grant from Historic England.

The costs of operating the Cathedral School are included in Education, Outreach, Community and Congregation charitable activities. Education direct costs across the Group totalled £4.2m (2020: £4.4m) of which £3.8m (2020: £3.8m) related to the running of the St Paul's Cathedral Choir School. Other educational costs of £0.4m (2020: £0.6m) include costs of running the School and Family Learning programme, Adult Learning, Collections, Archives and the Library.

### **Fixed Assets**

Group tangible fixed assets increased in the year by £966k. The majority of this related to capital work at the School as construction work on the new boarding house, additional classrooms and facilities at the Cathedral School completed in 2021.

During the year, one of the residual properties on the Tillingham estate was sold for £235k. A desktop valuation was carried out on the Tillingham estate by property advisors, Strutt and Parker, in early 2022. A gain of £137k was recognised in 2021 as a result of this review.

Group investments at the year-end were valued at £20.7m, representing an increase on the previous year of £2,085k. The Cathedral invests in a mixture of cash deposits and listed investments with two investment managers, namely CCLA and Ruffer. Cash deposits increased in the year by £36k and unrealised gains were recognised of £2,049k. There were no additions or disposals during the year. Group unrestricted and restricted investments saw gains during 2021 of £595k (2020: £79k) and £433k (2020: £194k) respectively while the long term fabric endowment held with CCLA performed strongly with gains of £1,158k (2020: £594k).

### **Cash**

Group cash at bank and in-hand including short term deposits totalled £15,783k, an increase of £6,492k. £5m of the increase relates to receipt of a CBILS loan. Cathedral-only cash at bank and in-hand totalled £9,493k.

Cash held within the School (£1,348k) is restricted to fund the activities of the School and, as it is a separate charity, cannot be utilised for general use by the Cathedral. Cash held in the Foundation (£4,271k) will ultimately be granted to the Cathedral as its sole beneficiary. Of the Group cash balance, £7.5m is on loan.

Therefore, of the Group cash balance £7.5m is repayable as loans (see Statement of Cash Flows) and a significant portion of this will be used to fund projects including Music, Education and upkeep to the fabric of the Grade I listed building.

## **Stock, Debtors and Creditors**

Stock at year end represents the cost of merchandise held in the Cathedral's trading subsidiary, St Paul's Cathedral Enterprises Limited, and is sold in the shop and online.

Group debtors reduced in the year from £2,194k to £1,762k. Trade debtors increased in the year by £282k as trading activities resumed after the pandemic. Other debtors increased by £270k and included an electricity rebate of over £100k. Owing to increased trading activities, VAT recoverable decreased by £175k however the Cathedral was still in a VAT repayable position at the year end.

Grants receivable decreased at year end to £387k versus £1,478k in the previous year. Two large grants make up the majority of this balance; £250k from the Wolfson Foundation for the restoration of the Library and £90k from the Museums Association for the Challenging History project.

Group short term creditors totalled £2,473k at the end of the year (2020: £1,715k). The increase primarily relates to an increase in short term bank loans repayable within one year being £0.5m (2020: nil). Deferred income more than doubled in the year mainly relating to School fees billed in advance of the 2022 winter term.

Long-term creditors total £6,970k, an increase on the previous year of £4,992k. The Chapter fully drew down a £5m loan under CBILS from Lloyds Bank in 2021. This loan may be used to fund any shortfalls in working capital requirements caused by seasonality of visitors or may be used for project investment subject to a repayment period of less than five years.

There is a second loan with Lloyds of £2.5m; this too was fully drawn down in 2021. The proceeds of this loan have been loaned to the School on the same terms with Lloyds Bank. This loan part finances the School Learning in Harmony project to construct a new boarding house, additional classrooms and other facilities.

## **Cathedral Only Funds**

Cathedral only funds totalled £39.9m at the year end and comprise:

- £12.6m unrestricted funds (non-designated).
- £10.2m designated funds.
- £9.4m restricted funds.
- £7.7m endowment fund.

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The permanent endowment fund helps to assist with the financial sustainability of the Cathedral in the longer term and is not available for distribution or use as working capital. All assets of the endowment are invested in listed investments with CCLA Investment Management.

The restricted funds at year end totalled £9.4m and comprise £6m held in the School fund, £3m in special trusts and £0.4m in restricted projects. The £6m School fund represents the investment in the School and is not realisable.

The special trust funds comprise 15 different funds, each with specific conditions attached as to how the monies can be used. Of the special trust funds, £2.2m is invested with CCLA Investment Management, with the related investment income and gains or losses distributed across the funds each year.

The restricted project funds relate to donations, grants and legacies received from donors to fund specific projects.

Included in restricted funds is the award of £875k (2020: £2,125k) from the National Lottery Heritage Fund. The purpose of the grant was to support the Cathedral through the Coronavirus pandemic to 30 June 2021. Expenditure of £1,604k (2020: £1,047k), mainly comprising salaries and support costs, were allocated against this fund. Of the £349k transfer into unrestricted funds, it was agreed with the NLHF that £273k could be released to rebuild the Cathedral's reserves. The remaining transfer of £76k relates to capitalised IT equipment and the restrictions on these funds have been satisfied.

Other significant restricted Group reserves include income of £2,263k (2020: £363k) towards the delivery of the online COVID memorial and the construction of the Inner Portico, a memorial to remember those who died as a result of the coronavirus pandemic. Construction started in Autumn 2021 and completed in May 2022. Carried forward funds of £1,441k will be used to complete the construction of the Inner Portico and fund operational costs for at least two years.

Other significant Group fund movements include the Equal Access ramp project to install a permanent access ramp at the North Transept. Construction of the ramp completed in early 2021 and it was agreed as part of the Remember Me public fundraising appeal that £250k be used to cover cost overruns on the project.

Due to the nature of the Cathedral activities and restoration of the building there are a large number of restricted projects. Note 21 provides further details on the Restricted Funds.

There were two designated funds at the end of 2021. The first for £9.12m is the Coronavirus fund and relates to a designation approved by the Chapter to ring-fence the budgeted forecast losses until the Cathedral generates a break-even result, hopefully expected in 2023. As explained in the Financial Operating Model section earlier in the Review, under the revised financial model, a footfall of 700,000 paying visitors is required to cover core operating costs. The Chapter have agreed



a budget for the combined years of 2021 and 2022 which relies on a total of 400,000 visitors over the two-year period and is therefore 800,000 visitors short of achieving a break-even position. This shortfall in visitors of 800,000 equates to a funding gap of £10m over the two-year period. In 2021 the Cathedral was originally projected to make an unrestricted operating loss of over £5m, however the result is significantly better at a loss of £882k. This turnaround is due to a number of factors including:

- Increased paying visitors, actual 113,840 vs budget 50,000.
- Budgeted contingencies not used.
- Award of £875k from the National Lottery Heritage Fund as part of round two funding.
- Maximising the use of furlough and capping of salaries to September 2021.
- Trading subsidiary making a profit due to increased filming revenues.
- Cost savings crystallised on a number of key contracts.

The second designated fund relates to the Short Term Fabric Fund which is allocated by the Chapter to fund critical work on the building. At the beginning of the year this designated fund included £250k allocated to the Equal Access Project. During 2021 this amount was transferred to the general unrestricted fund as the amount was no longer needed for the project.

Included within unrestricted funds is the Tillingham Property Fund valued at £7,802k at the year end. These funds are tied up in the investment property and are not readily available and do not form part of the Cathedral's free reserves.

The Cathedral's general free unrestricted reserve balance at year end of £4.8m relates to those unrestricted funds that are not designated and do not form part of the Tillingham estate. These funds are readily available and can be used at the discretion of the Chapter. As noted in the reserves policy section below, the general reserves represent approximately six months core operating costs.

The general free reserve increased by £943k during the year owing to: a release of £250k from the designated Equal Access Project (see above), proceeds of £235k from the sale of one of the Tillingham Estate properties and gains of £458k from the unrestricted listed investments. A large portion of the free reserves is tied up in listed investments which are susceptible to stock market movements outside of the Cathedral's control.

As outlined elsewhere in the Annual Report there is uncertainty as to whether the Cathedral can achieve its target of 400,000 paying visitors over the 2021-2022 two-year period, its target of 600,000 visitors for 2023 and target visitors of 700,000 for 2024. Financial budgets have been prepared using these visitor assumptions and any shortfall in visitors over the period 2022-2024 resulting in additional losses that exceed the £9.1m Coronavirus Designated Fund will need to be funded from either (1) free reserves, valued at £4.8m at the end of 2021 and is already at a low level; or (2) would need to be funded externally. If the target of 600,000 visitors per year is

unattainable from 2023 then further restructuring of the Cathedral may be needed to ensure its financial sustainability in the longer term.

## **Reserves Policy**

The policy of the Cathedral is to maintain a sufficient level of general free reserves to enable operating activities to be maintained, taking account of potential risks and contingencies that may arise from time to time. The Chapter have set a reserves policy that requires:

- Reserves to be maintained at an adequate level to finance short term reductions in income caused by unexpected events.
- A proportion of reserves to be maintained in a readily realisable form.
- The policy to be reviewed annually.

Free reserves comprise that part of the total unrestricted funds that are freely available but excludes designated funds and tangible fixed assets. The Chapter have agreed that the free reserves target is to be equivalent to six months' operating expenditure and further agreed the flexibility under very exceptional circumstances to go as low as three months. Operating expenditure is defined as projected recurrent expenditure excluding one-off items and restricted activities.

The current target for free reserves has been set at £4.8m calculated as being the monthly cash outflow for six months' expenditure of the Cathedral and its trading subsidiary. These reserves are not considered to be available for distribution or for use as working capital except in extreme circumstances.

As at 31 December 2021, the Cathedral's total unrestricted, non-designated funds stood at £12.6m, including £7.8m relating to the Tillingham Estate. Free reserves at 31 December 2021 are thus £4.8m and are within the desired range.

As noted elsewhere in this report, a total of £9.1m unrestricted reserves are designated to the 'Coronavirus Fund'. The fund will support the Cathedral through 2022-2024 against a backdrop of significantly reduced visitor numbers

## Going Concern

The Chapter undertook a thorough and comprehensive review process when making its assessment of going concern. It reviewed projected budgets for the period to, and beyond, the end of 2023 and projected cash flows up to 31 December 2023. This is the date it regards as the 'foreseeable future' for the purposes of this note. Note 24 to the financial statements provides further information.

Based on the projected budgets and cash flows and the level of reserves, and taking account of the 'foreseeable future' period noted above, the Chapter have concluded that:

- (a) there is a reasonable expectation that the Cathedral has adequate resources to continue in operational existence.
- (b) there is no material uncertainty regarding the Cathedral's ability to continue as a going concern.

The Chapter therefore continues to adopt the going concern basis in preparing these financial statements.

## Principal Risks and Uncertainties

The Chapter of any cathedral, especially one of the size and complexity of St Paul's, has to deal with a number of principal risks, be they strategic, financial, property, operational, project or safeguarding risks. Responsibility for a Grade 1 listed historic building which has a major place in the nation's history presents a considerable challenge.

The Chapter has ultimate responsibility for the Cathedral's risk management and internal control systems. It recognises that such systems can only provide reasonable, but not absolute, assurance against significant loss or the failure to achieve the Chapter's objectives.

The Cathedral maintains Strategic and Departmental Risk Registers. Throughout the year there were reviews of, as well as ongoing action to manage, the major risks to which the Cathedral is exposed. The reviews were carried about by the Chapter with input from relevant committees and by the Senior Leadership Team (SLT) which also has responsibility for day to day management of the risks.

Risks are individually assessed and rated for (a) probability of occurrence and (b) potential impact (both using a scale of high, medium and low). This assists the Chapter to focus on the key risks facing the Cathedral along with the actions to mitigate those risks. The risk review process continues to be examined (and tested) to ensure it remains appropriate and effective.

## Finance Matters

The significant challenges posed by the COVID pandemic to the finances of the Cathedral and its subsidiary entities have substantially increased the emphasis placed on financial risk management and related mitigations/controls as well as the pressures on the Finance team.

For reasons stated elsewhere in the Annual Report, of necessity there has been increased emphasis placed on financial planning and cash management, as well as the operation of financial controls in a different working environment during the lockdowns. In particular, there is an on-going review process of overall liquidity for working capital requirements to ensure there is cash available for the operation of the Cathedral and its entities.

The procedures in place to ensure active financial management and reporting include:

- Greater scrutiny of on-going current year forecasts.
- Medium and long-term forecasts and cash flow projections.
- Management of the various categories of funds.
- Account reconciliations, authority levels and segregation of duties.
- On-going assessments of going concern.

These matters are reviewed by the Chapter Finance Committee and by the Finance, Audit and Risk Committee, with relevant input from the external auditors. Investments and related risks are also reviewed by the Investment Advisory Committee.

## Strategic Risk Register

The Strategic Risk Register is regularly updated and each risk has a lead member from either the Chapter or the SLT, with relevant members of the SLT responsible for the mitigation processes.

The following table sets out the key strategic risks facing the Cathedral and, for each section, the main mitigations in place.

<b>Strategic Risk</b>	<b>Mitigations</b>
1 Various factors reduce the income generated meaning that the Cathedral cannot deliver the Business Plan. More specifically, the consequences of the pandemic mean that visitors do not return to the Cathedral at the levels required to sustain the operation.	<ul style="list-style-type: none"><li>• Continual review of forecasts to enable the cost base to be revised.</li><li>• Investment in income generating activities as well as fundraising.</li></ul>



Strategic Risk	Mitigations
2 There is a failure in our Health and Safety policies and procedures which results in death or life changing injury.	<ul style="list-style-type: none"> <li>• Detailed Health and Safety risk register.</li> <li>• Independent, expert advice and review, including a Health and Safety audit.</li> </ul>
3 There is a failure in our Safeguarding policies and practices which results in serious harm to a child or vulnerable adult.	<ul style="list-style-type: none"> <li>• Qualified Safeguarding Officer.</li> <li>• Independent, expert advice including a Safeguarding Advisory Group.</li> <li>• Comprehensive training plan.</li> </ul>
4 A failure in our governance processes (including financial), occurs, resulting in not achieving the expected benefits, lack of clarity, confused roles, lack of accountability or legislative or regulatory failure.	<ul style="list-style-type: none"> <li>• Governance reviewed in line with new Cathedrals Measure.</li> <li>• Appropriate independent members on advisory and decision making bodies.</li> <li>• Checking Terms of Reference for all bodies are up to date.</li> </ul>
5 Lack of proper maintenance and development of the buildings and the Collections lead to an English Heritage classification of 'Building at Risk', uninhabitable premises or the destruction / irreversible damage to critical heritage.	<ul style="list-style-type: none"> <li>• Annual programme of maintenance and projects developed to deliver QIR priorities and agreed by the Chapter in annual business planning and budgeting process.</li> <li>• Programme and project governance.</li> <li>• Fire risk assessment updated annually by the Clerk of the Works. Full fire system monitored 24/7.</li> <li>• Insurance cover in case of fire damage.</li> <li>• Public Liability insurance.</li> <li>• Fundraising campaign being developed for the longer term to support QIR recommendations.</li> </ul>
6 A security incident leads to serious injury, death or significant damage to the building.	<ul style="list-style-type: none"> <li>• Close working with the security services.</li> <li>• Vehicle and person access control, security screening and security patrols.</li> <li>• Emergency and evacuation procedures.</li> <li>• Staff training and briefing.</li> <li>• Business continuity planning.</li> </ul>

Strategic Risk	Mitigations
7 Insufficient staff in post / insufficient morale to deliver the Business Plan now, or with the corporate knowledge to do so in the future.	<ul style="list-style-type: none"><li>• Clear strategies being updated and developed in order to support attraction, retention and wellbeing.</li><li>• Continual review of the financial model to ensure the organisation has sufficient funding or remaining funding is correctly focused.</li></ul>
8 St Paul's Cathedral is not able to recruit or retain volunteers, leading to a failure to deliver the Plan.	<ul style="list-style-type: none"><li>• Clear strategies being updated and developed in order to support attraction, retention and wellbeing.</li></ul>
9 The Cathedral is seen as lacking the capacity or capability to deliver on the social justice agenda, resulting in failure to meet our objectives.	<ul style="list-style-type: none"><li>• Clear strategies being developed in order to engage with a wider community.</li></ul>

## Investment Policy

The Chapter's overall investment objective is to maintain a balanced portfolio of investments to deliver long-term capital growth and ensure the sustainability of the Cathedral for future years.

The Cathedral has three key investments being the listed investments held with Ruffer and CCLA, the Tillingham Estate; and the School building, which houses St Paul's Cathedral Choir School.

All investments are invested in accordance with the Trustee Act 2000 and the investment policy and investments returns are reviewed by the Investment Advisory Committee. The Cathedral's investment policy is set out below:

- To manage the funds within the restrictions set out by the Church of England Ethical Investment Advisory Group (EIAG).
- The Cathedral's investment funds to be managed by two Investment Managers, CCLA and Ruffer to broaden the asset base.
- The Cathedral's endowment fund (£7.7m at year end) is invested with CCLA with a long-term strategy in accumulation equity funds.
- The historic 'Special Trust' restricted funds are invested with CCLA in long-term equities. Dividends, interest, gains and losses are allocated to the funds in proportion of the value of the funds; The Cathedral holds at least £2m of cash in its current accounts for working capital purposes. Surplus cash held above the minimum working capital requirements will be held in either three or six month rolling deposit accounts.

## Major Donors

St Paul's Cathedral would like to thank everyone who has generously supported us through the ongoing COVID crisis. We are incredibly grateful to all of our Donors, Friends, Patrons, Trusts and Foundations for their support during this difficult time.

### Major Donors

Benefact Trust

CBRE

The Estate of Jennifer Chorlton

Church Commissioners

The City of London Endowment Trust for St Paul's Cathedral

Culture Recovery Fund for Heritage

The David Pearlman Charitable Foundation

The Estate of Ian Davies

The Esmée Fairbairn Collections Fund – delivered by the Museums Association

Foyle Foundation

Friends of St Paul's Cathedral

The Garfield Weston Trust for St Paul's Cathedral

The Estate of Diane Guile

The Kirby Laing Foundation

The Linbury Trust

Lloyds Banking Group PLC

The Most Excellent Order of the British Empire

Mark Pigott

The St Paul's Cathedral Chorister Trust

Wolfson Foundation

and others who wish to remain anonymous

The 'Remember Me' project could not have been achieved without the generous support of so many. We would like to thank everyone who has contributed to this important project.

### Major Donors – Remember Me

Amersi Foundation

Bassatne Foundation

Bloomberg LP

The Daily Mail and their readers

Dorfman Foundation

Garfield Weston Foundation

The Hintze Family Charitable Foundation

Sir Tom and Lady Hunter

Mohamed Mansour

Sir John Ritblat

Rothschild Foundation

Michael and Sarah Spencer

Lord Alan Sugar

THG

and others who wish to remain anonymous

## **Future Plans**

The immediate future of the Cathedral is dependent upon visitors returning and higher levels of unrestricted fundraising. The Coronavirus Fund of £9.1m has been designated in order to ensure that the Cathedral has sufficient funds to pay its operating expenses between now and the end of 2023. This level of funding is in itself dependent upon welcoming 400,000 paying visitors over 2021 and 2022, 600,000 visitors in 2023 and returning to break even in 2024, being 700,000 a year. These are the key assumptions upon which the Cathedral is able to substantiate going concern in the medium term and 2022 will help us to understand if they are realistic.

Current visitor numbers in early 2022 are ahead of budget and the Chapter are hopeful that the 350,000 visitor target for 2022 will be met. Visitor numbers and trends will be monitored closely enabling the Chapter to react quickly to any unexpected fall in visitor numbers.

There is minimal further cover in reserves and if visitor income does not return to more normal levels the Cathedral will be forced to take further action to reduce its cost base. On a more positive note, the Cathedral is hugely grateful to all of its supporters and donors who continue to provide vital income. This includes over £2.5m that has been raised to fund the Remember Me Inner Portico Memorial which will ensure that those that died as a result of the pandemic are not forgotten.



## LEGAL AND ADMINISTRATIVE INFORMATION

The legal entity of the Cathedral is the Corporation of the Cathedral Church of St Paul's in London (St Paul's Cathedral). The constitution of the Cathedral provides that the members of the Chapter, the Council and the College of Canons shall be a body corporate with perpetual succession and a common seal.

Address: The Chapter House, St Paul's Churchyard, London EC4M 8AD  
Charity Taxation Number: X7067

Until the Cathedrals Measure 2021 is fully implemented, cathedrals are not regulated by the Charity Commission in respect of their main activities but are regulated by their Visitors (the Cathedrals Measure 1999 makes the Diocesan Bishop the Visitor of their cathedral). However, cathedrals qualify as charities for taxation purposes; HMRC treats cathedrals as exempt charities and enables them to recover sums under Gift Aid.

Further information can be found at:

<https://www.englishcathedrals.co.uk/cathedrals/about-cathedrals/how-is-it-administered/>.

### The Chapter

The Very Reverend Dr David Ison, Dean (Chair)  
Mrs Pim Baxter OBE, Lay Canon  
Ms Gillian Bowen JP MBA MA, Lay Canon (*from 5 June 2022*)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
The Reverend Prebendary Dr Neil Evans, Canon Steward (*from 5 June 2022*)  
Mr Clement Hutton-Mills, Lay Canon (*from 15 March 2021*)  
The Reverend Canon James Milne, Precentor  
Ms Sheila Nicoll OBE, Lay Canon  
The Venerable Sheila Watson, Canon Non-Residentiary

In attendance:

Canon Dr Paula Gooder, Chancellor

### Cathedral Council

Sir Peter Estlin (Chair) (*from 25 November 2021*)  
Mr Christopher Allen  
Mr Robert Bowles  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
The Reverend Prebendary Marjorie Brown  
Mr James de Sausmarez

Mr Bernard Donoghue  
Sir Roger Gifford KStJ (*resigned 25 May 2021*)  
Mr Richard Gough  
Mr Paul Gray (*resigned 14 March 2022*)  
Mr Simon Holden  
The Very Reverend Dr David Ison, Dean  
Ms Kathryn McDowell CBE  
Ms Catherine McGuinness  
The Reverend Canon James Milne, Precentor  
The Right Reverend and Right Honourable Dame Sarah Mullally DBE, Bishop of London  
Ms Sheila Nicoll OBE, Lay Canon  
The Reverend Prebendary Jonathan Osborne  
The Right Honourable Stephen Timms MP

## College of Canons

### The Chapter

The Very Reverend Dr David Ison, Dean  
Mrs Pim Baxter OBE, Lay Canon  
Ms Gillian Bowen JP MBA MA, Lay Canon (*from 5 June 2022*)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
The Reverend Prebendary Dr Neil Evans, Canon Steward (*from 5 June 2022*)  
Mr Clement Hutton-Mills, Lay Canon (*from 15 March 2021*)  
The Reverend Canon James Milne, Precentor  
Ms Sheila Nicoll OBE, Lay Canon  
The Venerable Sheila Watson, Canon Non-Residentiary

### Area Bishops and Archdeacons

Bishop of Fulham (Suffragan)	The Right Reverend Jonathan Baker
Bishop of Stepney	The Right Reverend Joanne Grenfell
Bishop of Kensington	The Right Reverend Dr Graham Tomlin
Bishop of Edmonton	The Right Reverend Robert Wickham
Bishop of Willesden	The Right Reverend Peter Broadbent ( <i>to 30 September 2021</i> )
Bishop of Willesden	The Right Reverend Lusa Nsenga-Ngoy ( <i>from 26 January 2022</i> )
Bishop of Islington (Suffragan)	The Right Reverend Ric Thorpe
Archdeacon of London	The Venerable Luke Miller
Archdeacon of Hackney	The Venerable Elizabeth Adekunle ( <i>to 13 August 2021</i> )
Archdeacon of Hackney	The Venerable Peter Farley-Moore ( <i>from 16 April 2022</i> )

Archdeacon of Middlesex	The Venerable Richard Frank
Archdeacon of Hampstead	The Venerable John Hawkins
Archdeacon of Northolt	The Venerable Catherine Pickford
Archdeacon of Charing Cross	The Venerable Adam Atkinson

## Prebendaries

The Reverend Prebendary Francis Adu-Boachie  
The Reverend Prebendary John Beauchamp (*from 2 July 2021*)  
The Reverend Prebendary Marjorie Brown  
The Reverend Prebendary Rosémia Brown  
The Reverend Prebendary Philip Chester (*from 2 July 2021*)  
The Reverend Prebendary Dr Amatu Christian-Iwuago  
The Reverend Prebendary Jeremy Crossley  
The Reverend Prebendary Irena Edgcumbe  
The Reverend Prebendary Dr Neil Evans  
The Reverend Prebendary Olubunmi Fagbemi  
The Reverend Prebendary Wilson Gill  
The Reverend Prebendary Alan Green  
The Reverend Prebendary Dr Isabelle Hamley  
The Reverend Prebendary Jane Hodges  
The Reverend Prebendary David Houlding  
The Reverend Prebendary Dr Brian Leathard  
The Reverend Prebendary Nicholas Lee  
The Reverend Prebendary Sandra McCalla (*from 16 June 2021*)  
The Reverend Prebendary Mark Melliush  
The Reverend Prebendary Hugh Moore  
The Reverend Prebendary Michael Moorhead (*to 31 October 2021*)  
The Reverend Prebendary Graham Noyce  
The Reverend Prebendary Jonathan Osborne  
The Reverend Prebendary Roy Pearson  
The Reverend Prebendary Julia Porter-Pryce (*to 31 January 2021*)  
The Reverend Prebendary Jason Roach (*from 2 July 2021*)  
The Reverend Prebendary Tunde Roberts  
The Reverend Prebendary Graeme Rowlands  
The Reverend Prebendary Richard Springer  
The Reverend Prebendary Fiona Stewart-Darling (*from 2 July 2021*)  
The Right Reverend Ric Thorpe

## Minor Canons and Chaplains

The Reverend Robert Coupland, Sacrist  
The Reverend Rosemary Morton, Succentor (*resigned 26 December 2021*)  
The Reverend Robert Kozak, Succentor (*from 23 February 2022*)  
The Reverend Paula Hollingsworth, Chaplain  
The Reverend Andrew Richardson, Assistant Chaplain

## Trust Bodies

The following bodies provide support for the Cathedral but are not consolidated in the Cathedral's annual financial statements as they are legally separate entities from the Cathedral with independent governance arrangements.

City of London Endowment Trust for St Paul's Cathedral ("COLET")  
The Friends of St Paul's Cathedral  
Garfield Weston Trust for St Paul's Cathedral ("GWT")  
St Paul's Cathedral Chorister Trust  
St Paul's Cathedral Trust in America ("SPCTA")

## Administration

Ms Emma Davies, Registrar (*resigned 9 June 2022*)

## Chapter Finance Committee

The Very Reverend Dr David Ison, Dean (Chair)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
Ms Emma Davies, Registrar (*resigned 9 June 2022*)  
Mrs Joanne Day, Director Corporate Services and Chief Finance Officer  
Ms Sheila Nicoll OBE, Lay Canon (Finance)

## Senior Leadership Team

The Very Reverend Dr David Ison, Dean (Chair)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
Ms Emma Davies, Registrar (*resigned 9 June 2022*)  
Mrs Joanne Day, Director Corporate Services and Chief Finance Officer  
Canon Dr Paula Gooder, Chancellor  
Ms Sandra Lynes Timbrell, Director Visitor Engagement  
The Reverend Canon James Milne, Precentor  
Ms Nicky Wynne, Director Development



## Other Senior Appointments

Mr Andrew Carwood MBE, Director of Music  
Mr Martin Fletcher, Clerk of the Works  
Mr Simon Johnson, Organist (*resigned 31 August 2021*)  
Mr William Fox, Acting Organist / Assistant Director of Music  
Mr John Schofield, Archaeologist (*resigned 7 December 2021*)  
Mr Charles Williams, Dean's Virger

## Fabric Advisory Committee

Appointed by the Chapter:

Mr Sandy Nairne CBE (Chair)  
Mr Ashleigh Brown (*from 1 April 2021*)  
Mr Martin Drury CBE (*to 31 March 2021*)  
Professor Christine Stevenson  
Dr Virginia Tandy OBE  
Mr Rory Young

Appointed by the Cathedrals Fabric Commission for England:

Mr Chris Cowper  
Dr Jennifer Freeman OBE  
Professor Derek Keene (*resigned 6 January 2021*)  
Dr Mark Kirby (*from 1 April 2021*)  
Mr John Neale  
Mr Paul Williams

There is an open invitation to all members of the Chapter, the Registrar, the Clerk of the Works and the Surveyor to the Fabric to attend the Fabric Advisory Committee.

## Finance, Audit and Risk Committee

Mr Gavin Ralston, Independent Member (Chair)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
Mr Stephen Cockell, Independent Member  
Mr Paul Gray, Independent Member (*resigned 14 February 2022*)  
Mr Jonathan Hunt, Independent Member  
The Very Reverend Dr David Ison, Dean  
Ms Sheila Nicoll OBE, Lay Canon  
Mr James de Sausmarez, Independent Member  
Mr Tim Wise, Independent Member

## Investment Advisory Committee

Mr Richard Maitland, Independent Member (Chair)  
The Reverend Canon Jonathan Brewster, Treasurer (*resigned 13 October 2021*)  
Mr Frank Canosa, Independent Member  
Mrs Joanne Day ACMA, Director Corporate Services and Chief Finance Officer  
Mr Daniel Graham ACA, Financial Controller  
Mr Clement Hutton-Mills (*from 17 May 2021*)  
The Very Reverend Dr David Ison, Dean  
Ms Sheila Nicoll, Lay Canon  
Mr Bruce Weatherill, Independent Member

## Other Bodies

The Chapter has established the following bodies to advise on management issues and bring recommendations to the Chapter (committees and bodies marked \* include a majority of independent members):

### Finance

Remuneration Committee\*\*

### Commercial

St Paul's Enterprises Board

### Fabric

Fabric and Works and Fabric Finance Committee  
Visual Arts Policy and Planning Committee\*  
Individual Project Boards

### HR and Employee Engagement

Nominations Committee  
Staff Consultative Committee  
Volunteering Steering Group  
Volunteer Advisory Forum

### Liturgy and Music

Events Committee

### Cathedral School

Governing Body\*  
Finance and General Purposes Committee\*  
Board of Trustees

### Security, Access and Health and Safety

Security Advisory Group  
Safeguarding Advisory Group  
Health and Safety Committee  
Accessibility Advisory Group

### Public Engagement

Programming Committee

\*\*The Remuneration Committee is responsible only for the remuneration of clergy. Three of its eight members are independent of the Cathedral, with the Dean being the only member of clergy on the Committee. The Dean is constitutionally a member of all sub-committees of the Chapter, but to avoid a conflict of interest does not exercise a vote in this Committee.

## External Advisors

### **Bankers**

Lloyds Bank plc  
70 – 71 Cheapside  
London EC2V 6EN

### **Statutory Auditor**

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

### **Insurers**

Ecclesiastical Insurance Office plc  
Benefact House  
2000 Pioneer Avenue  
Gloucester Business Park  
Brockworth  
Gloucester GL3 4AW

### **Investment Managers**

CCLA Investment Management Limited  
Senator House  
85 Queen Victoria Street  
London EC4V 4ET

Ruffer LLP  
80 Victoria Street  
London SW1E 5JL

### **Pension Actuary**

Mr Richard Soldan  
Lane Clarke and Peacock LLP  
93 Wigmore Street  
London W1U 1DQ

### **Property Consultant**

Strutt and Parker  
Coval Hall  
Chelmsford  
Essex CM1 2QF

### **Solicitor**

Mr Owen Carew-Jones  
Winckworth Sherwood  
Minerva House  
5 Montague Close  
London SE1 9BB

### **Surveyor to the Fabric**

Mr Oliver Caroe  
Caroe Architecture Ltd  
Office 5 Unit 8  
23-25 Gwydir Street  
Cambridge CB1 2LG

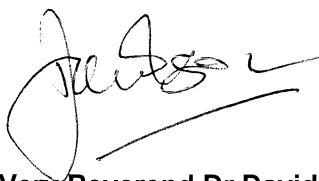
## STATEMENT OF RESPONSIBILITIES OF THE CHAPTER

In relation to the Annual Report and Financial Statements, the Chapter are responsible under requirements laid down by the Church Commissioners, under the powers given to them by Section 27 of the Cathedrals Measure 1999, for:

- Preparing and publishing an annual report and audited financial statements which give a true and fair view of the financial activities for each financial year and of the assets, liabilities and funds at the end of each financial year of the Cathedral and its connected entities.
- Stating that they have complied in all material respects with the Accounting and Reporting Regulations issued in February 2018 by the Cathedrals' Administration and Finance Association in conjunction with the Association of English Cathedrals, or describing which recommendations have not been complied with and giving reasons for the non-compliance.
- Following applicable accounting standards and selecting suitable accounting policies and then applying them consistently.
- Making judgements and estimates that are reasonable and prudent.
- Keeping proper accounting records from which the financial position of the Cathedral can be ascertained at any time.
- Safeguarding the assets of the Cathedral and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Chapter confirms that the financial statements have been prepared in accordance with the accounting policies set out in the notes to these financial statements and also that they comply with the Accounting and Reporting Regulations for English Anglican Cathedrals 2018.

Signed on behalf of the Chapter as Trustees of St Paul's Cathedral.



**The Very Reverend Dr David Ison**  
Dean

**22 June 2022**

**St Paul's Cathedral**  
**Independent Auditors' Report to The Chapter**  
**of St Paul's Cathedral**

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**OPINION**

We have audited the financial statements of the Cathedral Church of St Paul's in London ("St Paul's Cathedral") for the year ended 31 December 2021 which comprise the Consolidated and Cathedral Statements of Financial Statement of Financial Activities, the Consolidated and Cathedral Balance Sheets, the Consolidated Cash Flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Cathedral's and the group's affairs as at 31 December 2021 and their net movement in funds 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 regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the Chapter's 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 group'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 Chapter with respect to going concern are described in the relevant sections of this report.



**St Paul's Cathedral**  
**Independent Auditors' Report to The Chapter**  
**of St Paul's Cathedral**

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**OTHER INFORMATION**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**MATTERS ON WHICH ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters in relation to which we report to you if, in our opinion:

- sufficient accounting records have not been kept by the Cathedral;
- the Cathedral's 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 THE MEMBERS OF THE CHAPTER**

As explained more fully in the Chapter Responsibilities statement set out on page 46, the Chapter is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chapter determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**St Paul's Cathedral  
Independent Auditors' Report to The Chapter  
of St Paul's Cathedral**

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**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)**

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.

**EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Based on our understanding of the Cathedral and its circumstances, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Cathedrals Measure 1999, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

**USE OF OUR REPORT**

This report is made solely to the Cathedral Chapter, as a body, in accordance with section 27 of the Cathedrals Measure 1999. Our audit work has been undertaken so that we might state to the Chapter those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Cathedral and the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.



**Haysmacintyre LLP  
Statutory Auditor**

25 July 2022

10 Queen Street Place  
London  
EC4R 1AG

**St Paul's Cathedral**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 December 2021**

	Note	Unrestricted Funds £000s	Restricted Funds £000s	Endowment Fund £000s	Total 2021 £000s	Total 2020 £000s
<b>Income</b>						
Donations, legacies and grants						
Donations and legacies	2	497	2,805	-	3,302	3,433
Grants	3	1,160	2,562	-	3,722	4,625
Income from charitable activities	4	397	4,001	-	4,398	4,204
Income from other trading activities	5	2,667	-	-	2,667	2,270
Income from property and investments		235	88	-	323	525
Other income		2	-	-	2	-
<b>Total</b>		<b>4,958</b>	<b>9,456</b>	<b>-</b>	<b>14,414</b>	<b>15,057</b>
<b>Expenditure</b>						
Raising Funds	6	(2,443)	(556)	-	(2,999)	(3,991)
Charitable Activities	7					
Ministry		(1,343)	(354)	-	(1,697)	(2,057)
Cathedral and precincts upkeep		(949)	(2,889)	-	(3,838)	(5,538)
Education and outreach, community and congregation		(922)	(3,956)	-	(4,878)	(5,064)
<b>Total</b>		<b>(5,657)</b>	<b>(7,755)</b>	<b>-</b>	<b>(13,412)</b>	<b>(16,650)</b>
<b>Net incoming / (outgoing) resources</b>		<b>(699)</b>	<b>1,701</b>	<b>-</b>	<b>1,002</b>	<b>(1,593)</b>
<b>Gains on revaluations and disposals of investments</b>	13 / 14	595	433	1,158	2,186	867
<b>Transfers between funds</b>	21a	439	(439)	-	-	-
<b>Net increase / (decrease) in funds</b>		<b>335</b>	<b>1,695</b>	<b>1,158</b>	<b>3,188</b>	<b>(726)</b>
Funds brought forward	21a	24,624	11,271	6,545	42,440	43,166
<b>Funds carried forward</b>	21a	<b>24,959</b>	<b>12,966</b>	<b>7,703</b>	<b>45,628</b>	<b>42,440</b>

Unrestricted funds include designated funds.

The comparative 2020 Consolidated Statement of Financial Activities is analysed in note 31a.

The notes on pages 55 to 107 form part of these financial statements.

**St Paul's Cathedral**  
**Cathedral Statement of Financial Activities**  
**For the year ended 31 December 2021**

	Unrestricted Funds £000s	Restricted Funds £000s	Endowment Fund £000s	Total 2021 £000s	Total 2020 £000s
<b>Income</b>					
Donations, legacies and grants					
Donations and legacies	591	509	-	1,100	2,771
Grants	1,160	2,562	-	3,722	4,090
Income from charitable activities	397	-	-	397	176
Income from other trading activities	1,581	-	-	1,581	1,632
Income from property and investments	465	55	-	520	614
Other income	2	-	-	2	-
<b>Total</b>	<b>4,196</b>	<b>3,126</b>	<b>-</b>	<b>7,322</b>	<b>9,283</b>
<b>Expenditure</b>					
Raising Funds	(1,942)	(556)	-	(2,498)	(3,136)
Charitable Activities					
Ministry	(1,478)	(354)	-	(1,832)	(2,057)
Cathedral and precincts upkeep	(1,255)	(2,889)	-	(4,144)	(5,538)
Education and outreach, community and congregation	(869)	(161)	-	(1,030)	(2,311)
<b>Total</b>	<b>(5,544)</b>	<b>(3,960)</b>	<b>-</b>	<b>(9,504)</b>	<b>(13,042)</b>
<b>Net outgoing resources</b>	<b>(1,348)</b>	<b>(834)</b>	<b>-</b>	<b>(2,182)</b>	<b>(3,759)</b>
<b>Gains on revaluations and disposals of investments</b>	<b>595</b>	<b>116</b>	<b>1,158</b>	<b>1,869</b>	<b>794</b>
<b>Transfers between funds</b>	<b>466</b>	<b>(466)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net decrease in funds</b>	<b>(287)</b>	<b>(1,184)</b>	<b>1,158</b>	<b>(313)</b>	<b>(2,965)</b>
Funds brought forward	23,111	10,545	6,545	40,201	43,166
<b>Funds carried forward</b>	<b>22,824</b>	<b>9,361</b>	<b>7,703</b>	<b>39,888</b>	<b>40,201</b>

Unrestricted funds include designated funds.

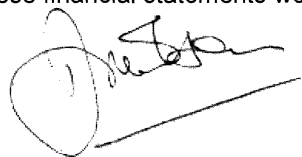
The comparative 2020 Cathedral Statement of Financial Activities is analysed in note 31b.

The notes on pages 55 to 107 form part of these financial statements.

**St Paul's Cathedral**  
**Consolidated Balance Sheet**  
**As at 31 December 2021**

	Note	Unrestricted Funds £000s	Designated Funds £000s	Restricted Funds £000s	Endowment Fund £000s	Total 2021 £000s	Total 2020 £000s
<b>Fixed assets</b>							
Tangible fixed assets	11	62	-	8,798	-	8,860	7,894
Investment property	13	7,802	-	-	-	7,802	7,900
Investments	14	4,711	5,014	3,282	7,703	20,710	18,625
<b>Total</b>		<b>12,575</b>	<b>5,014</b>	<b>12,080</b>	<b>7,703</b>	<b>37,372</b>	<b>34,419</b>
<b>Current assets</b>							
Stock		154	-	-	-	154	229
Debtors	16	951	-	811	-	1,762	2,194
Short term deposits		500	-	-	-	500	500
Cash at bank and in hand		9,029	5,167	1,087	-	15,283	8,791
<b>Total</b>		<b>10,634</b>	<b>5,167</b>	<b>1,898</b>	<b>-</b>	<b>17,699</b>	<b>11,714</b>
<b>Creditors: amounts falling due within one year</b>	17	<b>(1,461)</b>	<b>-</b>	<b>(1,012)</b>	<b>-</b>	<b>(2,473)</b>	<b>(1,715)</b>
<b>Net current assets</b>		<b>9,173</b>	<b>5,167</b>	<b>886</b>	<b>-</b>	<b>15,226</b>	<b>9,999</b>
<b>Total assets less current liabilities</b>		<b>21,748</b>	<b>10,181</b>	<b>12,966</b>	<b>7,703</b>	<b>52,598</b>	<b>44,418</b>
<b>Creditors - amounts falling due after more than one year</b>	18	<b>(6,970)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,970)</b>	<b>(1,978)</b>
<b>Net assets</b>		<b>14,778</b>	<b>10,181</b>	<b>12,966</b>	<b>7,703</b>	<b>45,628</b>	<b>42,440</b>
<b>Funds</b>							
<b>Endowment fund</b>	21a	-	-	-	7,703	7,703	6,545
<b>Restricted funds</b>	21a						
School Fund		-	-	6,663	-	6,663	6,161
Special Trusts		-	-	2,919	-	2,919	2,622
Restricted Projects		-	-	3,384	-	3,384	2,488
<b>Designated funds</b>	21a						
Coronavirus Fund		-	9,118	-	-	9,118	10,000
Short Term Fabric Fund		-	1,063	-	-	1,063	1,313
<b>Unrestricted funds</b>	21a						
Tillingham Property Fund		7,802	-	-	-	7,802	7,900
General Reserves		6,976	-	-	-	6,976	5,411
<b>Total</b>		<b>14,778</b>	<b>10,181</b>	<b>12,966</b>	<b>7,703</b>	<b>45,628</b>	<b>42,440</b>

These financial statements were approved by the Chapter on 22 June 2022 and signed on their behalf by:



**The Very Revd Dr David Ison**  
Dean



**Sheila Nicoll**  
Lay Canon


The notes on pages 55 to 107 form part of these financial statements.



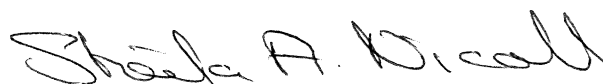
**St Paul's Cathedral  
Cathedral Balance Sheet  
As at 31 December 2021**

	Note	Unrestricted Funds £000s	Designated Funds £000s	Restricted Funds £000s	Endowment Fund £000s	Total 2021 £000s	Total 2020 £000s
<b>Fixed assets</b>							
Tangible fixed assets	11	62	-	-	-	62	30
Investment property	13	7,802	-	-	-	7,802	7,900
Investments	14	4,711	5,014	9,179	7,703	26,607	25,679
<b>Total</b>		<b>12,575</b>	<b>5,014</b>	<b>9,179</b>	<b>7,703</b>	<b>34,471</b>	<b>33,609</b>
<b>Debtors:</b> Amounts falling due after more than one year	15	2,462	-	-	-	2,462	1,939
<b>Current assets</b>							
Debtors	16	1,534	-	418	-	1,952	3,901
Cash at bank and in hand		4,364	5,167	(38)	-	9,493	3,756
<b>Total</b>		<b>5,898</b>	<b>5,167</b>	<b>380</b>	<b>-</b>	<b>11,445</b>	<b>7,657</b>
<b>Creditors:</b> amounts falling due within one year	17	(1,322)	-	(198)	-	(1,520)	(1,026)
<b>Net current assets</b>		<b>4,576</b>	<b>5,167</b>	<b>182</b>	<b>-</b>	<b>9,925</b>	<b>6,631</b>
<b>Total assets less current liabilities</b>		<b>19,613</b>	<b>10,181</b>	<b>9,361</b>	<b>7,703</b>	<b>46,858</b>	<b>42,179</b>
<b>Creditors -</b> amounts falling due after more than one year	18	(6,970)	-	-	-	(6,970)	(1,978)
<b>Net assets</b>		<b>12,643</b>	<b>10,181</b>	<b>9,361</b>	<b>7,703</b>	<b>39,888</b>	<b>40,201</b>
<b>Funds</b>							
<b>Endowment fund</b>	21b	-	-	-	7,703	7,703	6,545
<b>Restricted funds</b>	21b						
School Fund		-	-	6,036	-	6,036	6,036
Special Trusts		-	-	2,919	-	2,919	2,622
Restricted Projects		-	-	406	-	406	1,887
<b>Designated funds</b>	21b						
Coronavirus Fund		-	9,118	-	-	9,118	10,000
Short Term Fabric Fund		-	1,063	-	-	1,063	1,313
<b>Unrestricted funds</b>	21b						
Tillingham Property Fund		7,802	-	-	-	7,802	7,900
General Reserves		4,841	-	-	-	4,841	3,898
<b>Total</b>		<b>12,643</b>	<b>10,181</b>	<b>9,361</b>	<b>7,703</b>	<b>39,888</b>	<b>40,201</b>

These financial statements were approved by the Chapter on 22 June 2022 and signed on their behalf by:



**The Very Revd Dr David Ison**  
Dean



**Sheila Nicoll**  
Lay Canon

The notes on pages 55 to 107 form part of these financial statements.

**St Paul's Cathedral**  
**Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2021**

	Note	2021 £000s	2020 £000s
<b>Net cash provided by / (used in) operating activities</b>	<b>30</b>	<b>1,734</b>	<b>(4,552)</b>
<b>Cash flows (used in) / provided by investing activities</b>			
Income from property and investments		323	525
Investment management costs		(73)	(77)
Payments to acquire tangible fixed assets	11	(1,225)	(4,484)
Proceeds from sale of investments	14	-	8,600
Payments to acquire listed investments	14	-	(43)
Proceeds from sale of investment property	13	235	-
<b>Net cash (used in) / provided by investing activities</b>		<b>(740)</b>	<b>4,521</b>
<b>Cash flows from financing activities</b>			
Proceeds from bank loan	18	5,536	1,964
Repayment of bank loans	18	(38)	-
<b>Net cash from financing activities</b>		<b>5,498</b>	<b>1,964</b>
Net change in cash and cash equivalents		6,492	1,933
Cash and cash equivalents at the beginning of the year		9,291	7,358
<b>Cash and cash equivalents at the end of the year</b>		<b>15,783</b>	<b>9,291</b>
<b>Analysis of changes in net debt:</b>			
		Opening	Cash
		£000s	flows
			Closing
			£000s
Cash at bank and in hand and short term deposits		9,291	6,492
Bank loan (See 'Net cash from financing activities' above)		(1,964)	(5,498)
<b>Total</b>		<b>7,327</b>	<b>8,321</b>

The notes on pages 55 to 107 form part of these financial statements.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**1 PRINCIPLE ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Cathedral and its subsidiaries are a public benefit group for the purposes of FRS 102. The Cathedral also prepares its financial statements in accordance with the Accounting and Reporting by English Anglican Cathedrals as specified by the Church Commissioners.

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment properties, investments and the defined benefit pension fund. Income and expenditure are accounted for on the accruals basis. The financial statements are presented in sterling, which is the functional currency of the Cathedral and subsidiaries.

**b. GROUP FINANCIAL STATEMENTS**

The financial statements are consolidated to include the results of the Cathedral's subsidiary undertakings, St Paul's Cathedral Enterprises Limited ("Enterprises"), St Paul's Cathedral Choir School ("School") and St Paul's Cathedral Foundation ("Foundation"). The total income and expenditure of these entities are disclosed in note 19 to the notes of the financial statements. The statements are consolidated on a line by line basis. On 28 July 2020 the Cathedral acquired the nets assets of the Foundation. The comparative financial statements consolidate the income and expenditure of the Foundation from 28 July 2020 to 31 December 2020 and as a result are not directly comparable to the 2021 financial statements. Figures in these financial statements are in sterling and are rounded to the nearest one thousand.

The principle accounting policies applied in the preparation of these financial statements are set out in the notes below. These policies have been consistently applied to all years presented.

**c. GOING CONCERN**

The Chapter carefully assesses whether use of the going concern basis of accounting is appropriate for the preparation of its annual financial statements. It considers possible scenarios that might cast significant doubt on the ability of the Cathedral to continue as a going concern. It makes its assessment for a period of at least one year from the date of approval of the financial statements.

The Chapter assesses a range of information relating to current and projected future conditions including projected budgets and cash flows, and any potential additional funding requirements.

Note 24 provides further information on the Chapter's assessment process and its conclusions for going concern. The Chapter considers that it is appropriate to continue to adopt the going concern basis in preparing its financial statements.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**d. INCOME**

Income, which is stated net of VAT (where applicable) and intra-group transactions, consists of visitor fees, commercial income including shop income, school fees, donations and grants. Donations and grants are credited to the Consolidated Statement of Financial Activities and allocated to the relevant fund according to any restrictions placed upon their use.

**i. Visitor fees and commercial income**

Visitor fees are accounted for in the period in which the visit takes place. Shop income is recognised at the point of sale and corporate memberships are recognised for over the term of the membership.

**ii. School fees**

Fees received for the provision of education and related income are accounted for in the period when the activity takes place and are included under charitable activities.

**iii. Donations and grants**

Donations and grants are accounted for when the Cathedral is entitled to the income, receipt is probable and the income can be reliably measured. All donations and grants are allocated to the relevant fund according to any restrictions placed upon their use. For performance related grants, income entitlement is considered to be conditional upon the meeting of conditions imposed by the grant. Income is therefore recognised in the financial statements to the extent that the Cathedral has demonstrably met any grant conditions imposed.

Where amounts are payable on behalf of the Cathedral by third parties, for example the Church Commissioners, these are included under both income and expenditure in the Consolidated Statement of Financial Activities.

**iv. Legacies**

Legacies are accounted for as income where there is clear entitlement, the amounts can be measured reliably; and receipt is probable. Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted;
- The executors have established there are sufficient assets in the estate to pay the legacy; and
- All conditions attached to the legacy have been fulfilled or are within the Cathedral's control.

Measurement is based on the value listed in the will for pecuniary gifts, provided the estate has sufficient funds, and on the estate accounts for residuary grants.

**e. EXPENDITURE**

Expenditure is accounted for on an accruals basis inclusive of any VAT which cannot be recovered. Expenditure is recognised when there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable a transfer of economic benefit will be required in settlement and the amounts can be measured reliably.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**e. EXPENDITURE (continued)**

Expenditure on raising funds consist of costs of the trading subsidiary, St Paul's Cathedral Enterprises Limited, charges to visitors, cost of fundraising and lettings, investment management costs including a share of the support costs of the Cathedral.

Charitable activities include all costs related to the main purpose of the Cathedral and include: ministry costs, upkeep of the Cathedral including major restorations, educational related activities include: the running of the School.

Support costs are those functions that assist the work of the Cathedral but do not directly undertake either charitable or fundraising activities: Finance, HR, IT and other premises costs. Support costs are allocated between cost of raising funds and charitable activities as a proportion of direct costs. Interest charges are charged to the Consolidated Statement of Financial Activities as incurred.

**f. TAXATION**

Income is shown net of value added tax. Input value added tax is reclaimable on a percentage basis subject to the partial exemption rules. All irrecoverable value added tax is included under the appropriate classification of expenditure. All recoverable income tax is include under the appropriate classification of income.

**g. CATHEDRAL BUILDING, FREEHOLD PROPERTIES AND CATHEDRAL INVENTORY**

No value is attributed to functional freehold properties listed in note 12 because these assets are fully depreciated. No value is attributed to items included in the Cathedral Statutory Inventory as being of architectural, archaeological, artistic or historic interest because they are for Cathedral use and also cannot be measured at a monetary value with sufficient reliability.

Any unrealised change in value since the later of date of acquisition or the last balance sheet date is credited or charged to the Consolidated Statement of Financial Activities. Any realised gain or loss (calculated as net sales proceeds less value at the last balance sheet date, or cost if acquired during the year) is also credited or charged to the Consolidated Statement of Financial Activities.

**h. INVESTMENT PROPERTY AND INVESTMENTS**

Investment freehold properties listed in note 13 are externally re-valued at open market value, except in the year of purchase. Advice is sought annually as to the possibility of material movement between individual valuations. All other investments are re-valued annually at open market value. Such revaluations are incorporated into the financial statements.

Any unrealised change in value since the later of acquisition or the last balance sheet date is credited or charged to the Consolidated Statement of Financial Activities. Any realised gain or loss (calculated as net sales proceeds less value at the last balance sheet date, or cost if acquired during the year) is also credited or charged to the Consolidated Statement of Financial Activities.

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**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**h. INVESTMENT PROPERTY AND INVESTMENTS (continued)**

Unlisted investments include St Paul's Cathedral Foundation, St Paul's Cathedral Enterprises Limited and St Paul's Cathedral Choir School. Unlisted investments are measured at cost less any impairment. On 28 July 2020, due to a change in the Board of the trustees of the Foundation the Cathedral acquired control over the Foundation. Following FRS 102 accounting standards the acquisition method of accounting was adopted to recognise the Foundation as an unlisted investment in the Cathedral's financial statements. The acquisition of the Foundation was at fair value and will subsequently be measured at cost less impairment in future periods.

**i. TANGIBLE FIXED ASSETS**

Expenditure on building improvements, fixtures and fittings and IT equipment is capitalised as fixed assets and stated at cost less accumulated depreciation. The Cathedral applies a £1,000 threshold to the capitalisation of fixed assets. Depreciation is charged at the following rates on a straight line basis.

Building improvements and extensions	10 - 50 years
Fixtures and fittings	3 - 10 years
IT equipment	3 years

**j. STOCK**

Stocks comprise shop goods for resale and are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis and net realisable value is based on estimated selling price.

**k. FUNDS**

Funds are classified between endowment, restricted and unrestricted in accordance with the legal constraints on their use, and the consequent degree of flexibility which the Chapter have on using the incoming resources that gave rise to the funds.

**i. Endowment Funds**

These are funds where there is no power to convert capital into income. They are held permanently and cannot be utilised for other purposes, although the constituent assets may change over time.

**ii. Restricted Funds**

These are funds subject to specific conditions or trusts, imposed by the donor or the terms of a specific appeal, which are binding on the Chapter. The restriction may be on income or capital or both.

**iii. Unrestricted Funds**

Those funds, which are neither endowment nor restricted funds, are unrestricted income funds. Unrestricted funds can be used at the Chapter's discretion in furtherance of Cathedral activities. They are sometimes referred to as General Reserves or General Free Reserves in the notes to the Financial Statements.

**iv. Designated Funds**

Designated Funds are a subcategory of Unrestricted Funds (see note above) and represent funds allocated by the Chapter for specific activities.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**I. FINANCIAL ASSETS AND LIABILITIES**

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

**Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the statement of financial activities, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

**De-recognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**St Paul's Cathedral**  
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**I. FINANCIAL ASSETS AND LIABILITIES (continued)**

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the statement of financial activities in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**De-recognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

**m. OPERATING LEASES**

Payments and receipts are recognised in the Consolidated Statement of Financial Activities as an expense on a straight line basis over the lease term.

**St Paul's Cathedral**  
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**n. PENSION SCHEME ARRANGEMENTS**

**Defined Benefit**

The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined with the advice of the actuary. In the intervening years, the actuary reviews the continuing appropriateness of the rates. The amounts charged within staff costs in the Consolidated Statement of Financial Activities (SOFA) are the current service costs in relation to clergy and past service costs in relation to the Cathedral's employees. The interest cost and expected return on assets is shown in the SOFA under other expenditure. The actuarial gain or loss is shown in the consolidated SOFA as 'actuarial gains or losses on defined benefit pension scheme'.

The assets of the scheme are held separately from those of the Cathedral. They are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at AA corporate bonds index rate. The resulting defined benefit asset was not recognised on the balance sheet as the Trust Deed contains restrictions that state it is not refundable to the employer and the scheme specific valuation currently shows a deficit.

**Defined Contribution**

These pension charges represent the costs of the contributions payable in the year by the Cathedral.

**Church of England Funded Pension Scheme**

Prior to 1 January 1998, the costs of paying pensions and related benefits for the Chapter and Minor Canons were met by the Church Commissioners from their current income. The cost of benefits relating to pensionable service up to that date will continue to be financed by the Commissioners. With effect from 1 January 1998 the Pensions Measure 1997 came into force, and a new funded scheme was established called the Church of England Funded Pensions Scheme.

This scheme operates as an occupational pension scheme and contributions, at a rate determined having regard to actuarial advice, are paid into a separate fund in the trusteeship of the Church of England Pensions Board. Benefits arising from pensionable service after 31 December 1997 are provided from that fund. Agreed contributions to past deficits are provided for at the net present value of the expected future contributions and movement in the provision is charged or credited to unrestricted expenditure. Contributions arising from current service are charged to expenditure as they fall due (see note 23). Contributions in respect of the Dean and two Commissioners' Canons are paid by the Church Commissioners.

**o. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**St Paul's Cathedral**  
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**o. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (continued)**

**i. Useful economic lives of fixed tangible assets**

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are re-assessed annually. These are amended where necessary to reflect estimates based on the economic utilisation and physical condition of the assets.

**ii. Impairment of debtors**

The Cathedral makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**iii. Defined benefit pension scheme asset**

The determination of the assumptions used in calculating the defined benefit pension scheme asset is the responsibility of the the Chapter. The assumptions are set with regard to advice given by the scheme actuary.

**iv. Valuation of investment property**

The carrying value of the investment property at 31 December 2021 is based on the advice on an independent valuer who has the necessary skills and proficiency to undertake a valuation in a competent manner. Following a desktop review, carried out by the Cathedral's property advisors Strutt and Parker, the Chapter concluded the value of the investment property in the financial statements was reasonable. See note 13 for further details.

**St Paul's Cathedral**  
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**2 DONATIONS AND LEGACIES**

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Donations	416	508	924	617
Legacies	10	75	85	398
Congregational collections and giving	71	-	71	74
Learning in Harmony	-	9	9	57
Remember Me donations	-	2,213	2,213	283
Acquisition of St Paul's Cathedral Foundation	-	-	-	2,004
<b>Total</b>	<b>497</b>	<b>2,805</b>	<b>3,302</b>	<b>3,433</b>

The acquisition of St Paul's Cathedral Foundation is in relation to the acquisition of the net assets of the Foundation at their fair value as at 28 July 2020. See accounting policy note 1h for further details.

**3 GRANTS**

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Church Commissioners	-	206	206	424
Coronavirus Job Retention Scheme	603	-	603	1,197
National Lottery Heritage Fund	-	875	875	2,125
COLET*	544	6	550	232
Historic England - Roof Repairs	-	249	249	71
All Churches Trust - Schools & Family Learning	-	100	100	-
Challenging History project	-	90	90	-
Funding for new website	-	150	150	-
Garfield Weston Trust	-	250	250	-
Friends of St Paul's Cathedral **	-	165	165	65
Other grants	13	471	484	511
<b>Total</b>	<b>1,160</b>	<b>2,562</b>	<b>3,722</b>	<b>4,625</b>

The Cathedral has taken advantage of the Government's Coronavirus Job Retention Scheme ("CJRS") since it was introduced in March 2021. The Cathedral group claimed furlough of £717,000 (2020: £1,329,000) of which £87,000 (2020: £129,000) is included in gross income of the shop (Enterprises) in income from other trading activities (note 5) with £27,000 (2020: £3,000) recognised in gross income of the School in note 4.

\*\*The Friends of St Paul's Cathedral grant received in 2020 has been reclassified from donations (note 2) into Friends of St Paul's Cathedral (note 3) to aid comparison.



**St Paul's Cathedral**  
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**4 INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £000s	Restricted Funds £000s	Total 2021 £000s	Total 2020 £000s
Facilities and other fees	397	-	397	176
Gross Income of School	-	4,001	4,001	4,028
<b>Total</b>	<b>397</b>	<b>4,001</b>	<b>4,398</b>	<b>4,204</b>

Facilities and other fees includes income from special services, weddings and baptisms held at the Cathedral.

**5 INCOME FROM OTHER TRADING ACTIVITIES**

	Total 2021 £000s	Total 2020 £000s
Visitor income	1,527	1,610
Gross income of shop and other commercial activities	1,086	638
Corporate partnerships	54	22
<b>Total</b>	<b>2,667</b>	<b>2,270</b>

**6 COST OF RAISING FUNDS**

	Total 2021 £000s	Total 2020 £000s
Cost of visitor admissions	1,441	1,994
Gross costs of shop and other commercial activities	479	830
Cost of Fundraising and Lettings	343	564
Investment and property management costs	73	77
Support costs (see note 9)	663	526
<b>Total</b>	<b>2,999</b>	<b>3,991</b>

**St Paul's Cathedral**  
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**7 EXPENDITURE ON CHARITABLE ACTIVITIES**

<b>Summary</b>	<b>Direct Costs (note 8) £000s</b>	<b>Support Costs (note 9) £000s</b>	<b>Total 2021 £000s</b>
Ministry	1,473	224	1,697
Cathedral and precincts upkeep	3,332	506	3,838
Education, outreach, community and congregation	4,235	643	4,878
<b>Total</b>	<b>9,040</b>	<b>1,373</b>	<b>10,413</b>

<b>Summary</b>	<b>Direct Costs (note 8) £000s</b>	<b>Support Costs (note 9) £000s</b>	<b>Total 2020 £000s</b>
Ministry	1,786	271	2,057
Cathedral and precincts upkeep	4,808	730	5,538
Education, outreach, community and congregation	4,397	667	5,064
<b>Total</b>	<b>10,991</b>	<b>1,668</b>	<b>12,659</b>

Included in the above is irrecoverable VAT of £83,000 (2020: £109,000)

**8 DIRECT COSTS OF CHARITABLE ACTIVITIES**

<b>Ministry</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
Clergy Stipends and working expenses *	318	366
Virger, Liturgical and support costs	249	414
Services and Music	906	1,006
<b>Total</b>	<b>1,473</b>	<b>1,786</b>

\*£180,000 of costs allocated to Clergy Stipends and working expenses in 2020 have been reclassified in the comparatives to Services and Music to better reflect the nature of the costs.

<b>Cathedral and precincts upkeep</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
Majors Repairs and Restoration (see note (i) below)	1,549	2,201
Maintenance and Interior Upkeep	1,582	2,397
Cathedral Insurance	201	210
<b>Total</b>	<b>3,332</b>	<b>4,808</b>

**St Paul's Cathedral**  
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**8 DIRECT COSTS OF CHARITABLE ACTIVITIES (continued)**

<b>Education and outreach, community and congregation</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
School related activities	3,780	3,790
Education Activities	261	438
Archives and Library	194	169
<b>Total</b>	<b>4,235</b>	<b>4,397</b>
<b>Total direct costs of charitable activities</b>	<b>9,040</b>	<b>10,991</b>

**(i) Analysis of Majors Repairs and Restoration**

	<b>2021 £000s</b>	<b>2020 £000s</b>
Equal Access Project (Permanent Ramp)	362	1,883
Remember Me - Inner Portico	743	12
Library refurb	153	220
Roof repairs	269	71
Other repairs	22	15
<b>Total</b>	<b>1,549</b>	<b>2,201</b>

**9 SUPPORT COSTS**

	<b>Cost of Raising Funds £000s</b>	<b>Charitable activities £000s</b>	<b>2021 £000s</b>
Finance, HR and IT costs	345	714	1,059
Other premises costs	310	641	951
Governance costs	8	18	26
<b>Total</b>	<b>663</b>	<b>1,373</b>	<b>2,036</b>

	<b>Cost of Raising Funds £000s</b>	<b>Charitable activities £000s</b>	<b>2020 £000s</b>
Finance, HR and IT costs	285	903	1,188
Other premises costs	233	741	974
Governance costs	8	24	32
<b>Total</b>	<b>526</b>	<b>1,668</b>	<b>2,194</b>

	<b>2021 £000s</b>	<b>2020 £000s</b>
General Administration	772	974
Pension Scheme Administration	179	149
Finance	402	432
Human Resources	323	341
Information Technology	360	298
<b>Total</b>	<b>2,036</b>	<b>2,194</b>

**St Paul's Cathedral**  
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**9 SUPPORT COSTS (continued)**

Audit fees of £44,2940 (2020: £50,050) and other non-audit fees of £3,000 (2020: £2,960) were incurred during the year for the Group. Support costs are allocated between cost of raising funds and charitable as a proportion of direct costs. Governance costs includes Cathedral audit and non-audit fees.

**10 SALARIES AND WAGES**

	Clergy £000s	Lay Staff £000s	2021 £000s
Wages and Salaries (including Stipends)	179	7,111	7,290
Social Security Costs	17	658	675
Pension costs	57	723	780
<b>Total</b>	<b>253</b>	<b>8,492</b>	<b>8,745</b>
	Clergy £000s	Lay Staff £000s	2020 £000s
Wages and Salaries (including Stipends)	299	8,251	8,550
Social Security Costs	26	742	768
Pension costs	62	709	771
<b>Total</b>	<b>387</b>	<b>9,702</b>	<b>10,089</b>

Staff costs include contractor costs, payroll for temporary as well as permanent staff. As disclosed in note 3, grant income of £717,281 (2020: £1,327,964) was claimed across the group in respect of the Coronavirus Job Retention Scheme from its introduction in March 2020. During 2020 the Cathedral was forced to make redundancies in response to the pandemic, in reality the majority of the redundancies were achieved in a voluntary redundancy process. As a result 34 employees opted for voluntary redundancy during 2020. Included in salaries and wages are redundancy costs of £4,520 (2020: £325,285). Redundancy costs in 2021 relate to one individual.

**Average staff numbers**

	Headcount		Full Time Equivalent	
	2021	2020	2021	2020
St Paul's Cathedral Choir School	59	59	54	52
Security	10	10	10	10
Corporate Services	35	40	33	38
Worship, Liturgy & Music	36	41	27	39
Shop and Corporate Events	9	13	9	12
Visitor Engagement	45	62	35	45
Registrar and Business Support	7	9	7	8
Learning	7	9	6	8
Development	7	8	6	7
<b>Total</b>	<b>215</b>	<b>251</b>	<b>187</b>	<b>219</b>

**St Paul's Cathedral**  
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**10 SALARIES AND WAGES (continued)**

<b>Higher paid employees</b>	<b>2021</b>	<b>2020</b>
£60,000 - £70,000	<b>2</b>	5
£70,001 - £80,000	<b>1</b>	3
£80,001 - £90,000	<b>3</b>	-
£90,001 - £100,000	<b>2</b>	3
£110,001 - £120,000	<b>1</b>	1

The key management personnel of the Cathedral, and Group, comprise the Senior Leadership Team, the Chapter, the Head of Commercial and the Headmaster of the School. Key management personnel consists of 10 (2020: 11) individuals and total remuneration during the year was £828,010 (2020: £819,621). Total remuneration consists of gross salary, benefits, employers pension, employers national insurance contributions and stipends.

**Remuneration of Chapter members**

	<b>Salary / Stipend</b>	<b>NI / Levy</b>	<b>Pension</b>	<b>2021</b>	<b>2020</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
The Very Revd Dr David Ison	<b>38</b>	<b>4</b>	<b>13</b>	<b>55</b>	53
The Revd Canon Jonathan Brewster	<b>23</b>	<b>2</b>	<b>8</b>	<b>33</b>	42
The Revd Canon Tricia Hellas	-	-	-	-	5
The Revd Canon James Milne	<b>29</b>	<b>3</b>	-	<b>32</b>	32
	<b>90</b>	<b>9</b>	<b>21</b>	<b>120</b>	132

Included within staff costs are payments to members of the Chapter. The remuneration of, and pension provision for, clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, Archbishops' Council, and the Church of England Pensions Board. No supplement to these scales are paid. These payments are set out in the above table. Tricia Hellas resigned as a Chapter member on 16 February 2021 and Jonathan Brewster resigned as a Chapter member on 13 October 2021. With exception of the above Chapter members, no other members of the Chapter are remunerated.

The Cathedral reimbursed expenses to 1 (2020: 4) Chapter member(s) during the year in relation to costs associated to their role as ministers. The Cathedral pays for the running costs of the Chapter members' accommodation at Amen Court including gas, water, electricity, phone and internet costs.

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**11 TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Buildings Improvements £000s</b>	<b>Fixtures &amp; Fittings £000s</b>	<b>IT Equipment £000s</b>	<b>2021 £000s</b>
<b>Cost</b>				
Cost at 1 January 2021	9,080	384	368	9,832
Additions	1,045	101	79	1,225
<b>Total</b>	<b>10,125</b>	<b>485</b>	<b>447</b>	<b>11,057</b>
<b>Depreciation</b>				
Depreciation at 1 January 2021	1,302	337	299	1,938
Depreciation for year	169	47	43	259
<b>Total</b>	<b>1,471</b>	<b>384</b>	<b>342</b>	<b>2,197</b>
<b>Net Book Value</b>				
At 31 December 2021	8,654	101	105	8,860
At 31 December 2020	7,778	47	69	7,894

<b>CATHEDRAL</b>	<b>Buildings Improvements £000s</b>	<b>Fixtures &amp; Fittings £000s</b>	<b>IT Equipment £000s</b>	<b>2021 £000s</b>
<b>Cost</b>				
Cost at 1 January 2021	42	26	70	138
Additions	-	-	79	79
<b>Total</b>	<b>42</b>	<b>26</b>	<b>149</b>	<b>217</b>
<b>Depreciation</b>				
Depreciation at 1 January 2021	42	22	44	108
Depreciation for year	-	4	43	47
<b>Total</b>	<b>42</b>	<b>26</b>	<b>87</b>	<b>155</b>
<b>Net Book Value</b>				
At 31 December 2021	-	-	62	62
At 31 December 2020	-	4	26	30

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## **12 HERITAGE ASSETS (GROUP AND CATHEDRAL)**

As stated in the accounting policies, no value has been placed on the Cathedral and ancillary buildings and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. The Cathedral buildings are the Cathedral, Chapter House and libraries. The Care of Cathedrals Measure 2011 requires Cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the Cathedral church. Primarily this consists of the Cathedral's unique collection of 18th century silver plate and the world famous organ. No additions to the inventory in the last four years have met the definition of a heritage asset and there have been no transactions involving heritage assets in the same time period.

St Paul's is the first post-reformation Cathedral and is the only original Cathedral built in the classical style in Britain and completed under the auspices of a single visionary architect, Sir Christopher Wren, during his lifetime. The Cathedral exhibits many ingenious construction techniques and solutions including the brick cone that supports the outer Dome and the Great Chain construction of the Peristyle entablature. St Paul's contains the work of some of the best craftsmen of the late 17th and early 18th century – in stone by Caius Gabriel Cibber, Christopher Kempster and Francis Bird, in wood principally by Grinling Gibbons, ironwork both inside the Cathedral and the churchyard railings by Jean Tijou, and painting by Sir James Thornhill. St Paul's is the final resting place and memorial home to many significant national figures including Lord Nelson and the Duke of Wellington. The Cathedral stands in a site of considerable archaeological potential with known sequences of Roman stratigraphy to the present day with extensive burial remains. Arguably the most significant remains are of Old St Paul's Cathedral which can be traced inside and outside the standing fabric of the present Cathedral.

The neighbouring Chapter House, also designed by Wren, continues to serve as the administrative heart of the Cathedral. The entire group of buildings at Amen Court remains in residential use for the clergy and some lay staff of St Paul's Cathedral and also provides office accommodation for the Cathedral. It consists of three houses built in the 1670s and six Queen Anne Revival houses designed by Ewan Christian dating 1878-80.

The building that is home to St Paul's Cathedral School is on a site adjacent to the Cathedral. Incorporating the tower of St Augustine, Watling Street, it was completed in 1967 and was awarded Grade II\* listed status in 2007. Like the Cathedral, the building is clad in Portland stone and lead is used to face the cantilevered attics at the top of the three four storey blocks. The design is effectively an abstracted version of the pilasters on the Wren façade.

The freeholds of the buildings described above are owned by the Chapter. Objects considered to be of architectural, archaeological, artistic or historic interest are recorded in the Inventory in accordance with the Care of Cathedrals Measure 2011. These objects are held primarily for use by the Cathedral in its mission or have been vested in the Chapter over time and are held as part of the historic record of the Cathedral. Public access to them is available but stored items are accessible by appointment.

The Chapter has a statutory duty under the Cathedrals Measure 1999 to manage and maintain the Cathedral, its contents and other buildings and monuments. The full quinquennial review by the Surveyor to the Fabric informs the programme of major restoration works to the Cathedral. Works are overseen by the Clerk of Works and the Surveyor to the Fabric.



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**12 HERITAGE ASSETS (continued)**

The insurance for the building of the Cathedral and Chapter House is arranged on the basis of the probable largest loss from fire taking into account the fire engineering measures taken to limit the spread of fire. The figure is arrived at in conjunction with the Cathedral's insurers who have specialised expertise in this area. The contents are insured on the basis of modern replacements with no allowance for their possible heritage value. The Cathedral collections, library and archives are insured on a first loss basis to provide funds for their repair and restoration in the event of loss with no attempt to replace items other than perhaps a 'working theological library'. The other buildings including the school and those contents the property of the Dean and Chapter are insured on a reinstatement basis.

The Library Collection includes approximately 13,000 volumes, including printed books, tracts and manuscripts. These works which have accrued through purchases, bequests and donations largely from 1690 onwards, form a collection still used today by academics, students and researchers of all kinds. The Cathedral Archives comprise approximately 7,000 items on site and a deposit at London Metropolitan Archives of approximately 6,000 items. The archive includes plans, drawings and reports associated with the construction, maintenance and decoration of the building, key administrative documents including Pre-Fire charters and cartularies and the Chapter Minutes. The Archive as a whole is designated as being of outstanding significance.

In July 2017 the Chapter acquired by gift, a seventeenth-century oil painting by Thomas Wyck, depicting the Great Fire of London. A stained-glass window, designed and made by Caroline Benyon and costing a total of £47,135 since it was first commissioned in 2014, was added to the Chapel of St Faith in the Cathedral crypt during 2017. The window was made to commemorate the centenary of the Order of the British Empire 1917-2017 and features appropriate iconography, emblems and a motto. There were no disposals of heritage assets during 2021 (2020: none). No value is attributed to the Heritage Assets as explained in the accounting policy note 1g.

**13 INVESTMENT PROPERTY**

	<b>2021</b>	2020
<b>GROUP AND CATHEDRAL</b>	<b>£000s</b>	<b>£000s</b>
Market value at 1 January	<b>7,900</b>	7,900
Disposal proceeds	<b>(235)</b>	-
Net gains	<b>137</b>	-
Market value at 31 December	<b><u>7,802</u></b>	<u>7,900</u>

The value of the freehold investment property of Tillingham Estate, Essex, is incorporated in the financial statements under unrestricted funds. During the year one of the residential properties on the estate was sold for £235,000. The value of this property is included in the 2020 at a fair value of £235,000 and as such no gain or loss arose from the disposal of this property in 2021. The last full property valuation was undertaken by the Cathedral's property advisors Strutt & Parker in March 2020. The valuation was prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation - Global Standards 2017, the Estate was valued at £7,900,000 in March 2020. A desktop review was carried out by Strutt and Parker in January 2022 to review the valuation of the property. This has resulted in an increase to the value of the estate of £137,000 and has been recognised in these financial statements.

**St Paul's Cathedral**  
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**13 INVESTMENT PROPERTY (continued)**

The Chapter continue to keep the market value of the property under regular review and confirm the value of the estate included in these financial statements is materially stated.

**14 INVESTMENTS**

**GROUP**

The investments of the group consist of listed investments and cash deposits.

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Market Value at 1 January	<b>13,375</b>	21,065
Additions	-	43
Disposal proceeds	-	(8,600)
Net gains	<b>2,049</b>	867
	<b>15,424</b>	13,375
Cash held for investment	<b>5,286</b>	5,250
<b>Total market value of investments</b>	<b>20,710</b>	18,625

<b>CATHEDRAL</b>	<b>Listed</b>	<b>Unlisted</b>	<b>2021</b>	2020
	<b>investments</b>	<b>investments</b>		
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	£000s
Market Value at 1 January	<b>12,238</b>	<b>8,191</b>	<b>20,429</b>	26,188
Additions	-	-	-	43
Acquisition of the Foundation at fair value	-	-	-	2,004
Disposal proceeds	-	-	-	(8,600)
Capital redemption	-	<b>(840)</b>	<b>(840)</b>	-
Impairment	-	<b>(154)</b>	<b>(154)</b>	-
Net gains	<b>1,886</b>	-	<b>1,886</b>	794
	<b>14,124</b>	<b>7,197</b>	<b>21,321</b>	20,429
Cash deposits held for investment	<b>5,286</b>	-	<b>5,286</b>	5,250
<b>Total market value of investments</b>	<b>19,410</b>	<b>7,197</b>	<b>26,607</b>	25,679

**Cathedral listed investment funds under management are:**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Ruffer	<b>2,952</b>	2,659
CCLA	<b>11,172</b>	9,579
<b>Total</b>	<b>14,124</b>	12,238

**St Paul's Cathedral**  
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**14 INVESTMENTS (continued)**

All listed investments are carried at their fair value. Unlisted investments are valued at cost of acquisition less impairment.

**Significant holdings as a % of the total listed investment portfolio (held by the Cathedral) based on market value at 31 December were:**

	<b>2021</b>	2020
CCLA - CBF Church of England Deposit Fund	27%	30%
CCLA - CBF Church of England Investment Fund Accumulation Shares	58%	55%
Ruffer - Charity Assets Trust Account	15%	15%
	<b>100%</b>	<b>100%</b>

**Reconciliation of Group net gains as per Statement of Financial Activities**

	<b>2021</b>	2020
	<b>£000s</b>	<b>£000s</b>
Listed investment realised losses	-	(232)
Listed investment unrealised gains	2,049	1,099
Investment property realised gains (see note 13)	137	-
<b>Net gains per Statement of Financial Activities</b>	<b>2,186</b>	<b>867</b>

**Analysis of unlisted investments of the Cathedral**

Unlisted investments represents investment in subsidiaries.

	<b>2021</b>	2020
	<b>£000s</b>	<b>£000s</b>
St Paul's Cathedral Enterprises Limited	150	150
St Paul's Cathedral School	6,037	6,037
St Paul's Cathedral Foundation	1,010	2,004
<b>Total</b>	<b>7,197</b>	<b>8,191</b>

The Cathedral beneficially owns all of the called up share capital of St Paul's Cathedral Enterprises Limited with Company Number 03313320.

The Cathedral is the legal owner of St Paul's Cathedral Choir School with Charity Number 312718. The investment in the School has not been revalued for 2021 and 2020 and will continue to be held at the current value less any impairment.

Due to a change in the Trustees of the Foundation (with Charity Number 1082711 and Company Number 04040667) on 28 July 2020 St Paul's Cathedral become the sole member of the Foundation by virtue of a majority of the Trustees of the Foundation also being Chapter members of the Cathedral. In line with FRS 102 acquisition accounting was adopted and the Foundation was valued at fair value on 28 July 2020 and recognised for as an unlisted investment.

**St Paul's Cathedral**  
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**14 INVESTMENTS (continued)**

The unlisted investment of St Paul's Cathedral Foundation reduced in the year by £994k to £1,010k. Of this decrease £840k is due to a capital reduction and £154k in relation to an impairment. The investment continues to be held at deemed cost, less impairment and less capital reduction. The majority of the of the investment value at year end of £1,010k is restricted in nature and relates to restricted funds held in the Foundation pending award / payment from the Trustees of the Foundation to the Cathedral.

**15 DEBTORS: AMOUNTS FALLING DUE OVER ONE YEAR**

	<b>GROUP</b>		<b>CATHEDRAL</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Loan to St Paul's Cathedral School	-	-	<b>2,462</b>	1,939
	<u>-</u>	<u>-</u>	<u><b>2,462</b></u>	<u>1,939</u>

During 2020 a loan was provided to St Paul's Cathedral School to fund capital work at the School in relation to the Learning in Harmony Project. See note 18 for further details. Included within the above balance is £158k (2020: £nil) due within one year.

**16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>CATHEDRAL</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Trade debtors	<b>319</b>	37	<b>167</b>	27
Gift Aid Recoverable	<b>84</b>	20	<b>62</b>	-
VAT Recoverable	<b>66</b>	241	<b>89</b>	288
Grants Receivable	<b>387</b>	1,478	<b>133</b>	2,848
Prepayments	<b>101</b>	99	<b>75</b>	89
Other debtors	<b>545</b>	275	<b>390</b>	175
Amounts owed by Subsidiary Undertakings	-	-	<b>776</b>	430
Amounts owed by Associated Undertakings	<b>260</b>	44	<b>260</b>	44
<b>Total</b>	<u><b>1,762</b></u>	<u>2,194</u>	<u><b>1,952</b></u>	<u>3,901</u>

Trade debtors for the Cathedral are stated less of provisions of £1,672 (2020: £12,450). Trade debtors for the Group are stated less of provisions of £1,672 (2020: £74,852).

**St Paul's Cathedral**  
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**17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>CATHEDRAL</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Trade creditors	<b>326</b>	366	<b>248</b>	359
Other tax and social security	<b>190</b>	187	<b>190</b>	187
Accruals	<b>907</b>	880	<b>414</b>	361
Deferred income (i)	<b>439</b>	177	<b>82</b>	47
Amounts owed to Subsidiary Undertakings	-	11	<b>8</b>	-
Amounts owed to Associated entities	<b>32</b>	-	-	-
Bank loan	<b>499</b>	-	<b>499</b>	-
Other creditors	<b>80</b>	94	<b>79</b>	72
<b>Total</b>	<b>2,473</b>	1,715	<b>1,520</b>	1,026

- (i) Deferred income held in the Cathedral relates to fees earned from weddings and baptisms taking place after 31 December 2021. Corporate memberships where the period of membership spans 31 December 2021 is included in deferred income at the year end. Deferred income for the Group includes refundable deposits for students held in the St Paul's Cathedral Choir School.

<b>GROUP</b>	<b>Brought forward</b>	<b>Amount added</b>	<b>Amount released</b>	<b>Carried forward</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Deferred income 2021	<b>177</b>	<b>439</b>	<b>(177)</b>	<b>439</b>
Deferred income 2020	203	177	(203)	177
<b>CATHEDRAL</b>				
Deferred income 2021	<b>47</b>	<b>82</b>	<b>(47)</b>	<b>82</b>
Deferred income 2020	62	47	(62)	47

**St Paul's Cathedral**  
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**18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>GROUP</b>		<b>CATHEDRAL</b>	
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>£000s</b>	£000s	<b>£000s</b>	£000s
Pension provision (see note 23)	7	14	7	14
Bank loans	<b>6,963</b>	1,964	<b>6,963</b>	1,964
<b>Total</b>	<b>6,970</b>	1,978	<b>6,970</b>	1,978

Creditors include amounts not wholly repayable within 5 years as follows:

<b>Bank loan</b>	<b>1,568</b>	1,096	<b>1,568</b>	1,096
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**Analysis of bank loans (Group and Cathedral)**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Coronavirus Business Interruption Loan (CBIL)	<b>5,000</b>	-
Other bank loans	<b>2,462</b>	1,964
	<b>7,462</b>	1,964
Included in Creditors: Amounts falling due within one year	<b>6,963</b>	-
Included in Creditors: Amounts falling due after more than one year (see note 17)	<b>499</b>	1,964
	<b>7,462</b>	1,964

In September 2020, the Cathedral entered into a £2.5m loan facility agreement with Lloyds Bank and subsequently loaned the School an equivalent loan on the same repayment terms to part finance the Learning in Harmony project. The loan was drawn down in tranches the first of which was in late September 2020 and the loan was fully drawn down in March 2021. The first loan repayment was made in October 2021 and will be repaid over twelve years at an interest rate of 3.23% above the Bank of England base rate. The Cathedral remains compliant with its financial covenants. The loan is secured by a negative pledge over the land on which the Cathedral School is situated.

In May 2021, the Cathedral entered into a £5m Coronavirus Business Interruption Loan (CBIL) with Lloyds Bank. The loan was fully drawn down in August 2021 with the first twelve months of the loan interest free. The first loan repayment will be made in September 2022 and will be repaid over five years at an interest rate of 2.14% above the Bank of England base rate. There are no financial covenants attached to the loan. The loan is secured by a second legal charge over the freehold property and land of the Tillingham Estate (see note 13 for further details).

**19 GROUP ENTITIES**

The financial statements of St Paul's Cathedral Enterprises Limited ("Enterprises"), St Paul's Cathedral Choir School ("School") and St Paul's Cathedral Foundation ("Foundation") have been consolidated in these financial statements on a line-by-line basis. All three entities have coterminous year ends to 31 December.

**St Paul's Cathedral**  
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**19 GROUP ENTITIES (continued)**

**a. St Paul's Cathedral Enterprises Limited** (Company Number 03313320)

The company's principal activities comprise retail trading, the supply of catering and conference facilities to visitors to St Paul's Cathedral, conference delegates and party guests, and also the provision of filming activities. The Cathedral beneficially owns all of the called up share capital of St Paul's Cathedral Enterprises Limited. Profits of Enterprises are distributed to the Cathedral by a Deed of Covenant (2021: £428,000, 2020: none).

The summary audited Profit and Loss and Balance Sheet for St Paul's Cathedral Enterprises Limited is shown below:

<b>PROFIT AND LOSS</b>	<b>2021</b>	2020
	<b>£000s</b>	£000s
Turnover	<b>913</b>	500
Cost of sales	<b>(273)</b>	(311)
<b>Gross Profit</b>	<b>640</b>	189
Other income	<b>170</b>	138
Operating expenses	<b>(203)</b>	(519)
<b>Profit / (Loss) for the financial year</b>	<b>607</b>	(192)
<b>Cathedral Distribution to Cathedral</b>	<b>415</b>	-
 <b>BALANCE SHEET</b>		
	<b>2021</b>	2020
	<b>£000s</b>	£000s
<b>Current assets</b>		
Stock	<b>154</b>	229
Debtors	<b>209</b>	27
Cash at bank and in hand	<b>671</b>	65
<b>Total</b>	<b>1,034</b>	321
<b>Creditors:</b> amounts falling due within one year	<b>(884)</b>	(363)
<b>Net assets / (liabilities)</b>	<b>150</b>	(42)
 <b>CAPITAL AND RESERVES</b>		
	<b>2021</b>	2020
	<b>£000s</b>	£000s
Called up share capital	<b>150</b>	150
Reserves	<b>-</b>	(192)
<b>Equity shareholders' funds</b>	<b>150</b>	(42)



**St Paul's Cathedral**  
**Notes to the Financial Statements**  
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**19 GROUP ENTITIES (continued)**

**b. St Paul's Cathedral Foundation** (Charity Number 1082711)

St Paul's Cathedral, like other cathedrals, is not currently a registered charity and so undertakes the majority of its fundraising activities through St Paul's Cathedral Foundation, which is a registered charity, regulated by the Charity Commission.

The Cathedrals Measure 2021 received Royal Assent on 29th April 2021. Under the Measure, St Paul's Cathedral will be required to register as a charity with the Charity Commission in 2023 and after that time fundraising activities will be conducted through St Paul's Cathedral and the funds held in the Foundation will be granted to the Cathedral in full.

During 2020, following the outbreak of the COVID pandemic and in readiness for the registration of the Cathedral as a registered charity it was decided that the governance of the Foundation should effectively transfer to the Cathedral and as a result the majority of the Trustees of the Foundation resigned on 28 July 2020 and were replaced by members of the Chapter of St Paul's Cathedral or Cathedral staff. The impact of the COVID pandemic and subsequent dramatic loss of visitor income created a £10m funding gap in the Cathedral's finances and it was felt that the new Trustees of Foundation were best placed to identify urgent fundraising needs.

Before the Cathedral commits to expenditure for a significant project, the funds for the project must be raised in full. Once the Foundation has raised the required funds, the Cathedral will commence the project and the Chapter will call upon the Trustees of the Foundation to award the necessary grants to finance the project. Therefore, the Foundation at times can appear to hold large balances in reserves to ensure fundraising targets are met before a project can commence.

During 2020, minimal grants were made to the Cathedral as most project work stopped due to the pandemic. In 2021 the Foundation awarded the Cathedral £1,176,769 to fund the Equal Access Ramp and St Paul's Cathedral Choir School £155,438 to fund the Learning in Harmony project (School extension).

At as 31 December 2021, the Foundation has restricted reserves of nearly £4m. In March 2022 the Trustees awarded the Cathedral a grant of £3.2m in relation to projects currently in progress or recently completed.

**St Paul's Cathedral**  
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**19 GROUP ENTITIES (continued)**

**b. St Paul's Cathedral Foundation** (Charity Number 1082711)

St Paul's Cathedral Foundation, established in the year 2000, is a charitable company limited by guarantee. The Foundation's principal objects are to make grants to the Cathedral from donations received in respect of:

- i. the maintenance, restoration, repair and conservation of, and the undertaking of works to the fabric of, the Cathedral;
- ii. furthering the theological and adult educational work of the Cathedral; and
- iii. promoting the maintenance and development of the music of the Cathedral.

The summary audited financial performance and position of the Foundation for the year is as below. As explained in accounting policy (1b and 1h) the Cathedral became the sole member of the Foundation as at 28 July 2020.

<b>STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
<b>Income</b>				
Donations and legacies	322	2,680	3,002	1,549
Investment income	1	-	1	4
<b>Total</b>	<b>323</b>	<b>2,680</b>	<b>3,003</b>	<b>1,553</b>
<b>Expenditure</b>				
Cost of raising funds	(22)	-	(22)	(30)
Charitable activities	-	(1,332)	(1,332)	(51)
<b>Total</b>	<b>(22)</b>	<b>(1,332)</b>	<b>(1,354)</b>	<b>(81)</b>
<b>Net incoming resources</b>	<b>301</b>	<b>1,348</b>	<b>1,649</b>	<b>1,472</b>
Transfers between funds	(87)	87	-	-
<b>Funds brought forward</b>	<b>307</b>	<b>2,534</b>	<b>2,841</b>	<b>1,369</b>
<b>Funds carried forward</b>	<b>521</b>	<b>3,969</b>	<b>4,490</b>	<b>2,841</b>
<b>BALANCE SHEET</b>				
<b>Current assets</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
Debtors	6	274	280	24
Short term deposits	500	-	500	500
Cash at bank and in hand	77	3,695	3,772	3,780
<b>Total</b>	<b>583</b>	<b>3,969</b>	<b>4,552</b>	<b>4,304</b>
<b>Creditors:</b> amounts falling due within one year	<b>(62)</b>	<b>-</b>	<b>(62)</b>	<b>(1,463)</b>
<b>Net funds</b>	<b>521</b>	<b>3,969</b>	<b>4,490</b>	<b>2,841</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
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**19 GROUP ENTITIES (continued)**

**c. St Paul's Cathedral School (Charity Number 312718)**

The Corporation of the Cathedral Church of St Paul in London (St Paul's Cathedral), operates St Paul's Cathedral School under Statute XVI of the Instrument established for St Paul's Cathedral dated 13 May 2000 and updated thereafter. The statute sets down the objectives for the school and the powers and procedures by which the Chapter will ensure the proper management of the School. The School, which is unincorporated and has charitable status, has its affairs overseen by a Trustee body. The Trustees of the school are the Chapter of St Paul's Cathedral.

St Paul's Cathedral School exists for the education, nurture and care of the choristers of St Paul's Cathedral. It also has a responsibility to educate such other pupils between the ages of four and thirteen. During the year there were on average 25 boy choristers aged between 7 and 13, 158 day pupils of the same ages, and 63 pre-prep children aged between 4 and 7 on the school's roll. The whole school is mixed, although there are fewer girls than boys in the main school. At the end of 2021 there were 102 girls in the school (2020: 99). In September 2022 there will be a second reception form making 5 classes in Reception with the full complement of 6 being achieved in September 2023.

The summary audited financial performance and position of the School for the year as below:

	<b>2021</b>	2020
	<b>£000s</b>	£000s
<b>STATEMENT OF FINANCIAL ACTIVITIES</b>		
Income	<b>4,533</b>	5,235
Expenditure	<b>(4,030)</b>	(3,710)
Net gain on investments	<b>163</b>	73
<b>Net incoming resources</b>	<b>666</b>	1,598
<b>BALANCE SHEET</b>		
	<b>2021</b>	2020
	<b>£000s</b>	£000s
Fixed assets	<b>10,098</b>	9,001
Current assets	<b>1,471</b>	1,281
Current liability	<b>(972)</b>	(708)
Long term liabilities	<b>(2,296)</b>	(1,939)
<b>Net Funds</b>	<b>8,301</b>	7,635

**St Paul's Cathedral**  
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**20 ASSOCIATED ENTITIES**

The entities disclosed below, are not controlled by the Chapter but are wholly for the financial benefit of the Cathedral and / or Cathedral School. In accordance with the Guidelines on Cathedral Accounting, only income and expenditure transactions between the related entity and the Cathedral are included in the financial statements. All associated entities have coterminous year ends to St Paul's Cathedral with exception of St Paul's Cathedral Chorister Trust which has a 31 August year end.

**a. The City of London Endowment Trust for St Paul's Cathedral (Charity Number 285023)**

The City of London Endowment Trust for St Paul's Cathedral (COLET) is a registered charity established in 1982 in order to endow the Cathedral by raising a Trust Fund from the City of London. The income from this Trust Fund and, exceptionally at the discretion of the Trustees, some or all of its capital is available to assist the Cathedral to continue its essential work and meet the running expenses of its day to day activities.

The summary audited financial performance and position of The City of London Endowment Trust for St Paul's Cathedral for the year is as below:

**STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
<b>Income</b>				
Donations and legacies	2	-	2	2
Investment income	300	6	306	210
<b>Total</b>	<b>302</b>	<b>6</b>	<b>308</b>	<b>212</b>
<b>Expenditure</b>				
Cost of raising funds	(8)	-	(8)	(19)
Charitable activities	(555)	(6)	(561)	(238)
<b>Total</b>	<b>(563)</b>	<b>(6)</b>	<b>(569)</b>	<b>(257)</b>
Net gains on investments	862	16	878	740
Transfers between funds	-	-	-	-
<b>Net incoming resources</b>	<b>601</b>	<b>16</b>	<b>617</b>	<b>695</b>
<b>Funds brought forward</b>	<b>11,182</b>	<b>214</b>	<b>11,396</b>	10,701
<b>Funds carried forward</b>	<b>11,783</b>	<b>230</b>	<b>12,013</b>	11,396

**St Paul's Cathedral**  
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**20 ASSOCIATED ENTITIES (continued)**

<b>BALANCE SHEET</b>	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Total 2021 £000s</b>	<b>Total 2020 £000s</b>
<b>Fixed asset investments</b>				
Investments	11,787	230	12,017	11,147
<b>Current assets</b>				
Cash at bank and in hand	9	-	9	259
<b>Total</b>	<b>9</b>	<b>-</b>	<b>9</b>	<b>259</b>
<b>Creditors:</b> amounts falling due within one year	(13)	-	(13)	(10)
<b>Net funds</b>	<b>11,783</b>	<b>230</b>	<b>12,013</b>	<b>11,396</b>

**b. The Garfield Weston Trust for St Paul's Cathedral (Charity Number 265091)**

The Garfield Weston Trust for St Paul's Cathedral is a registered charity established in 1972 whose objects are the preservation, maintenance and improvement of the fabric of the Cathedral, the interior decoration and ornaments, furnishings, carvings, fixtures and fittings.

The summary audited financial performance and position of the Trust for the year is as below:

**STATEMENT OF FINANCIAL ACTIVITIES**

	<b>2021 £000s</b>	<b>2020 £000s</b>
<b>Income</b>		
Investment income	119	110
<b>Total</b>	<b>119</b>	<b>110</b>
<b>Expenditure</b>		
Cost of raising funds	(286)	(33)
<b>Total</b>	<b>(286)</b>	<b>(33)</b>
Net gains on investments	470	70
<b>Net incoming resources</b>	<b>303</b>	<b>147</b>
<b>Funds brought forward</b>	<b>5,004</b>	<b>4,857</b>
<b>Funds carried forward</b>	<b>5,307</b>	<b>5,004</b>

**St Paul's Cathedral**  
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**20 ASSOCIATED ENTITIES (continued)**

<b>BALANCE SHEET</b>	<b>2021</b>	2020
	<b>£000s</b>	£000s
<b>Fixed assets</b>		
Investments	<b>5,095</b>	4,972
<b>Current assets</b>		
Cash at bank and in hand	<b>483</b>	48
<b>Creditors:</b> amounts falling due within one year	<b>(271)</b>	(16)
<b>Net funds of The Garfield Weston Trust for St Paul's Cathedral</b>	<b><u>5,307</u></b>	<u>5,004</u>

All funds of The Garfield Weston Trust for St Paul's Cathedral are held for restricted purposes.

**c. Friends of St Paul's Cathedral (Charity Number 261905)**

The Friends of St Paul's Cathedral is a registered charity established in 1952 whose objects are the preservation of the fabric and buildings of the Cathedral, the ornaments, furnishings, services, music, and similar. The summary audited financial performance and position of the Trust for the year is as below:

**STATEMENT OF FINANCIAL ACTIVITIES**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
<b>Income</b>		
Donations, legacies and subscriptions	<b>98</b>	72
Investment income	-	2
<b>Total</b>	<b><u>98</u></b>	<u>74</u>
<b>Expenditure</b>		
Cost of raising funds	<b>(39)</b>	(43)
Charitable activities	<b>(132)</b>	(32)
<b>Total expenditure</b>	<b><u>(171)</u></b>	<u>(75)</u>
<b>Net outgoing resources</b>	<b>(73)</b>	(1)
<b>Funds brought forward</b>	<b>373</b>	374
<b>Funds carried forward</b>	<b><u>300</u></b>	<u>373</u>

**St Paul's Cathedral**  
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**20 ASSOCIATED ENTITIES (continued)**

**BALANCE SHEET**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
<b>Current assets</b>		
Other debtors	<b>44</b>	11
Cash at bank and in hand	<b>258</b>	535
<b>Total</b>	<b>302</b>	546
<b>Creditors:</b> amounts falling due within one year	<b>(2)</b>	(173)
<b>Net funds of Friends of St Paul's Cathedral</b>	<b>300</b>	373

All income and expenditure received in 2021 and 2020 was for unrestricted purposes.

**d. St Paul's Cathedral Chorister Trust (Charity Number 290205)**

St Paul's Cathedral Chorister Trust is a registered charity established in 1984 to raise and apply funds for the advancement of musical education and musical studies and the preservation of the tradition of the choristers in the Cathedral choir by providing financial assistance in respect of the education of the choristers. The summary audited financial performance and position of the St Paul's Cathedral Chorister Trust for the year is as below:

**STATEMENT OF FINANCIAL ACTIVITIES**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Income	<b>209</b>	226
Expenditure	<b>(126)</b>	(285)
Net gains on investments	<b>299</b>	48
<b>Net incoming / (outgoing) resources</b>	<b>382</b>	(11)
<b>Funds brought forward</b>	<b>2,423</b>	2,434
<b>Funds carried forward</b>	<b>2,805</b>	2,423

**BALANCE SHEET**

<b>Assets</b>	<b>3,005</b>	2,674
<b>Creditors:</b> amounts falling due within one year	<b>(200)</b>	(251)
<b>Net funds of St Paul's Cathedral Chorister Trust</b>	<b>2,805</b>	2,423



**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**20 ASSOCIATED ENTITIES (continued)**

**e. St Paul's Cathedral Trust in America**

St Paul's Cathedral Trust in America is a US based charity (a registered 501(c)(3) non-profit organisation). The Trust raises funds vital for the conservation of the Cathedral and also contributes to the educational needs of the St Paul's Choristers.

The summary financial performance and position of St Paul's Cathedral Trust in America is stated in US dollars as below:

<b>PROFIT AND LOSS</b>	<b>2021</b>	2020
	<b>\$000s</b>	\$000s
Donations	<b>673</b>	713
Other income	-	1
Grants to St Paul's Cathedral and Choir School	<b>(358)</b>	(448)
Expenditure	<b>(259)</b>	(231)
<b>Net incoming resources</b>	<b>56</b>	35
<b>Funds brought forward</b>	<b>133</b>	98
<b>Funds carried forward</b>	<b>189</b>	133
<b>BALANCE SHEET</b>		
<b>Assets</b>	<b>189</b>	133
<b>Net funds of St Paul's Cathedral Trust in America</b>	<b>189</b>	133

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
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**21 ANALYSIS OF NET MOVEMENT IN FUNDS**

**a. Analysis of Group Funds**

2021	As at 1 Jan 2021 £000s	Income £000s	Expenditure £000s	Gains / (losses) £000s	Transfers £000s	As at 31 Dec 2021 £000s
<b>Endowment Fund</b>	<b>6,545</b>	-	-	1,158	-	<b>7,703</b>
<b>Restricted Funds</b>						
School Fund	6,161	4,139	(3,800)	163	-	6,663
<u>Special Trusts</u>						
Alexander Fund	98	2	(3)	11	-	108
American Memorial Fund	132	3	-	14	-	149
Bill Viola	95	2	(1)	10	-	106
Chorister Tuition Fees	209	4	-	22	-	235
Choristers' Memorial	14	-	-	1	-	15
Chapter House - Right of Light	59	-	-	6	-	65
Crewe Dean Exhibitions	183	4	-	19	-	206
Fishwick Organ Scholar	78	2	-	8	-	88
Library Fund	313	7	-	32	-	352
Middlesex Chapel Fund	488	10	(22)	48	-	524
Music Commissions	37	-	-	4	-	41
Music Tours Fund	40	-	-	4	-	44
Visiting Preachers Fund	123	6	(2)	13	-	140
Tillingham fund	485	9	-	50	-	544
Vicars Choral	268	6	-	28	-	302
<b>Total Special Trusts</b>	<b>2,622</b>	<b>55</b>	<b>(28)</b>	<b>270</b>	-	<b>2,919</b>
<u>Collections</u>						
Challenging History	-	90	-	-	-	90
Collections - Other	29	98	(22)	-	-	105
<u>Education</u>						
Education	72	122	(47)	-	-	147
<u>Fabric</u>						
American Chapel	34	-	-	-	-	34
Bells Appeal	41	5	-	-	-	46
Equal Access Ramp	(59)	2	(331)	-	388	-
Fabric - Other	152	360	(255)	-	-	257
Library	101	260	(153)	-	-	208
Organ CCTV	137	-	-	-	-	137
Remember Me	249	2,263	(815)	-	(256)	1,441
Roof Works	-	249	(269)	-	21	1
Sound System Project	70	-	-	-	-	70
Whispering Gallery Safety	-	150	-	-	-	150
<u>Music &amp; Ministry</u>						
Chorister Funds	32	92	(10)	-	-	114
Church Commissioners	-	138	(138)	-	-	-
Girls Choir	115	-	-	-	-	115
Ministry	-	58	(22)	-	(36)	-
Music - Other	88	57	(12)	-	7	140
Music - Outreach	91	82	(106)	-	(5)	62
Piano Appeal	4	-	-	-	-	4
Vicars Choral	32	87	-	-	-	119
<u>Other Restricted funds</u>						
Church Commissioners	-	68	(68)	-	-	-
Learning in Harmony	210	9	-	-	(205)	14
National Heritage Lottery Fund	1,078	875	(1,604)	-	(349)	-
Restricted - Other	12	47	(39)	-	(4)	16
Website	-	150	(36)	-	-	114
<b>Total Restricted Funds</b>	<b>11,271</b>	<b>9,456</b>	<b>(7,755)</b>	<b>433</b>	<b>(439)</b>	<b>12,966</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**a. Analysis of Group Funds (continued)**

	As at 1 Jan 2021 £000s	Income £000s	Expenditure £000s	Gains / (losses) £000s	Transfers £000s	As at 31 Dec 2021 £000s
<b>Designated Funds</b>						
Coronavirus Fund	10,000	-	-	-	(882)	9,118
Short Term Fabric Fund	1,313	-	-	-	(250)	1,063
<b>Total</b>	<b>11,313</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,132)</b>	<b>10,181</b>
<b>Unrestricted Funds</b>						
Tillingham Property Fund	7,900	-	-	137	(235)	7,802
General Reserves	5,411	4,958	(5,657)	458	1,806	6,976
<b>Total</b>	<b>13,311</b>	<b>4,958</b>	<b>(5,657)</b>	<b>595</b>	<b>1,571</b>	<b>14,778</b>
<b>Total Unrestricted funds</b>	<b>24,624</b>	<b>4,958</b>	<b>(5,657)</b>	<b>595</b>	<b>439</b>	<b>24,959</b>
<b>Total Funds</b>	<b>42,440</b>	<b>14,414</b>	<b>(13,412)</b>	<b>2,186</b>	<b>-</b>	<b>45,628</b>
	As at 1 Jan 2020 £000s	Income £000s	Expenditure £000s	Gains / (losses) £000s	Transfers £000s	As at 31 Dec 2020 £000s
<b>2020</b>						
<b>Endowment Fund</b>	5,951	-	-	594	-	6,545
<b>Restricted Funds</b>						
School Fund	5,522	4,348	(3,782)	73	-	6,161
<i>Special Trusts</i>						
Tillingham Fund	453	9	-	23	-	485
Spink Legacies	429	8	-	21	-	458
Music Fund	322	7	-	16	-	345
Library Fund	293	6	-	14	-	313
Chorister Tuition Fees Fund	195	4	-	10	-	209
American Memorial Fund	123	3	-	6	-	132
Crewe Dean Fund	171	4	-	8	-	183
Randolph Endowment & Ratcliffe Trust	115	2	-	6	-	123
Alexander Fund	90	4	-	4	-	98
Bill Viola Installation	89	2	-	4	-	95
Fishwick Grant - Organ Scholar	72	2	-	4	-	78
Right of Light - Chapter House	57	1	(2)	3	-	59
Middlesex Chapel Fund	28	1	-	1	-	30
Choristers Memorial Fund	13	-	-	1	-	14
<b>Total Special Trusts</b>	<b>2,450</b>	<b>53</b>	<b>(2)</b>	<b>121</b>	<b>-</b>	<b>2,622</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**21 ANALYSIS OF NET MOVEMENT IN FUNDS**

**a. Analysis of Group Funds (continued)**

	As at 1 Jan 2020 £000s	Income £000s	Expenditure £000s	Gains / (losses) £000s	Transfers £000s	As at 31 Dec 2020 £000s
<i>Restricted Projects</i>						
Fabric and Restoration	(88)	202	-	-	105	219
Ministry	35	17	(17)	-	(35)	-
Music Fund	1	134	(21)	-	-	114
Music Outreach	106	181	(93)	-	(103)	91
Remember Me - Inner Portico	(67)	280	(12)	-	-	201
Remember Me - Digital Memorial	-	83	(35)	-	-	48
Education	49	215	(29)	-	(49)	186
Other Restricted Funds	(48)	228	(35)	-	52	197
Equal Access Ramp	647	1,177	(1,883)	-	-	(59)
Historic England Roof Grant	-	71	(71)	-	-	-
Church Commissioners	-	424	(424)	-	-	-
National Lottery Heritage Fund	-	2,125	(1,047)	-	-	1,078
Learning in Harmony	-	211	-	-	-	211
Friends of St Paul's	65	-	-	-	(65)	-
Organ CCTV Fund	-	160	(23)	-	-	137
Library Project	8	277	(220)	-	-	65
<b>Total</b>	<b>8,680</b>	<b>10,186</b>	<b>(7,694)</b>	<b>194</b>	<b>(95)</b>	<b>11,271</b>
<b>Designated Funds</b>						
Coronavirus Fund	-	-	-	-	10,000	10,000
Invest to Save Fund	2,000	-	-	-	(2,000)	-
Long Term Fabric Fund	3,090	-	-	-	(3,090)	-
Short Term Fabric Fund	-	-	-	-	1,313	1,313
Learning in Harmony	1,780	-	-	-	(1,780)	-
<b>Total</b>	<b>6,870</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,443</b>	<b>11,313</b>
<b>Unrestricted Funds</b>						
Tillingham Property Fund	7,900	-	-	-	-	7,900
General Reserves	13,765	4,871	(8,956)	79	(4,348)	5,411
<b>Total</b>	<b>21,665</b>	<b>4,871</b>	<b>(8,956)</b>	<b>79</b>	<b>(4,348)</b>	<b>13,311</b>
<b>Total Funds</b>	<b>43,166</b>	<b>15,057</b>	<b>(16,650)</b>	<b>867</b>	<b>-</b>	<b>42,440</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

<b>b. Analysis of Cathedral Funds</b>	<b>As at 1</b>			<b>Gains /</b>		<b>As at 31</b>
<b>2021</b>	<b>Jan 2021</b>	<b>Income</b>	<b>Expenditure</b>	<b>(losses)</b>	<b>Transfers</b>	<b>Dec 2021</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Endowment Fund</b>	<b>6,545</b>	<b>-</b>	<b>-</b>	<b>1,158</b>	<b>-</b>	<b>7,703</b>
<b>Restricted Funds</b>						
School Fund	<b>6,036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,036</b>
<u>Special Trusts</u>						
Alexander Fund	98	2	(3)	11	-	108
American Memorial Fund	132	3	-	14	-	149
Bill Viola	95	2	(1)	10	-	106
Chorister Tuition Fees	209	4	-	22	-	235
Choristers' Memorial	14	-	-	1	-	15
Chapter House - Right of Light	59	-	-	6	-	65
Crewe Dean Exhibitions	183	4	-	19	-	206
Fishwick Organ Scholar	78	2	-	8	-	88
Library Fund	313	7	-	32	-	352
Middlesex Chapel Fund	488	10	(22)	48	-	524
Music Commissions	37	-	-	4	-	41
Music Tours Fund	40	-	-	4	-	44
Visiting Preachers Fund	123	6	(2)	13	-	140
Tillingham fund	485	9	-	50	-	544
Vicars Choral	268	6	-	28	-	302
<b>Total Special Trusts</b>	<b>2,622</b>	<b>55</b>	<b>(28)</b>	<b>270</b>	<b>-</b>	<b>2,919</b>
<u>Collections</u>						
Challenging History	-	90	-	-	-	90
Collections - Other	29	12	(22)	-	-	19
<u>Education</u>						
Education	72	122	(47)	-	-	147
<u>Fabric</u>						
American Chapel	34	-	-	-	-	34
Bells Appeal	41	-	-	-	-	41
Equal Access Ramp	(396)	339	(331)	-	308	(80)
Fabric - Other	151	340	(255)	-	-	236
Library	100	2	(153)	-	-	(51)
Organ CCTV	137	-	-	-	-	137
Remember Me	230	282	(815)	-	(256)	(559)
Roof Works	-	249	(269)	-	21	1
Sound System Project	70	-	-	-	-	70
Whispering Gallery Safety	-	50	-	-	-	50
<u>Music &amp; Ministry</u>						
Chorister Funds	(1)	10	(10)	-	-	(1)
Church Commissioners	-	138	(138)	-	-	-
Girls Choir	115	-	-	-	-	115
Ministry	-	58	(22)	-	(36)	-
Music - Other	88	37	(12)	-	-	113
Music - Outreach	(42)	23	(106)	-	-	(125)
Piano Appeal	4	-	-	-	-	4
Vicars Choral	6	40	-	-	-	46
<u>Other Restricted funds</u>						
Church Commissioners	-	68	(68)	-	-	-
Learning in Harmony	159	150	(5)	(154)	(150)	-
National Heritage Lottery Fund	1,078	875	(1,604)	-	(349)	-
Restricted - Other	12	36	(39)	-	(4)	5
Website	-	150	(36)	-	-	114
<b>Total Restricted Funds</b>	<b>10,545</b>	<b>3,126</b>	<b>(3,960)</b>	<b>116</b>	<b>(466)</b>	<b>9,361</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**b. Analysis of Cathedral Funds (continued)**

<b>CATHEDRAL</b>	<b>As at 1 Jan 2021 £000s</b>	<b>Income £000s</b>	<b>Expenditure £000s</b>	<b>Gains / (losses) £000s</b>	<b>Transfers £000s</b>	<b>As at 31 Dec 2021 £000s</b>
<b>Designated Funds</b>						
Coronavirus Fund	10,000	-	-	-	(882)	9,118
Short Term Fabric Fund	1,313	-	-	-	(250)	1,063
<b>Total</b>	<b>11,313</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,132)</b>	<b>10,181</b>
<b>Unrestricted Funds</b>						
Tillingham Property Fund	7,900	-	-	137	(235)	7,802
General Reserves	3,898	4,196	(5,544)	458	1,833	4,841
<b>Total</b>	<b>11,798</b>	<b>4,196</b>	<b>(5,544)</b>	<b>595</b>	<b>1,598</b>	<b>12,643</b>
<b>Total Unrestricted funds</b>	<b>23,111</b>	<b>4,196</b>	<b>(5,544)</b>	<b>595</b>	<b>466</b>	<b>22,824</b>
<b>Total Funds</b>	<b>40,201</b>	<b>7,322</b>	<b>(9,504)</b>	<b>1,869</b>	<b>-</b>	<b>39,888</b>
<b>2020</b>	<b>As at 1 Jan 2020 £000s</b>	<b>Income £000s</b>	<b>Expenditure £000s</b>	<b>Gains / (losses) £000s</b>	<b>Transfers £000s</b>	<b>As at 31 Dec 2020 £000s</b>
<b>Endowment Fund</b>	5,951	-	-	594	-	6,545
<b>Restricted Funds</b>						
School Fund	6,036	-	-	-	-	6,036
<i>Special Trusts</i>						
Tillingham Fund	453	9	-	23	-	485
Spink Legacies	429	8	-	21	-	458
Music Fund	322	7	-	16	-	345
Library Fund	293	6	-	14	-	313
Chorister Tuition Fees Fund	195	4	-	10	-	209
American Memorial Fund	123	3	-	6	-	132
Crewe Dean Fund	171	4	-	8	-	183
Randolph Endowment & Ratcliffe Trust	115	2	-	6	-	123
Alexander Fund	90	4	-	4	-	98
Bill Viola Installation	89	2	-	4	-	95
Fishwick Grant - Organ Scholar	72	2	-	4	-	78
Right of Light - Chapter House	57	1	(2)	3	-	59
Middlesex Chapel Fund	28	1	-	1	-	30
Choristers Memorial Fund	13	-	-	1	-	14
<b>Total Special Trusts</b>	<b>2,450</b>	<b>53</b>	<b>(2)</b>	<b>121</b>	<b>-</b>	<b>2,622</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**b. Analysis of Cathedral Funds (continued)**

<b>CATHEDRAL</b>	As at 1 Jan 2020	Income	Expenditure	Gains / (losses)	Transfers	As at 31 Dec 2020
<i>Restricted Projects</i>						
Fabric and Restoration	(88)	201	-	-	105	218
Ministry	35	17	(17)	-	(35)	-
Music Fund	1	108	(21)	-	-	88
Music Outreach	106	48	(93)	-	(103)	(42)
Remember Me - Inner Portico	(67)	261	(12)	-	-	182
Remember Me - Digital Memorial	-	83	(35)	-	-	48
Education	49	182	(29)	-	(49)	153
Other Restricted Funds	(48)	228	(35)	-	52	197
Equal Access Ramp	647	840	(1,883)	-	-	(396)
Historic England Roof Grant	-	71	(71)	-	-	-
Church Commissioners	-	424	(424)	-	-	-
National Lottery Heritage Fund	-	2,125	(1,047)	-	-	1,078
Learning in Harmony	-	159	-	-	-	159
Friends of St Paul's	65	-	-	-	(65)	-
Organ CCTV Fund	-	160	(23)	-	-	137
Library Project	8	277	(220)	-	-	65
<b>Total</b>	<b>9,194</b>	<b>5,237</b>	<b>(3,912)</b>	<b>121</b>	<b>(95)</b>	<b>10,545</b>
<b>Designated Funds</b>						
Coronavirus Fund	-	-	-	-	10,000	10,000
Invest to Save Fund	2,000	-	-	-	(2,000)	-
Long Term Fabric Fund	3,090	-	-	-	(3,090)	-
Short Term Fabric Fund	-	-	-	-	1,313	1,313
Learning in Harmony	1,780	-	(500)	-	(1,280)	-
<b>Total</b>	<b>6,870</b>	<b>-</b>	<b>(500)</b>	<b>-</b>	<b>4,943</b>	<b>11,313</b>
<b>Unrestricted Funds</b>						
Tillingham Property Fund	7,900	-	-	-	-	7,900
General Reserves	13,251	4,046	(8,630)	79	(4,848)	3,898
<b>Total</b>	<b>21,151</b>	<b>4,046</b>	<b>(8,630)</b>	<b>79</b>	<b>(4,848)</b>	<b>11,798</b>
<b>Total Funds</b>	<b>43,166</b>	<b>9,283</b>	<b>(13,042)</b>	<b>794</b>	<b>-</b>	<b>40,201</b>



**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions**

**ENDOWMENT FUND**

The permanent endowment has been invested to ensure the future financial sustainability of the Cathedral and is not available for distribution or use as working capital. All endowment funds are invested with CCLA.

**RESTRICTED FUNDS**

**School Fund**

Restricted School funds relate to the accumulated assets of St Paul's Cathedral Choir School under the management of the School governors.

**Special Trust Restricted Funds**

Special Trust funds are separately identified to other restricted funds as these funds are part invested with CCLA. Each year any investment income and / or gains / (losses) arising from the investments is split between the funds according to the size of the restricted fund at the beginning of the quarter.

**Alexander Fund**

These funds are to support Cathedral staff emergency welfare.

**American Memorial Fund**

These funds are for repairs and general maintenance of the Chapel.

**Bill Viola Installation**

These funds are to support general maintenance and refurbishment costs of the exhibit to 2026.

**Chorister Tuition Fees Fund**

These funds were bequeathed to the Cathedral to support the chorister tuition fees.

**Choristers Memorial Fund**

These funds are restricted to support the maintenance of the Choristers Memorial.

**Chapter House - Right of Light**

These funds are to support repairs within Chapter House.

**Crewe Dean Fund**

These funds are restricted towards the costs of exhibitions over the next 3 years.

**Fishwick Grant - Organ Scholar**

These are funds are to support the role of the Organ Scholar.

**Library Fund**

These funds are restricted towards the Cathedral Library.

**Middlesex Chapel Fund**

These funds were originally restricted to fund the Mother and Child statue.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions (continued)**

**Music Commissions Fund**

These funds are to support music commissions for special occasions.

**Music Tours Fund**

These funds are to support music tours for special occasions.

**Visiting Preachers Fund Randolph Endowment & Ratcliffe Trust**

These funds were originally donated to the Cathedral by The Randolph Endowment & Ratcliffe Trust. These funds will be used to support the cost of travel and other expenses for visiting Preachers to the Cathedral.

**Tillingham Fund**

These funds arose from the capital sale of three cottages in 2007 and are restricted towards repairs or further development of the Tillingham Estate.

**Vicars Choral Fund**

These funds are to support the salary and other related costs of the Vicars Choral.

**Restricted project Funds**

The restricted project funds have been grouped under major categories including Collections, Education, Fabric, Music & Ministry and Other Restricted funds.

**Collections**

**Challenging History**

These funds were received from the Museums Association to support the costs of the Challenging History Project for a two year period.

**Collections - Other**

These funds relate to a small number of restricted Collections projects.

**Education**

These funds are used to support the School's and Family Learning and Adult Learning programmes.

**Fabric**

**American Chapel**

These funds are restricted towards the maintenance and repair of the American Chapel.

**Bells Appeal**

These funds are restricted towards the maintenance, repair and restoration of Cathedral's clock bells.

**Equal Access Ramp**

These funds are restricted towards the installation of the permanent north transept access ramp. The project completed during the summer of 2021 and opened to public on 22 June 2022.

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions (continued)**

**Fabric - Other**

These funds relate to grants and donations received that are restricted towards non-specific building repairs of the Cathedral.

**Library Project**

These funds are to support the fabric of the Cathedral Library which involved decanting the Library for repair and restoration work. This projects has spanned several years and is due to complete in 2022.

**Organ CCTV Fund**

These funds are restricted towards the costs and installation of CCTV for use by the Organists during services. The project was completed in May 2022.

**Remember Me (Inner Portico)**

A fundraising campaign was launched in partnership with the newspaper, The Daily Mail, during 2021 to fundraise for the construction and operational costs of the Inner Portico in the North Transept. Most of funding was received through the Cathedral's fundraising entity, St Paul's Cathedral Foundation. Construction started in late 2021 and was completed in May 2022.

**Roof works**

This funds relates to funding received for repair of the roof. This includes funding received from Historic England which came to a conclusion during 2021.

**Sound System Project**

This funds are restricted towards the repairs and improvement of the sound system in the Cathedral.

**Whispering Gallery Safety**

This funds relate to the installation of a safety rail in the Whispering Gallery. Work on the project is due to commence during 2022 and the Gallery will re-open in 2023.

**Music and Ministry**

**Chorister Funds**

These funds are restricted towards the cost of the Chorister tuition and music fees that are payable to the Choir School.

**Church Commissioners**

These funds relate to restricted income received from the Church Commissioners to fund the stipends of the Dean and two Canons. During 2021 there was an underspend on s21 funding and on agreement with the Church Commissioners these funds were allocated towards the salary costs of the Virgers. All funding received in 2021 was fully utilised by 31 December. All grants received from Church Commissioners relate to s21 and s23 under the Cathedrals Measure 1999.

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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions (continued)**

**Girls Choir**

These funds relate to the setting up of the Girls' Choir. The project is currently in the early stages of its development.

**Ministry**

These funds are restricted towards the cost of ministerial roles and/or services. All funding received in 2021 was fully utilised by 31 December.

**Music - Other**

These funds relate to grants and donations received that are restricted towards smaller music projects.

**Music Outreach**

These funds are to support St Paul's music outreach programme which is an innovative community engagement initiative to educate and inspire children across London through the arts – particularly those from disadvantaged backgrounds.

**Piano Appeal**

These funds relate to donations towards the Piano Appeal.

**Vicars Choral**

These funds are restricted towards the salary and other costs of the twelve professional singers who sing at the Cathedral during services.

**Other Restricted Funds**

**Church Commissioners**

In addition to the funding received for Music and Ministry, funding was received to support the salaries of the digital manager and digital learning manager from August 2020 for three years. All funding received in 2021 was fully utilised by 31 December. All grants received from the Church Commissioners related to s21 and s23 under the Cathedral's Measure 1999.

**Learning in Harmony**

The Learning in Harmony fund was established by the Chapter in 2018 to reflect the Cathedral's commitment of funding towards the redevelopment of the School under its Learning in Harmony project.

**National Lottery Heritage Fund**

The Cathedral was awarded a grant from the National Lottery Fund during 2020 of £2.125m in respect of the first round of the Culture Recovery Grant. This income was recognised in the 2020 financial statements. The funds supported the Cathedral from 1 October 2020 to 31 March 2021. Of the £2.125m awarded £1,078m of funds were carried forward at 31 December 2020 and were utilised in the period 1 January 2021 to 31 March 2021.

The Cathedral was awarded a further £0.875m in round two funding to support the Cathedral during the period 1 April 2021 to 30 June 2021.

**St Paul's Cathedral**  
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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions (continued)**

**Restricted - Other**

These funds relate to a small number of miscellaneous restricted funds.

**Website**

A £150,000 grant was received during 2021 to fund the build of a new website and running costs over a 5 year period. The project started in early 2021 and the website went live in March 2022.

**DESIGNATED FUNDS**

**Coronavirus Fund**

A designated fund, called the Coronavirus Fund (COVID Fund) was set up in 2020 to fund budgeted operational losses in 2021 and beyond until such a time that the Cathedral returns to making a surplus. As a result of reduced visitors due to the pandemic, the Cathedral has a budgeted operating deficit for 2022 and 2023 and is not expected to breakeven until 2024. The reduction in the COVID fund in 2021 of £882k reflects the Cathedral's operating loss during 2021 (being net outgoing resources before gains / (losses) including transfers between funds).

**Short Term Fabric Fund**

The Short Term Fabric Fund relates to funds allocated by the Chapter for projects in the near future. Included in the year end balance of £1,063k includes funds towards the Library project, the Roof Restoration fund and a number of other smaller projects. Funds in relation to the Equal Access Project of £250k were released to unrestricted funds in the year as the project came to an end and the funds were no longer

**Long term fabric fund**

A designated fund called the Fabric Fund was created by the Chapter in 2018 with a view to building a long term investment fund which could be used to fund essential renewal and upgrade works required to the Fabric of the Cathedral. Due to the impact the pandemic has had on Cathedral activities, these funds were redesignated during 2020 for use in unrestricted operations.

**Invest to Save Fund**

A designated fund, called Invest to Save Fund, was created by the Chapter in 2016 to fund projects where a business case can be made showing that commensurate income or savings will be generated over a defined period of time, which can then be used to replenish the designated fund. These funds were released during 2020; due to the impact the pandemic has had on Cathedral activities these funds have been redesignated to the Coronavirus Fund.

**Learning in Harmony**

The Learning in Harmony designated fund was established by the Chapter in 2018 to reflect the Cathedral's commitment of funding towards the redevelopment of the School under the Learning in Harmony project. The remaining funds were transferred to the designated Coronavirus Fund during 2020.

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**21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)**

**c. Group and Cathedral Fund descriptions (continued)**

**UNRESTRICTED FUNDS**

**Tillingham Fund**

The Tillingham Property fund represents the net book value of the Tillingham Estate investment property held in the Balance Sheet as at 31 December.

**General reserves**

The General reserves are those unrestricted funds that are not designated and do not included funds held in the investment property at The Tillingham Estate. These funds make up the Cathedral's free reserves. For further information see the Reserves Policy in the Annual Report.

**FUNDS IN DEFICIT**

There were a small number of restricted funds in deficit at the year end. These projects are fully funded and as such no transfer is required from unrestricted funds to fund the deficits.

**TRANSFERS**

A number of fund transfers were approved by the Chapter during the year. Material transfers are detailed

A £250,000 transfer from the restricted Remember Me fund into the restricted Equal Access fund was agreed as part of the Remember Me campaign. There was a further transfer from the unrestricted fund into the Equal Access fund of £58,000 to fund restricted deficits. In the financial statements of the Foundation and consolidated in these financial statements is a transfer of £80,000 from the unrestricted funds to fund restricted deficits.

The £149,826 transfer from the Learning in Harmony restricted fund to the unrestricted fund is a reclassification of funds owing to a misallocation in a previous year.

A transfer of £348,927 was made from the National Lottery Heritage Fund ("NLHF") to the unrestricted reserves. As agreed with NLHF £291,367 of restricted funds received was a contribution towards increasing the Cathedral's free reserves. The remaining transfer relates to specific identifiable assets brought into service as such, the restrictions on these funds have been satisfied.

A transfer of £882,000 was made from the unrestricted general reserve into the COVID fund to allocate operational losses in the year as agreed by the Chapter.

A £250,000 balance in the designated funds relating to the Equal Access Project was released to the unrestricted funds during the year. The project came to an end in 2021 and the funds are no longer required.

The transfer of £235,000 between the Tillingham Property Fund and unrestricted general reserve represents the proceeds of the sale of a residential property on the Tillingham Estate. The value of this fund at 31 December represents the market value of the Tillingham Estate at year end.

**St Paul's Cathedral**  
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**22 PENSIONS**

The Cathedral maintains a defined contribution scheme with Aviva for its staff, excluding the Chapter, the Chaplain and the Minor Canons. A defined benefit pension scheme was closed to new employees from 1 October 2002, and was closed to future accrual for all existing members from 1 May 2007.

**Defined Contribution Scheme**

A defined contribution pension scheme with Aviva is available to all employees. The assets of the scheme are held separately in independently administered funds. The pension charge represents contributions payable to the fund amounting to £380,000 (2020: £438,000).

**Defined Benefit Scheme**

The Cathedral is responsible for a defined benefit pension scheme which was closed to further service accrual from May 2007. The assets of the Scheme are held in a separate trustee administered fund. Although closed to service accrual, the retirement benefits for members of this scheme are based on employees' final remuneration and the length of service to May 2007.

The pension cost is assessed in accordance with the advice of an independent actuary using the projected unit method on the basis of an annual valuation update and charged to the Statement of Financial Activities as described below.

There was a scheme funding valuation of the Scheme as at 30 September 2019. The funding plan is for the Scheme to hold assets equal to the value of the benefits using the methodology as set out in the Scheme's Statement of Funding Principles. This valuation showed a scheme surplus of £0.9m.

The Trustees and the Chapter therefore agreed that no further deficit contributions were required to meet the Statutory Funding Objective. In practice, this funding plan will be reviewed following the completion of subsequent scheme funding valuations, the next of which is due as at 30 September 2022.

The results of the actuarial valuation as at 30 September 2019 were updated to the accounting date by an independent qualified actuary in accordance with FRS102, allowing for contributions, benefit payments made, and changes in market conditions. The results, based on assumptions used for FRS102, are set out below. The funding assumptions differ from the assumptions used to calculate the figures for these accounts, and therefore produce different results.

The total loss on the Scheme's assets over the year was £478,000. The Scheme does not invest directly in property owned by the Cathedral or in financial securities issued by the Cathedral.

**The plan assets and defined obligation are as follows:**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Present value of defined benefit obligation	<b>27,072</b>	30,205
Fair value of plan assets	<b>(33,093)</b>	(34,505)
Surplus	<b>(6,021)</b>	(4,300)
Impact of asset ceiling	<b>6,021</b>	4,300
<b>Net liability / (asset) in Balance Sheet</b>	<b>-</b>	-

**St Paul's Cathedral**  
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**22 PENSIONS (continued)**

<b>Expenditure recognised in the Statement of Financial Activities:</b>	<b>2021</b>	2020
	<b>£000s</b>	£000s
Cathedral's part of the current service cost	<b>84</b>	74
<b>Total expense recognised in Statement of Financial Activities</b>	<b>84</b>	74

**Analysis of Scheme assets:**

	2021		2020	
	Allocation	£000s	Allocation	£000s
Equities	0%	-	10%	3,385
Absolute return bonds	38%	12,721	31%	10,757
Diversified growth funds	15%	4,981	13%	4,535
Dynamic Liability Driven Investment ("LDI")	42%	14,004	41%	14,399
Cash at bank	1%	103	1%	44
Insured pensioners	4%	1,284	4%	1,385
<b>Total</b>	<b>100%</b>	<b>33,093</b>	<b>100%</b>	<b>34,505</b>

**Movement in the net balance sheet position:**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Net liability / (asset) position at 1 January	-	-
Expense charged to Statement of Financial Activities	<b>84</b>	74
Employer contributions	<b>(84)</b>	(74)
<b>Net liability / (asset) position at 31 December</b>	<b>-</b>	-

**Movement in present value of defined benefit obligation:**

	<b>2021</b>	2020
	<b>£000s</b>	£000s
Defined benefit obligation at 1 January	<b>30,205</b>	26,826
Employer's cost of the current service cost	<b>84</b>	74
Interest on plan liabilities	<b>356</b>	555
Actuarial gains / (losses) due to		
Experience on benefit obligation	<b>473</b>	(240)
Changes in financial assumptions	<b>(2,725)</b>	4,821
Changes in demographic assumptions	<b>(303)</b>	(1,023)
Benefit payments	<b>(1,018)</b>	(808)
<b>Defined benefit obligation at 31 December</b>	<b>27,072</b>	30,205



**St Paul's Cathedral**  
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**22 PENSIONS (continued)**

<b>Movement in fair value of plan assets:</b>	<b>2021</b>	2020
	<b>£000s</b>	£000s
Fair value of assets at 1 January	<b>34,505</b>	30,842
Interest on plan assets	<b>408</b>	640
Actual return on plan assets less interest on plan assets	<b>(886)</b>	3,757
Contributions by Cathedral	<b>84</b>	74
Benefit payments	<b>(1,018)</b>	(808)
<b>Defined benefit obligation at 31 December</b>	<b><u>33,093</u></b>	<u>34,505</u>

Return on plan assets	<b>(478)</b>	4,397
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<b>Movement in the impact of the asset ceiling:</b>	<b>2021</b>	2021
	<b>£000s</b>	£000s
Effect of asset ceiling at 1 January	<b>4,300</b>	4,016
Interest on asset limit	<b>52</b>	85
Change in asset limit other than interest	<b>1,669</b>	199
<b>Effect of asset ceiling at 31 December</b>	<b><u>6,021</u></b>	<u>4,300</u>

**Significant actuarial assumptions at 31 December:**

	<b>2021</b>	2020	2019
Retail Price Inflation (% p.a.)	<b>3.00%</b>	3.00%	2.70%
Consumer Price Inflation (% p.a.)	<b>2.90%</b>	2.30%	1.90%
Discount rate (% p.a.)	<b>1.90%</b>	1.20%	2.10%
Revaluation of non-GMP in deferment (% p.a.)	<b>2.90%</b>	2.30%	1.90%
General salary increases (% p.a.)	<b>2.90%</b>	2.30%	1.90%
Life expectancy of male / female aged 65	<b>22.6 / 25.0</b>	22.8 / 25.1	23.2 / 25.2
Life expectancy of male / female aged 65 in 20 years' time	<b>23.8 / 26.4</b>	24.1 / 26.5	24.6 / 26.7

**23 CATHEDRAL CLERGY PENSIONS**

St Paul's Cathedral (London) participates in the Church of England Funded Pensions Scheme for stipendiary clergy. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies.

Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, thus contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable towards benefits and expenses accrued in that year (2021: £37,000, 2020: £23,000).

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**23 CATHEDRAL CLERGY PENSIONS (continued)**

A valuation of the Scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 31 December 2021 is currently in progress at the date of approval of the 2021 financial statements. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m, assessed using the following assumptions:

- an average discount rate of 3.2% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- increase in pensionable stipends of 3.4% p.a.; and
- Mortality in accordance with 95% of the S3NA\_VL tables, with allowance for improvements in mortality rates in line with the CMI2018 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter<sup>7</sup> of 7 and an initial addition to mortality improvements of 0.5% pa.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are:

- 11.9% of pensionable stipends from January 2018 to December 2021: and
- 7.1% of pensionable stipends from January 2021 to December 2022.

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force as set out above.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability in 2021 and 2020 is set out in the table below.

<b>Movement in pension provision</b>	<b>2021</b>	2020
	<b>£000s</b>	£000s
Liability at 1 January	14	25
Deficit contribution paid	(8)	(13)
Interest (recognised in SOFA)	-	-
Actuarial change in liability*	1	2
Liability at 31 December	<u>7</u>	<u>14</u>

\* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. In general, these are set by reference to the duration of the deficit recovery payments but as at 31 December 2021, under accounting rules the payments are not discounted since the remaining recovery plan is less than 12 months. No price inflation assumption is needed since pensionable stipends for the remainder of the recovery plan are already known.

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**23 CATHEDRAL CLERGY PENSIONS (continued)**

**Significant actuarial assumptions at 31 December (per annum):**

	<b>2021</b>	2020	2019
Discount rate	<b>0.0%</b>	0.2%	1.1%
Price inflation	<b>n/a</b>	3.1%	2.8%
Pensionable payroll increases	<b>(1.5%)</b>	1.6%	1.3%

The legal structure of the scheme is such that if another Responsible Body fails, St Paul's Cathedral (London) could become responsible for paying a share of that Responsible Body's pension liabilities.

**24 GOING CONCERN**

The COVID pandemic has had a significant impact on the Cathedral, its staff, volunteers, congregation, as well as on its finances.

In 2020 the Cathedral entity has an operating deficit (net outgoing resources before gains / (losses)) of £5m and in 2021, as shown on page 51 (SOFA for the Cathedral), the Cathedral had an operating deficit of £882k. This compares to a surplus of £2,739k in 2019 before the pandemic.

As shown on page 24 of the Annual Report, in recent years, the Cathedral's financial operating model has successfully allowed the Chapter to build up funds in reserves and this has helped it to weather some of the initial financial consequences of the pandemic.

St Paul's is not only a major Cathedral but also a popular tourist attraction with around 85% of its visitors from overseas. Income from visitors, the shop and other commercial income is a major part of the financial operating model. Lockdown and travel restrictions in 2020 and 2021 in the UK and around the world, as well as social distancing and other requirements, have had a major impact on the Cathedral's income. The number of paying visitors in 2020 and 2021 was 131,288 and 133,840 respectively. This compares to 929,003 in 2019, reductions of over 85%. Income from visitors reduced by over £11.1m to £2.2m.

To address the situation, the Chapter took significant mitigating actions to ensure the Cathedral remains operationally and financially viable, and to protect the core aspects of the Cathedral. These actions

- Embarking on a major restructuring programme in 2020 to reduce headcount and discretionary costs;
- Ring-fencing reserves (note 21) in 2020 to fund projected deficits of a total of £10m over the next 2 - 3 years;
- Ensuring sufficient short-term cash flow resources would be available, it realised £8.6m of listed investments in 2020;
- Maximising use of the Coronavirus Job Retention Scheme (furlough scheme) with over £2 million in grants since March 2020;

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**24 GOING CONCERN (continued)**

- • Increasing fundraising applications including being successful in receiving £3 million from the National Lottery Heritage Fund Culture Recovery Scheme; and
- Applying and successfully obtaining a Coronavirus Business Interruption Loan (CBILs) for £5 million.

The Chapter undertook a thorough and comprehensive review process when making its assessment of going concern. It reviewed projected budgets for the period to, and beyond, the end of 2023 and projected cash flows up to 31 December 2023. This is the date it regards as the 'foreseeable future' for the purposes of this Note.

It considered sensitivities to the projections and adopted a prudent scenario that over the next two years there will, overall, be a slower upturn in economic activity than that forecast in the press.

On the number of visitors to the Cathedral, the Chapter took the view that there will be a prolonged reduction in the number of overseas visitors traveling to the UK and that this will continue over the next two to three years. From 2024 onwards, it has taken the view that there will be a return to the 2016 pre-pandemic level of paying (UK and overseas) visitors of around 700,000 per year.

As well as income from visitors, the Chapter took account of the pressures on its other key sources of income including commercial income, grants and donations.

**Conclusions**

Based on the projected budgets and cash flows and the level of reserves the current visitor trends, the Chapter have concluded, for the of the 'foreseeable future' period noted above, that:

- (a) there is a reasonable expectation that the Cathedral has adequate resources to continue in operational existence; and
- (b) there is no material uncertainty regarding the Cathedral's ability to continue as a going concern.

The Chapter therefore continues to adopt the going concern basis in preparing these financial statements.

**25 CAPITAL COMMITMENTS**

The Cathedral has a building contract with Sir Robert McAlpine for the construction of the Remember Me Inner Portico. The contract value is £0.9m excluding VAT. The Gross Valuation at 14 December 2021 was £0.4m excluding VAT. At the year end a commitment of £0.5m was outstanding and will be settled in 2022. There are no other capital commitments across the group.

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**26 CONTINGENT LIABILITIES**

The Cathedral and its subsidiaries had no contingent liabilities as at 31 December 2021 (2020: none).

**27 OPERATING LEASE COMMITMENTS**

At 31 December total commitments for the group under operating leases were as follows. These leases are in relation to the Cathedral's subsidiary St Paul's Cathedral Enterprises Limited for rental costs for Paternoster Lodge. The Cathedral has no material operating lease commitments.

<b>Group</b>	<b>2021</b> <b>£000s</b>	2020 £000s
Under one year	<b>85</b>	85
Two to five years	<b>19</b>	104
<b>Total</b>	<b>104</b>	189

The subsidiary has lease operating income commitments of £85,000 per year in relation to the same property above, Paternoster Lodge. The lease ends on 22 March 2023.

**28 RELATED PARTY TRANSACTIONS**

Income of £415,565 (2020: £Nil) was received from St Paul's Cathedral Enterprises Limited, being a distribution of 100% of the net income for the year. In addition, St Paul's Cathedral Enterprises Limited was recharged salaries of £248,513 (2020: £413,264). As at the year end, £752,919 (2020: £255,925) was owed and included within the Cathedral's debtors.

Tuition fees of £330,202 (2020: £470,543) and music fees of £53,426 (2020: £60,187) were paid to St Paul's Cathedral Choir School ("School") to fund the education of the choristers. The Cathedral loaned the School a further £560,827 (2020: £1,939,172), repayments were made in the year of £38,370 (2020: £Nil). The loan balance outstanding at the year end is £2,461,630 (2020: £1,939,172). The Cathedral paid grants to the School totalling £5,000 (2020: £500,000) in relation to the Learning in Harmony project. The Cathedral received a donation from the School during the year for £149,548 (2020: £Nil). The Cathedral received rental income from the School of £125,194 (2020: £125,194) and received interest on the intercompany loan of £105,359 (2020: £9,289). As at the year end, £7,890 was owed to the School and included in creditors (2020: £102,768 was receivable and included within the Cathedral's debtors).

During the year St Paul's Cathedral Foundation awarded the Cathedral grants totalling £1,176,769 (2020: £500) and awarded the School grants totalling £155,438 (2020: 50,000). As at the year end grants totalling £Nil (2020: £1,370,000) were owed and included within the Cathedral's debtors. There were no balances outstanding between the Foundation and School at the year end (2020: none). As at the year end £22,663 (2020: £69,877) was owed and included within the Cathedral's debtors in relation to other reimbursed expenses.

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**28 RELATED PARTY TRANSACTIONS (continued)**

Friends of St Paul's Cathedral ("Friends") is an associated entity of the Cathedral (see note 20c) and is a related party to the Cathedral by virtue of common trustees of Friends also being members of the Chapter of the Cathedral. During the year Friends awarded grants of £165,000 (2020: £65,000) to the Cathedral in respect of £50,000 (2020: Nil) towards Whispering Gallery Safety, £50,000 (2020: Nil) towards Remember Me (Inner Portico), £35,000 (2020: £35,000) being a salary contribution, £20,000 (2020: £20,000) towards the Schools and families department with a further £10,000 (2020: £10,000) towards the choristers. As at the year end grants totalling £Nil (2020: £130,000) was owed and included within the Cathedral's debtors. As at the year end £Nil (2020: £38,136) was owed and included within the Cathedral's debtors in relation to other reimbursed expenses.

In 2021 no Chapter members donated to St Paul's Cathedral during the year. In 2020 one Chapter member donated a total of £3,870 to the Cathedral.

The Cathedral takes out insurance cover to indemnify the legal liabilities of individual trustees as members of the Chapter, or any employee, for loss or environmental defence costs resulting from any wrongful act as trustee when carrying out any duty as trustee, or as an employee acting on behalf of a trustee.

**29 POST BALANCE SHEET EVENTS**

The Governors of the St Paul's Cathedral School and the Chapter of the Cathedral have started discussions with the objective of restructuring the governance arrangements at the School. As part of this exercise the trade and assets will move from the School in its current structure as an unincorporated charity to an incorporated charity. Discussions are ongoing and the new changes are expected to take place in the near future. The School's results will continue to be consolidated in the Cathedral's financial statements as a result of the restructure.

**30 RECONCILIATION OF NET INCOMING / (OUTGOING) RESOURCES TO NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES**

<b>GROUP</b>	<b>Note</b>	<b>2021 £000s</b>	<b>2020 £000s</b>
<b>Net incoming / (outgoing) resources</b>		<b>3,188</b>	<b>(726)</b>
Depreciation of tangible fixed assets	<b>11</b>	<b>259</b>	101
Decrease / (Increase) in stock		<b>75</b>	(32)
Decrease in debtors	<b>15 / 16</b>	<b>432</b>	694
Increase / (Decrease) in creditors excluding bank loan	<b>17 / 18</b>	<b>252</b>	(604)
Investment management costs	<b>6</b>	<b>73</b>	77
Income from investment property and investments		<b>(323)</b>	(525)
Net movement in cash held in investments	<b>14</b>	<b>(36)</b>	(2,670)
Investment gains	<b>13 / 14</b>	<b>(2,186)</b>	(867)
<b>Net cash provided by / (used in) operating activities</b>		<b><u>1,734</u></b>	<b><u>(4,552)</u></b>

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**31 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020 BY FUND**

a) GROUP		Unrestricted Funds £000s	Restricted Funds £000s	Endowment Fund £000s	Total 2020 £000s
	Note				
<b>Income</b>					
Donations, legacies and grants					
Donations and legacies	2	566	2,932	-	3,498
Grants	3	1,423	3,137	-	4,560
Income from charitable activities	4	176	4,028	-	4,204
Income from other trading activities	5	2,270	-	-	2,270
Income from property and investments		436	89	-	525
<b>Total</b>		<b>4,871</b>	<b>10,186</b>	<b>-</b>	<b>15,057</b>
<b>Expenditure</b>					
Raising Funds	6	3,479	512	-	3,991
Charitable Activities	7			-	
Ministry		1,615	442	-	2,057
Cathedral and precincts upkeep		2,790	2,748	-	5,538
Education and outreach, community and congregation		1,072	3,992	-	5,064
<b>Total</b>		<b>8,956</b>	<b>7,694</b>	<b>-</b>	<b>16,650</b>
<b>Net (outgoing) / incoming resources</b>		<b>(4,085)</b>	<b>2,492</b>	<b>-</b>	<b>(1,593)</b>
<b>Gains on revaluations and disposals of investments</b>	14	79	194	594	867
<b>Transfers between funds</b>	21	95	(95)	-	-
<b>Net (decrease) / increase</b>		<b>(3,911)</b>	<b>2,591</b>	<b>594</b>	<b>(726)</b>
Funds brought forward	21	28,535	8,680	5,951	43,166
<b>Funds carried forward</b>	21	<b>24,624</b>	<b>11,271</b>	<b>6,545</b>	<b>42,440</b>

**St Paul's Cathedral**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2021**

**31 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020 BY FUND**

<b>b) CATHEDRAL</b>	<b>Unrestricted Funds £000s</b>	<b>Restricted Funds £000s</b>	<b>Endowment Fund £000s</b>	<b>Total 2020 £000s</b>
<b>Income</b>				
Donations, legacies and grants				
Donations and legacies	254	2,517	-	2,771
Grants	1,423	2,667	-	4,090
Income from charitable activities	176	-	-	176
Income from other trading activities	1,632	-	-	1,632
Income from property and investments	561	53	-	614
<b>Total</b>	<b>4,046</b>	<b>5,237</b>	<b>-</b>	<b>9,283</b>
<b>Expenditure</b>				
Raising Funds	2,624	512	-	3,136
Charitable Activities			-	
Ministry	1,615	442	-	2,057
Cathedral and precincts upkeep	2,790	2,748	-	5,538
Education and outreach, community and congregation	2,101	210	-	2,311
<b>Total</b>	<b>9,130</b>	<b>3,912</b>	<b>-</b>	<b>13,042</b>
<b>Net (outgoing) / incoming resources</b>	<b>(5,084)</b>	<b>1,325</b>	<b>-</b>	<b>(3,759)</b>
<b>Gains on revaluations and disposals of investments</b>	<b>79</b>	<b>121</b>	<b>594</b>	<b>794</b>
<b>Transfers between funds</b>	<b>95</b>	<b>(95)</b>	<b>-</b>	<b>-</b>
<b>Net (decrease) / increase in funds</b>	<b>(4,910)</b>	<b>1,351</b>	<b>594</b>	<b>(2,965)</b>
Funds brought forward	28,021	9,194	5,951	43,166
<b>Funds carried forward</b>	<b>23,111</b>	<b>10,545</b>	<b>6,545</b>	<b>40,201</b>