

**Annual Report and Financial Statements
for the year ended 31 December 2022
St Paul's Cathedral**



St Paul's Cathedral Annual Report and Financial Statements 2022

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THE DEAN'S REPORT

I am delighted to be able to present to you my first report as Dean of St Paul's. Over the past 34 years, I have served in parish, chaplaincy and cathedral settings in England as well as the Netherlands, and am constantly amazed and delighted to see how Christian communities are inspired by the Holy Spirit to serve their local contexts.



Announcement of Andrew Tremlett as the new Dean of St Paul's on 30 March 2022.

In the sermon at my installation on 25 September 2022, I used a text which brought together various threads of my experience in London and in the North East of England.

As is well known here, Christianity first came to the South East of England, after the earlier Roman settlement, through the mission of St Augustine of Canterbury who was accompanied by St Mellitus, later consecrated as the first Bishop of London – whose office Bishop Sarah now stands 133rd in line – and founder of the first St Paul's Cathedral on this site at the top of Ludgate Hill in 604 AD.

By happy coincidence, one of the main sources of information we have about Mellitus, and the mission initiated by Pope Gregory the Great, is to be found in the writings a hundred years later of The Venerable Bede, the great scholar-monk of the Jarrow-Monkwearmouth monastery who is now buried in Durham Cathedral.

Bede captures the instructions given by Gregory to Augustine in a letter to Mellitus, in which he writes of two very important principles:

Tell Augustine that he should be no means destroy the temples of the gods but rather the idols within those temples. Let him, after he has purified them with holy water, place altars and relics of the saints in them. For, if those temples are well built, they should be converted ... to the service of the true God

And then a little later:

when one wishes to reach the top of a mountain, you must climb by stages and step by step, not by leaps and bounds....

So the two principles are: firstly, build on what you find – but don't be afraid to challenge and be challenged, and secondly, work incrementally and make sure the work lasts.

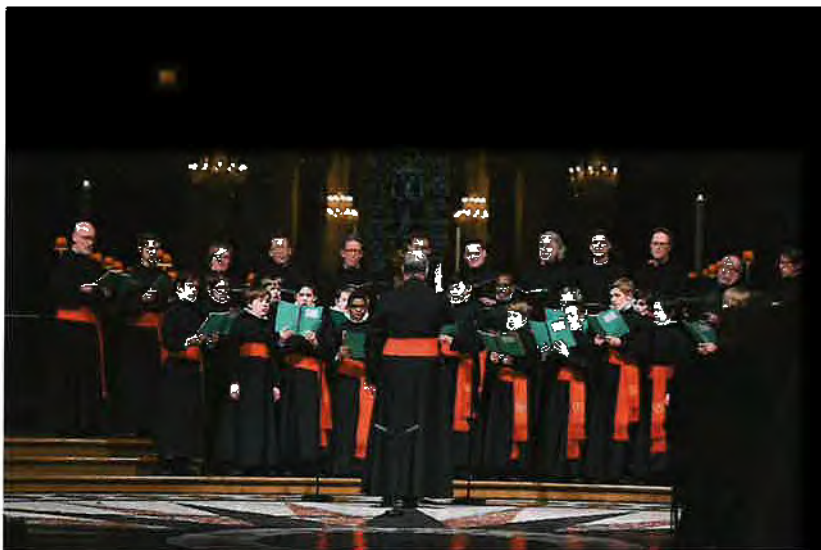
Now well into my first year as Dean, it's good to be able to look back and reflect on how those two principles are working out in practice.

Firstly, there is such a rich history at St Paul's of service to the City and to the Nation. After the COVID years, when the full force of the pandemic was felt, 2022 saw St Paul's make a strong

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recovery and return to its role as a *vibrant church, a national monument and a London icon*. That this was possible was entirely down to the hard work and dedication of the staff, volunteers and supporters who give tirelessly of their time and resources to enable St Paul's to serve God in the City, Diocese and Nation.

In the first quarter of 2022, the beautiful and inspirational *Remember Me* portico was completed, marking a milestone in the campaign to provide a permanent and lasting memorial to those who died in the Pandemic. A memorial concert on 23 March, the second anniversary of the national



Never to Forget & Remember Me Concert on 23 March 2022, being the second anniversary of the national lock-down.

lock-down, under the title of *Remember Me & Never to Forget*, brought together the families, National Health Service workers, donors and artists to recall that those who died 'were not just statistics. but have our own very special place in St Paul's and the nation'. Sir Lloyd Dorfman, the project's lead donor, recalled that 'Covid does not discriminate according to the God people worship'. Later in the year, the portico featured in a site visit by the National COVID Memorial

Commission, led by Baroness Nicky Morgan.

St Paul's played a central role in the national celebration of the Platinum Jubilee, with a service of thanksgiving on 3 June 2022. As well as a newly commissioned anthem by Judith Wier, setting to music words from Proverbs Ch. 3 ('Happy is the one who finds Wisdom'), the service focussed on three central themes - The Queen's reign, faith and service; a desire to foster unity and peace amongst all peoples; and commitment to care for God's creation.

A few short months later, St Paul's led the nation and the world in a Service of Prayer and Reflection just 24 hours after the announcement of the death of Her late Majesty Queen Elizabeth the Second. Like all moments of history, it was notable both for continuity and change – the long familiar words of the national anthem now being sung as a prayer for the King for the first time.

But what stood out for me was the way St Paul's was able to offer its service to the general public who wished to be present. Without fanfare or pomp, some 2,000 people drawn from the widest cross-section of society filled the Cathedral. Even our 'first citizens' – the Prime Minister and the Lord Mayor – were not given their usual ceremonial entrance but rather, in keeping with the occasion, were greeted informally at the North Transept and shown to their seats.

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These two occasions – the Platinum Jubilee and the Service of Prayer and Reflection – so utterly contrasting in nature, showed St Paul's at its very best: responsive, professional, inclusive and above all bringing glory to God in serving the nation.

These formed the heart of a loyal address which I was honoured to give on behalf of St Paul's on 9 March 2023 in the presence of His Majesty the King. Along with other 'Privileged Bodies', St Paul's was invited to give a short loyal address on the King's accession and a small group staff and volunteers reflecting the breadth of our community attended, followed by a celebration for all staff and volunteers.

The text included the words:

We recall with thanksgiving the life and witness of Her late Majesty the Queen and remember with joy the Service of Thanksgiving in St Paul's to celebrate her Platinum Jubilee last summer, where Your Majesty and other members of the Royal Family, joined the nation in celebrating her lifelong faith in God and devotion to the service of the nation and Commonwealth.

Just a few short months later, we joined the global community in mourning the death of Her late Majesty, and on that first day St Paul's led the nation in a Service of Prayer and Reflection, bringing together Londoners and many others without ceremony or fanfare, to express their grief through word and song.

At this time of Accession, we are most mindful of Your Majesty's faith deeply rooted in the Christian tradition and the values it inspires, and as the Cathedral Church of Your capital city we welcome your commitment to serve others, regardless of background or belief, with loyalty, respect and love, as you have done throughout your life.

We here renew our own commitment to serve you with loyalty as we serve the King of kings with faithfulness, not only in our mission to proclaim the Gospel in the Diocese of London, but also as a symbol of Christian faith within the rich diversity of Your capital city.

This year of extraordinary change was brought to a close with the Coronation on Saturday 6 May, when I represented St Paul's – as I did at the Queen's funeral. Our own celebration of the Coronation was a commemorative Evensong on the following day, at which Bishop Sarah preached.

And what of the second principle – that of building incrementally to ensure that it lasts?

Last year, the Chapter of St Paul's took the momentous and long-overdue decision to welcome Girls into our wonderful choir. After 900 years of hearing only boys' voices, this is a signal moment which, of course, speaks deeply of the equality of all God's children. Not only is equality of opportunity a legal imperative, but it is also rooted in the Christian gospel, though ignored for so long:

There is no longer Jew or Greek, there is no longer slave or free, there is no longer male and female; for all of you are one in Christ Jesus.

Of course, as Gregory's letter to Mellitus rightly points out, the process of change involves building on the solid foundations that have been laid in other generations. What we are seeking is the same opportunities for girls as for boys – which includes hearing music by women

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composers, seeing women musicians progress professionally, experiencing them conducting and performing, as well as the more tangible projects of increasing the boarding-house capacity in St Paul's Cathedral School.

The aim is that by September 2025, St Paul's will be in a position to offer girls and boys the same opportunities and that in the coming years we will grow two 'top lines' of international standing. This is an undertaking of considerable cost, scale and complexity, but one which St Paul's is deeply committed to bringing to fruition, not least because it will result in the world's premier Anglican Choral foundation.

Inevitably in a report such as this, the scope is limited, but my colleagues across the Cathedral departments have been assiduous in recording the achievements of their teams which you can read further on. However, I would like to record my thanks – and those of Chapter – to the hundreds of staff and volunteers who make St Paul's the vibrant and life-giving community it is.

May God bless you,



The Very Revd Andrew Tremlett

Date: 26/7/2023

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 13 April 2000 and last amended on 8 May 2019.

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.

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 8 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 47.

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St Paul's as a Cathedral has a particular role in supporting the Bishop's ministry both directly and across the Diocese. 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.

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 twice in 2022, and received and considered the Annual Report and audited Financial Statements for 2021 and the Annual Budget for 2023.

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 June 2022 to receive and consider the Annual Report and audited Financial Statements for 2021.

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.

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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, the Cathedral announced its intention to establish Girl Choristers, of equal number and profile to the boys. There are many practical arrangements to be made to ensure the offering is truly equal for both boys and girls and, as a result of the time that this will take, the first girls were planned to join the choir in 2025.

Concurrently, in December 2022 the Independent Schools' Inspectorate (ISI) found the school non-compliant with the Equality Act on the grounds that girls do not yet have the opportunity for choristership on the same terms as boys. In the light of the detailed plans made by the Girls' Voices Project Board and the decision to admit girls choristers as non-boarding probationers from September 2023, a re-inspection by ISI in May 2023 has indicated that the school is making substantial progress towards compliance and the Inspectors will be supporting an increase in roll of 20 pupils to accommodate the new chorister places. While full compliance is still some way off, the school's continued progress towards this important project will be monitored by the Department for Education.

Registrar / Chief Officers

The Registrar was the Senior Administrative Officer in the Cathedral who assisted the Chapter in their executive responsibilities and was appointed by the Chapter. In preparation for the Cathedrals' Measure the role has been replaced with two Chief Officer roles, a Chief Operating Officer and a Chief Financial Officer.

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Executive Leadership Team

The Executive Leadership Team (ELT) consists of a mix of Ministerial and Lay Directors, accountable to the Chapter 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.



Announcement to Cathedral staff on the West steps of appointment of new Dean, Andrew Tremlett.

PURPOSE, PRIORITIES AND PROGRESS

The Strategic Plan, as reported last year remains in place, and 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.

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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 2022 are summarised below.

Worship, Liturgy and Music

The daily rhythm of prayer and worship remains at the heart of the common life of the Cathedral and continues to be enriched through the excellence of our musical tradition. Numbers of people attending Services grew throughout the year and by the end of the year they were only a little below figures from 2019. In addition to regular worship a number of highly significant special services and concerts took place, most notably The National Service of Thanksgiving to celebrate the Platinum Jubilee of Her Majesty The Queen and the Service of Prayer and Reflection following the death of Queen Elizabeth.



The National Service of Thanksgiving to celebrate the Platinum Jubilee of HM Queen Elizabeth II.

Throughout 2022, numbers attending regular Services grew from a very low starting base, until in December 2022 attendance was 98% of that of December 2019. Overall attendance in 2022 was 86% of that of 2019. Advent and Christmas Services were particularly well

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attended with demand for our Christmas Carol Services far exceeding seating capacity.

In addition to regular services, a variety of special services marked important anniversaries and celebrated the work of various charitable organisations. These included The National Service of Thanksgiving to celebrate the Platinum Jubilee of Her Majesty The Queen; a Service to mark the 40th Anniversary of the Falklands Conflict; and the Service of Prayer and Reflection following the death of Queen Elizabeth, which, like the Platinum Jubilee Service, was broadcast live around the world on both television and radio. Alongside these special services, there were a number of notable concerts including a Gala concert by the London Symphony Orchestra conducted by Sir Simon Rattle, which incorporated external performances both in Paternoster Square and on the steps of the Cathedral, and a concert on the anniversary of the first "lockdown" remembering those who died during the pandemic, as part of our "Remember Me" Memorial Project.



Service of Prayer and Reflection on 9 September 2022 following the death of HM Queen Elizabeth II.

The regular pattern of organ recitals continued to be a highlight of the year. This year featured the special organ recital series "Organ Giants" celebrating 150 years of the Willis organ of St Paul's, which began in 2021, continued throughout 2022 with recitals available to view online, and the return of the annual Celebrity Organ Recital series. This consisted of five recitals between May and September given by internationally renowned players from France, Germany, the United States of America, and the United Kingdom.

Having secured the necessary funding, two performances of Handel's "*Messiah*" were held in 2022. Both were very well attended despite the introduction of a modest ticket charge. There are enough funds remaining for both a performance of Handel's "*Messiah*" in December 2023 and Bach's "*St John's Passion*" in March 2023. An Orchestral Mass also returned in July 2022, due to the generosity of The Worshipful Company of Chartered Accountants.

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Throughout 2022 our OBE Music Partnerships Programme shared the Cathedral's musical heritage with a diverse range of children across London through engagement with schools, churches, and community choirs. In the first half of the year, they focused on the Platinum Jubilee and in the second half of the year on the 300th anniversary of the death of Sir Christopher Wren.

The plans for the introduction of Girls' Voices, drawn up at the end of 2021 were developed further in 2022. The introduction of Girls' Voices remains a key priority for the Cathedral and work to deliver this will continue throughout 2023, overseen by a dedicated Girls Voices Project Board.

Learning

2022 saw a return to much greater normality across all aspects of the learning programme offered by the Cathedral. The schools and family learning team have welcomed 22,171 school children into the Cathedral for visits and worked with over 2,500 families in dedicated family activities. The Adult Learning and Social justice teams continue to offer a blend of in person and online events which remain popular with around 126,000 engagements over the course of the year.

The schools and family learning team has seen an unprecedented bounce back in school visits for the Schools and Family Learning department. Over the year they maintained a 98.3% 'good to excellent' feedback ratings for their delivery while engaging with 22,171 school children (25,316 including accompanying adults on the school visits). The team has also been working hard to improve their offer to visiting schools, ensuring that it is fully inclusive and relevant for everyone who attends. This has been done by underpinning each session with a sensory learning focus. This means all students will be able to engage with the content through sight, smell, touch, taste and sound. The quality of handling objects is being improved to museum standard replicas and work is beginning on the supplementary materials to support schools' visits on the digital Learning Library, within the website.



Adult Learning event on 25 October 2022 with actress Adjoah Andoh.

For much of 2021 Adult Learning and Social justice events were solely online, but 2022 saw the return of in person events. The first on the Cathedral floor ('A New Beginning? Recovering Well after the pandemic') was chaired by the Bishop of London, Sarah Mullally, and explored the question of how we might live better after the pandemic, economically, politically, culturally and spiritually. It was attended by 332 on the night and was subsequently watched by over 2500 people. The

second Cathedral floor event was on the Psalms with input from the Chancellor, Canon Dr Paula Gooder, the actress Adjoah Andoh and the Cathedral music department. It was attended by over 500 people on the night and has been watched on YouTube and listened to on Sound Cloud over 2,200 times.

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Alongside the largescale Cathedral floor events, solely online conversation events continue to be popular with Chancellor Canon Paula Gooder talking to a wide range of people including Catherine Fox, Anna Rowlands, Andrew Nunn, Lusa Nsenga-Ngoy, Tom McLeish, Helen-Ann Hartley and Lucy Winkett. These conversations have been watched around 17,000 times. This year also saw the start of collaboration between St Paul's Cathedral, Westminster Abbey and the Diocese of London in a series of lectures, called the Koinonia lectures, presenting cutting edge theological research. The first of these lectures a presentation by the Rt Revd and Rt Honourable Dr Rowan Williams who introduced the writing of the French Catholic writer, Madeleine Delbrel. The weekly reflections which began during lockdown also remain popular. During 2022, 42 seasonal reflections were sent out on a weekly basis to our mailing list and were read, on average by 2,250 people per week.

There were also a range of other in person events including retreats for weary activists, a workshop on climate grief, and four Sunday talks which explored key figures from the Christian tradition: St Paul, St Augustine, Hildegard of Bingen, James Kone. These four talks were attended by around 200 people and have been watched around 6,000 times.

Work has also continued on the Cathedral's response to its contested heritage, in a project called Challenging History. The key focus of this work in 2022 has been the commissioning and presentation of the 50 monuments in 50 voices project, which invited fifty people from very different backgrounds to each respond to a monument in the Cathedral. These responses can be found on the dedicated website. As a part of this project, the Nigerian artist Victor Ehikhamenor produced a piece of art called Still Standing which was purchased by the Art Fund but displayed within the Cathedral from February to May 2022. The display of the artwork was launched with an event attended by around 100 people. A Collections Community Engagement Manager has now been appointed and began work on a two-year project from the end of 2022 to continue work on the Cathedral's monuments.

The Cathedral Buildings and Infrastructure

Care for the Cathedral's buildings continued during 2022, with key projects variously beginning, continuing, and reaching completion during the year. The major focus in this area remains planning for the delivery of the recommendations contained Quinquennial Inspection Report, including raising over £60 million to enable this.

Work on the Cathedral's buildings was on-going during 2022, with a particular emphasis on three key projects. The first of these, the Inner portico and Remember Me memorial was completed and opened to the public in the summer of 2022, along with the equal access ramp. The design of the portico was highly acclaimed and was the 2022 winner of a Woods Award for excellence in architecture and product design in wood in the 'interior' category. Work has also begun on preparing the Whispering Gallery for re-opening to the public with an anticipated completion date of Autumn 2023. The Library project has spanned a number of years and completed in April 2023 as the books were returned from storage.

Alongside special projects such as these, the on-going care and maintenance of the Cathedral's building remains of the highest priority. Of particular importance in 2022 was planning for the delivery of the recommendations listed in the Quinquennial Inspection Report, it is estimated that this will require the Cathedral to raise over £60 million and work to enable this is also underway.

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It was also announced in 2022 that the Clerk of Works will retire after 25 years of dedicated service to the Cathedral. The recruitment process for his successor has begun and plans are in place to enable a suitable handover period.

Another aspect of the maintenance of the Cathedral involves taking care of its infrastructure, particularly in the area of IT. The IT team have worked hard to ensure that IT works well across the Cathedral from providing screens to enable visitors to access the Online Memorial book in the Middlesex chapel to installing a mobile audio-visual unit in the Large and Small Chapter Rooms to enable hybrid meetings. They have also worked with the music department to ensure the proper installation of CCTV in the Organ loft and importantly obtained cyber essentials accreditation for the Cathedral.

Our Staff

The Cathedral would not be what it is without the care and dedication of its 160 members of staff and we remain hugely grateful to them for everything that they do.

Although, when most people think of St Paul's Cathedral, they think of its iconic dome or beautiful interior, it is the staff and volunteer body that make it what it is. We are grateful to our staff body of around 160 staff who work tirelessly to keep the Cathedral open and well-maintained, provide a warm welcome to our many visitors and enable our many services, concerts, learning events and other visitor experiences to happen.

As the cathedral returns to pre-covid levels of activity, staff numbers have begun to increase again. Overall, this year, we recruited 25 permanent members of staff as well as 18 on casual contracts. In contrast only 6 people left which reveals a comparatively low turn-over rate. A breakdown of statistics reveals that there is a 52% / 48% male / female split. People's average length of service is 9 years, and the average age of our staff is 48. During 2023 the Cathedral will be returning to a full appraisal system, something that lapsed during lockdown, with clear objectives for each directorate, department and role.

The Cathedral continues its commitment to being a London Living Wage employer, with pay by gender fairly evenly split between male and females. However, as a result of the composition of the senior leadership team, women occupy just over 52% of the highest paid jobs but also just under 57% of the lowest paid jobs. The median hourly pay is 16% higher for women than men with women's mean hourly pay 3.3% higher than men.

Our Volunteers

Alongside our staff team, the Cathedral is indebted to our large team of volunteers, who, in a wide range of roles from Cathedral floor guides to Wandsmen; broderers to bell ringers; schools and family volunteers to servers, enable many aspects of the Cathedral's life.

Due to the demographic of many of our volunteers, the impact of the pandemic was felt for some time in early 2022 among the volunteer community and in some areas returning to volunteering was slow. Nevertheless, all volunteering activities have now returned to the Cathedral.

The Volunteer Manager has been working to standardise best practice across the various volunteering teams, rolling out new policies and integrating ways of working into the newly adopted volunteer management software 'Assemble'. This software creates a consistent and

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more efficient approach to welcoming new volunteers and will make future communications and documentation easier to manage. With this in mind, a Volunteer Advisory Forum has also been established to enable staff and volunteers to identify issues and work together to find solutions, and to make changes and improvements that will support the more consistent approach across all the teams in the Cathedral.

Our Supporters and Fundraising

Thanks to generous support from individual donors, the Friends of St Paul's, Music Patrons, corporate sponsors, numerous trusts and foundations and City Livery companies fundraising income for 2022 came to close to £3 million. We are very grateful to all those who have supported us financially this year.

The work of the Development Department has continued to provide vital income throughout 2022, both to specific projects and to more long-term maintenance of the Cathedral. This support comes from a wide range of sources from individual donors to corporate supporters, from our own Friends organisation to a range of trusts and foundations. Also key to the life of the Cathedral is the generosity Music Patrons and City Livery companies.



Attendance of HRH The Duchess of Gloucester on 29 April 2023 at the Friends 70th Anniversary Service

One of the most important projects that the development team has worked on this year is the Inner Portico and Remember Me memorial, also mentioned earlier in this report. As a part of the fundraising for this key project, there was a 'Remember Me Concert' held on the 23 March, attended by around 2,300 people and live streamed to 9,000 household, thanks to some very generous support from donors. The Remember Me online book of memorial remains open to new entries and currently holds over 11,300 names.

The equal access ramp, at the north transept entrance to cathedral, also opened this year. This first major alteration to the outside of the Cathedral since its dedication in 1711 was made possible due to over £3 million in generous donations. Together with the inner portico, the ramp means that there is full equal access for everyone who wishes to enter the cathedral regardless of their physical ability.

The development team continue to work to raises funds for key projects particularly the re-opening of the Whispering Gallery, vital repairs to the Ball and Cross and the introduction of girl's voices into the Cathedral choir.

Our Visitors

We were very encouraged this year to see visitors return in far greater numbers in 2022 than had previously been anticipated. Many of these visitors were domestic sightseers which marks a significant increase when compared with previous years. Carefully constructed marketing campaigns and a updated website have supported this increase.

During 2022, we were visited by 547,355 sightseers, this was 56% more than we had budgeted for at the start of the year though was still 41% down on the numbers who came in 2019. Research indicates that of those visitors 53% were domestic sightseers. This represented our highest number of domestic visitors for over eleven years.



Jubilee Exhibition in 25 May 2022.

The Visitor Experience team continue to care for our paying visitors from booking tickets to welcoming them onto the Cathedral floor. To further enhance this welcome, a number of both staff and volunteers have enrolled on the first Guide Training course to be held since 2017.

The Cathedral website is a vital source of information for visitors. The previous website was out of date and no longer fit for purpose so a significant moment in 2022 was the launch of the new St Paul's website on 29 March 2022. The new website is fully mobile / device responsive, user-friendly and accessible and has received 4 million unique visits since the launch. In addition to the website there were also significant marketing and digital engagement campaigns for 2022 for Lent and Easter, Handel's Messiah in March, the Platinum Jubilee (including an exhibition in the crypt), the opening of the equal access ramp and the Remember Me memorial, Kids Go Free and school holiday activities, the Service of Thanksgiving and Reflection for HM The

Queen, Advent and Christmas. All of which resulted in an upturn in engagement.

The specific campaigns are also supported by on-going social media. Across all of the social media channels (Facebook, Instagram, Twitter, LinkedIn) we reached 7.5 million people (an increase of 5.4 million from 2021) through thoughtful and engaging posts. The average social media engagement rate was 5.89%, an increase of 0.47% on 2021 and we ended 2022 with 182k Facebook fans (an increase of 4.4k), 44k Instagram followers (an increase of 13k), 62k Twitter followers (an increase of 5.3k) and 1.1k LinkedIn followers. The Stories from St Paul's podcast series is also popular, with 28 episodes having received more than 30,000 plays so far.

Maintaining a safe and secure site is vital and the security team continue to add to our welcome. The Cathedral continues to invest and prioritise front line security as well as planning behind the scenes and is working closely with the City of London Police at all levels.

Our Commercial Enterprise

As with visitor numbers, commercial enterprises also exceeded its targets for 2022 and brought in a considerable profit to the Cathedral both through the work of the shop and through corporate events.

The uplift in both visitor numbers and average spend helped to increase the return from Enterprises to over £1 million over the course of the year. The Jubilee range of goods sold well in the shop, and we were able to offer refreshments in the crypt in the form of a Coffee Cart. Corporate events also contributed to this with almost 100 bookings.

Safeguarding

Safeguarding remains a priority for the Cathedral and is embedded into everything that we do and is regularly monitored for effectiveness both by staff and by our external consultants.

Safeguarding at the Cathedral is a high priority. The Safeguarding Advisory Group meets quarterly and continues to exercise broad oversight of safeguarding activities, monitoring to see whether the measures in place are fit for purpose and effective. The group is independently chaired by our external consultant. As a part of the monitoring process to ensure that everyone within the Cathedral is aware of the on-going importance of safeguarding, all staff meetings now include a safeguarding update. The Cathedral has also moved away from online training and instead delivers safeguarding training in person.

It is worth noting that safeguarding presentations have increased through 2022 with the majority pertaining to the mental well-being of adults. The Safeguarding Officer and Chaplain have forged good relationships with local statutory partners and referrals are made as appropriate.

Strategic Objectives 2023

The Chapter have approved five key priorities for 2023 supported by a series of operational plans which outline in further detail their implementation. The priorities, listed below, have been developed in consultation with the Executive Leadership Team and Heads of Department.

1) Continuing the Recovery

The Cathedral's finances are in a better-than-expected position post Covid however £5.9m of unrestricted reserves were depleted and £8.6m of investments realised into cash to support operations. We need to rebuild our reserves and continue the recovery post Covid but remain cautious as there is still significant uncertainty in the sector.

2) Developing our People

The Cathedral has a large team of staff and volunteers to run sightseeing operations and the busy schedule of Worship. Our staff and volunteers meet and greet our visitors and worshippers every day and we need to invest in our people, including ensuring we have adequate resources, for the Cathedral to achieve its mission.

3) 15-year Fabric plan and Development campaign

Responsibility for a Grade 1 listed historic building presents a considerable challenge. The Quinquennial Inspection Report (QIR) provides in detail the works required to ensure the building is kept in a good state of repair. The work required runs into the millions and the Cathedral does not have the cash reserves to action this work without fundraising, therefore a 10-15 development campaign will be advised and delivered to ensure the future sustainability for the Cathedral.

4) Girls' Voices

The plans for the introduction of Girls' Voices, drawn up at the end of 2021 were developed further in 2022. The introduction of Girls' Voices remains a key priority for the Cathedral and work to deliver this will continue throughout 2023, overseen by a dedicated Girls Voices Project Board. A girls' choir will be launched in September 2025.

5) Cathedral and School Governance

In 2023 the Cathedral will register as a charity with the Charity Commission and at the same time adhere to the new Cathedral's Measure 2021. The Cathedral will review its governance arrangements and those of the school, to ensure compliance.

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.

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 extensive music outreach initiative.

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

In 2022 there were a total of 1,193,888 paying and non-paying visitors to the Cathedral. This compares to a total of 1,716,417 in 2019 before the pandemic.

| | 2022 | 2021 | 2020 | 2019 |
|---|------------------|----------------|----------------|------------------|
| Total paying and non-paying visitors (analysed as below) | <u>1,193,888</u> | <u>278,143</u> | <u>260,622</u> | <u>1,716,417</u> |
| Those who attended congregational services and other events | 452,949 | 119,002 | 83,251 | 466,122 |
| Those who came as school / education visitors | 22,810 | 6,695 | 5,662 | 28,473 |
| Other non-paying visitors | 170,774 | 38,606 | 40,421 | 292,819 |
| Other paying visitors | 547,355 | 113,840 | 131,288 | 929,003 |

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 53, as well as the Cathedral-only Balance Sheet on page 55. 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 were 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 Cathedral welcomed 547,355 paying visitors in 2022 far above its target of 350,000 resulting in an unrestricted operating surplus in the year of £0.3m against a budgeted loss of £4.2m. In 2023, operationally the Cathedral is closer to operating at pre-Covid levels; visitor numbers continue to exceed expectations and we are holding more events in 2023 than we did before the pandemic. Staff resource was reviewed in early 2023 with a view to increase headcount in some areas where there is now a lack of resource. Inflation remains high and combined with the sharp increase in operational activity in the past two years, base operating costs are now in the region of £925k each month or £11m annually.

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 surplus¹ of £318k (2021: deficit £882k). This is a significant improvement on the 2021 result but far below the 2019 surplus. While income is budgeted to increase in 2023, costs are also expected to rise due to inflation, with the Cathedral budgeted to break even in 2024.

The Five Year Summary on page 26 shows the dramatic impact of the COVID pandemic on the finances of the Cathedral. Some highlights are shown below:

| | 2022 | 2021 | 2020 | 2019 |
|---|---------|---------|---------|----------|
| Paying visitor numbers: up c.381% on 2021 | 547,355 | 113,840 | 131,288 | 929,003 |
| Income from visitor admissions: up c.368% | £7,148k | £1,527k | £1,610k | £10,437k |
| Grants from related entities: down c.47% | £510k | £965k | £297k | £1,750k |
| Grants from other sources: down c.86% | £380k | £2,757k | £4,328k | £490k |
| Donations and legacies: down c.49% | £1,692k | £3,302k | £3,433k | £1,767k |

¹ After net movement in funds but before gains / (losses)

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Overseas visitors returned to the Cathedral in greater numbers than expected in part due to international travel restrictions being lifted and a weak British pound. Our data suggests that UK visitors represented the bulk of visits in 2022 at 61% with 39% from overseas and is a stark contrast to 2019 where over 80% of all visitors were from overseas. Paying visitors to the Cathedral totaled 547,355 in 2022 surpassing the yearly target of 350,000 generating admissions income of £7.1m with a further £2.4m generated from the shop and other commercial activities. The Chapter has budgeted 2023 visitors at 600,000 and 2024 visitors at 700,000.

Donations and grants decreased in 2022 by 63%. There were no large fundraising campaigns in 2022 and a significant portion of the COVID related grants concluded during 2021. While fundraising reduced in totality there was a large increase in Cathedral floor donations due to increased visits. Grants from Church Commissioners increased due to new funding. The Cathedral is very grateful for the generosity of individuals and organisations for their donations.

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 and costs to keep the building in good repair. Cathedral costs increased in 2022 from £9.5m to £12.3m, a rise of £2.8m of which £1.5m related to staff costs. A large portion of St Paul's staff were furloughed in 2021 to save costs and flex staff working hours for shorter working during times of uncertainty. This resulted in increased staff costs in 2022 as salaries were back to normal working patterns as the Furlough Scheme ended in September 2021.

The cost of welcoming paying visitors increased by £1.1m in 2022 of which £0.5m related to additional staffing and c. £0.3m to service the cost of audio guides as part of the ticket package. Ministry and Music costs were up £0.7m to support the large increase of events held on the Cathedral floor. The cost of Cathedral maintenance and major fabric works was generally consistent year on year and support costs increased by £0.4m.

The organisational structure of the Cathedral was reviewed in 2020, driven by the need to reduce costs, and the revisions were built around achieving 600,000 paying visitors in 2023 and 700,000 by 2024. 700,000 paying visitors is the target we consider to be the breakeven position in order to ensure core operating costs are met. If the Cathedral is to re-build its reserves, which were depleted during the pandemic, it must be generated from increased visitors and / or fundraising. Further details on costs are outlined later in this review.

In 2022, the Cathedral incurred a net surplus on its unrestricted funds of £874k. This is made up of an operating surplus of £318k (after transfers between funds) and gains on investment assets of £556k. In 2020 the Chapter agreed to ring-fence £10m to support budgeted losses during 2021-2024. This Post Covid Resilience Fund (formerly Coronavirus Fund) reduced during the year to £1.3m at year end and is key in order to fund the 2023 budgeted deficit as well as provide a further reserve to provide seed funding for revenue driving activities.

Stripping out the designated funds as well as the Tillingham Property Fund (which relates to land in Essex) leaves the Cathedral's general unrestricted reserves at £12,528k (2021: £4,841k) at the end of 2022. This broadly equates to c. 13 months of operating costs (2021: 4 - 6 months) and is in line with our reserves policy.

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The Cathedral had cash at bank at the year-end of £8,015k (2021: £9,493k) of which £2,401k (2021: £4,364k) forms part of the 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 2022 turning over a profit of £1,031k (2021: £607k). A large portion (c. 60%) of the profit related to shop sales with other profits generated from corporate events and filming. The Cathedral café and restaurant remained close however a coffee cart offering has been running in the Crypt since the summer. The Cathedral café is planned to re-open in 2024.

A charitable donation was made to the Cathedral in 2022 of £1,031k (2021: £415k) from the trading subsidiary under a Deed of Covenant. The trading entity is forecast to make profits and continues to support the Cathedral in its objectives.

St Paul's Cathedral Foundation is a charitable subsidiary of the Cathedral and is registered with the Charity Commission. As a regulated fundraising body it fundraises for the Cathedral and will begin a formal close down once the Cathedral become a register charity in late 2023. Donations, grants and legacies decreased in the year from over £3m to £0.8m as a result of ending the Remember Me campaign which raised over £2m in 2021. The Foundation supported the activities of the Cathedral during the year by granting funds of £4.4m (2021: £1.4m) towards charitable causes.

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 2022 the Cathedral continued to support the choral tradition by covering the cost of any unfunded tuition fees and music fees for the Choristers, £355k (2021: £384k). The Cathedral funds the cost of Chorister education less any restricted donations received by the School for such costs. Total income of the School increased in the year from £4,533k to £5,118k delivering a surplus in the year of £384k (2021: £666k).

Five Year Summary – Key Trends

| Financial year | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|-----------|---------|---------|-----------|-----------|
| Total number of visitors into the cathedral | 1,193,888 | 278,413 | 260,622 | 1,716,417 | 1,657,446 |
| Total paying visitors | 547,355 | 113,840 | 131,288 | 929,003 | 881,489 |
| Year on year change in paying visitors | 381% | -13% | -86% | 5% | 8% |
| Admissions income (£000's)* | 7,148 | 1,527 | 1,610 | 10,437 | 9,301 |
| Year on year change (*including related gift aid) | 368% | -5% | -85% | 12% | 8% |
| Shop and commercial income (£000's) | 2,438 | 1,086 | 638 | 2,942 | 2,890 |
| Year on year change | 124% | 70% | -78% | 2% | 13% |
| Charitable donation from Trading Subsidiary (£000's) | 1,031 | 415 | - | 1,224 | 1,225 |
| Year on year change | 148% | N/A | -100% | 0% | 19% |
| Grants, donations and legacies (£000's) | | | | | |
| Grants from related entities | 510 | 965 | 297 | 1,750 | 1,037 |
| Grants from other sources | 380 | 2,757 | 4,328 | 490 | 192 |
| Legacies and donations | 1,692 | 3,302 | 3,433 | 1,767 | 628 |
| Total grants, donations and legacies | 2,582 | 7,024 | 8,058 | 4,007 | 1,857 |
| Year on year change | -63% | -13% | 101% | 116% | -16% |
| Cathedral Only Unrestricted funds (£000's) ** | 20,822 | 12,643 | 11,798 | 21,665 | 17,435 |
| Year on year change (**excluding designated funds) | 65% | 7% | -46% | 24% | -14% |

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 the years 2020 and 2021, £5.9 million of reserves were used to help fund Cathedral operations and £8.6m of investments were realised into cash to assist cashflow.

Due to the significant loss of visitors from March 2020 the financial model had to be reviewed and the Chapter continue to investigate 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.

A small unrestricted surplus of £0.3m was generated in 2022 far below the level needed to rebuild reserves and fund the planned building maintenance over the next 10-15 years. Inflation reached double digits in 2022 and this continued into 2023 putting further pressure on Cathedral finances. The Cathedral hopes to start rebuilding reserves from 2024 onwards.

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

- 400,000 over the combined two years 2021 and 2022 (actuals of 661,195)
- 600,000 in 2023.
- 700,000 from 2024 onwards.

700,000 visitors is consider to be 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.

In 2020, the Chapter ring-fenced £10m to form the Covid Fund (now the Post Covid Resilience Fund) to fund projected deficits in 2021 to 2023 before returning to breakeven. Following the upside in visitor numbers during 2022 the Chapter was able to release a further £7.8m from these reserves back into general reserves. The ring-fenced balance is £1,350k at the year representing 2023 budgeted losses of £850k and £500k set aside to fund long term revenue driving opportunities as the relevant business case (s) arise.

The Cathedral is dependent on attracting people from in and around London, the wider UK and overseas to fund operations. In 2022 some 47% of visitors were from overseas, significantly down

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on the 80% experienced pre-pandemic. International travel is showing signs of recovery, but parts are still slow to resurge including China and the Far East. As with many other visitor attractions, there continues to be uncertainty in the sector and if the Cathedral does not return to 700,000 paying visitors by the end of 2024, 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 can 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 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 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 any unfunded Chorister tuition and music lesson costs.

The Cathedral is fortunate to have a number of associated entities whose sole purpose is to support the Cathedral (see note 20 in financial statements for further details). These entities donated a total of £510k (see the five year summary) during 2022, for which the Cathedral is very grateful.

Specific Finance Matters 2022

Income

Group income increased by £3.3m to £17.7m, a rise of 23%, with the Cathedral's total income increasing from £7.3m to £14.2m, a rise of 95%.

Commercial income increased £7m in the year, comprising admissions income which increased by £5.6m with shop sales and corporate hires increasing by £1.4m due to the increase in paying visitors.

Donations, grants and legacies decreased by £4.4m in the year, from £7m to £2.6m, a drop of 63%. 2021 was an exceptional year and included over £1.6m in Covid related recovery grants and over £2.2m was received from the public appeal that was run in partnership with the Daily Mail for the Remember Me project. School income generated from tuition fees increased by £0.4m as the number of pre-prep classes expanded in the year. The pre-prep was one form entry, which expanded to two form entries beginning in September 2021 and by September 2023 pre-prep will be made up of 6 forms.

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Income from weddings, baptisms and special services increased by £0.2m as the Cathedral returned to a full schedule of cathedral floor events.

Expenditure

Group expenditure for the year increased by £4.3m, an increase of 32%.

Staff costs make up approximately 60% of all costs for the Group with 10% relating to key supplies including security, gas and electricity, audio-guide headset costs for visitors and insurance of the building. The remaining balance of 30% consists of the cost of running activities and support costs.

Staff costs (including clergy) increased by £1.6m across the group owing to increased headcount, up from 187 to 197 full time equivalent, increased overtime incurred for fabric projects and cathedral floor events and the increased salary costs following the end of the CJRS furlough scheme in September 2021.

The cost of raising funds increased in the year from £3m to £5.9m. These costs relate to the operation of the visitor experience teams that welcome sightseeing visitors, the cost of the fundraising department and cost of running the commercial subsidiary. Direct cost of admissions (consisting mainly of staff costs, security costs, audio-guides and marketing) increased by £1.2m with the increase partly attributable to the running of the new North Transept entrance from June 2022. The cost of operating the shop increased by £1m, owing to higher cost of sales as more goods are sold. Investment management costs are in line with the previous year at £0.1m and the allocation of support costs to the cost of fundraising funds increased by £0.6m.

Ministry direct costs increased by 50% in 2022 to £2,208k owing to increased staff costs and other costs to run a full schedule of cathedral floor events which included a number of royal attendances.

Cathedral and precincts upkeep direct costs increased to £3.4m in the year, a rise of £0.1m. These costs can vary significantly year on year depending on the schedule of maintenance works planned.

The direct cost of education, outreach, community and congregation increased by £0.7m largely driven by increased costs at the Cathedral School caused by increased pupil numbers.

Total charitable direct costs (excluding support costs) increased by £1,568k to £10,608k (note 8), c. 50% of the increase relating to the cost of ministry and music and c. 50% of the increase

relating to education. Support costs increased in the year to £2,429k, an increase of £393k made up of staff costs, project, training and recruitment costs.

Fixed Assets

Group fixed assets decreased in the year by £582k to £36,790k.

Tangible fixed assets decreased in the year by £131k made up of £152k of capital additions and a depreciation charge of £283k of which £205k relates to depreciation of School buildings.

A desktop valuation was carried out on the Tillingham estate by property advisors, Strutt and Parker, in early 2023. A gain of £492k was recognised in the 2022 financial statements as a result of this review.

Group investments at the year-end were valued at £19.8m, representing a decrease of £0.9m on the previous year. The Cathedral group invests in a mixture of cash deposits and listed investments with two investment managers, CCLA and Ruffer. No additions or disposals were made during the year and the portfolio incurred unrealised losses of £1m. Cash held on deposit increased by £105k.

Cash

Group cash at bank and in-hand at year end totalled £10.4m, a decrease of £5m in the year. This balance excludes £0.5m held in short term deposits and a deposit with CCLA of £5.4m. Given the rise in interest rates in 2022 and improved cash flow forecasts, the Chapter made the decision to repay the £5m CBILs loan during the year.

Of the £10.9m cash balance (including short term deposits), £8m is held in the Cathedral with £2.9m held across its subsidiary entities. The £8m is divided across reserves as follows:

- £2.4m is held in general unrestricted funds representing 2 to 3 months of operating expenditure
- £2.9m is held in designated funds, £1.4m in the Post Covid Resilience Fund to fund short term budgeted losses with a further £1.5m for fabric projects
- £2.7m is held in restricted funds, this cash must be used in accordance to the conditions imposed by the donor

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. Stock increased in the year to £196k.

Group debtors increased marginally from £1,762k to £1,764k. Trade debtors increased in the year by £245k to £564k. No debt was written off in 2022 and historically the Cathedral has not had any major issues in debt recovery. Grants receivable reduced in the year by £183k to £204k in part due to less award of grants in 2022 and timing of grant awards. Amounts owed from associated undertakings were £366k at year end with the related monies received in early 2023.

Group short-term creditors totalled £2,846k at the end of the year, an increase of £373k. Trade creditors doubled in the year to £689k, this is the result of a small number of large invoices received around the year end. Short term bank loans decreased by £333k as the CBILs loan was fully repaid. The VAT creditor at year end was £344k as the Cathedral Group moved from a repayable position in 2021 to a liability position in 2022. Other creditors increased to £249k from £80k due to exceptional items.

Long-term creditors total £1,713k, a decrease on the previous year of £5,257k following agreement by Chapter to repay the CBILs loan in September 2022. The balance on the Lloyds loan reduced by £583k in the year following two repayments outside of the payment schedule.

Cathedral Only Funds

Cathedral only funds totalled £41.4m at the year end and comprise:

- £20.8m unrestricted funds (non-designated)
- £2.9m designated funds
- £10.7m restricted funds
- £7.0m endowment fund

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 £10.7m and comprise £6m (2021: £6m) held in the Cathedral School, £2.6m (2021: £2.9m) in special trusts and £2.1m (2021: £0.4m) in restricted projects. The £6m School fund represents the investment in the School and is not realizable.

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, £1.9m is invested with CCLA Investment Management, with the related investment income and gains or losses distributed across the funds each year.

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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, £1.9m 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. Restricted project funds increased in the year by £1.7m owing to grants awarded from St Paul's Cathedral Foundation of £4.4m. The larger restricted balances include:

- £0.5m towards the running costs of operating the Remember Me (Inner Portico)
- £0.4m towards the installation of a safety rail in the Whispering Gallery
- £0.2m towards Girls' Voices to set up a Girls' choir by September 2025

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 major designated funds at the end of 2022. The first for £1.3m is the Post Covid Resilience Fund formerly known as the Covid Fund and this reduced in the year by £7.8m from a balance of £9.1m. The fund, originally created in 2020, was £10m and represented the budgeted funding gap across 2021 – 2023. However, since 2020 financial results have been better than expected and the landscape has now changed resulting in a much smaller balance being required to fund operational deficits until the Cathedral returns to generating surpluses in 2024. This turnaround is due to a number of factors including:

- Increased paying visitors, actual in 2022 of 547,355 vs budget of 350,000
- Budgeted contingencies not used
- Award of £0.9m in 2021 from the National Lottery Heritage Fund as part of round two funding not budgeted
- Maximising the use of furlough and capping of salaries to September 2021
- Trading subsidiary making a profit due to increased filming, shop and corporate event revenues earlier than planned
- Cost savings crystallised on a number of key contracts
- Award of a number of other Covid related grants during the pandemic

Assuming visitors targets are met, the Cathedral is budgeted to return to making surpluses from 2024 and at 31 December 2022 the Post Covid Resilience Fund represents the 2023 budget deficit of £850k (including contingencies) plus and a further £500k set aside to fund long term revenue driving opportunities as the relevant business case (s) arise.

The second designated fund relates to the Short Term Fabric Fund which is allocated by the Chapter to fund critical work on the building. The fund increased by £0.4m to £1.5m to cover the increase in costs needed for unplanned emergency fabric projects.

Included within unrestricted funds is the Tillingham Property Fund valued at £8.3m 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.

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The Cathedral's general free unrestricted reserve balance at year end of £12.5m relates to those unrestricted funds that are not designated and do not form part of the Tillingham estate. These can be used at the discretion of the Chapter and are represented by the following assets:

- £9.9m in investments divided between £5.4m in high interest cash deposits, £4.3m in listed investments with £0.2m in non-realizable unlisted investments
- £1.9m long term debtor due from the Cathedral School and a £1.9m creditor in turn owed to Lloyds bank
- £2.4m in cash representing 2 to 3 months of working capital
- The net of short term debtors and creditors (excluding loans and cash) of £0.3m

As noted in the reserves policy section below, the general reserves represent approximately 12 months core operating costs. The general free reserve increased by £7.7m during the year owing to:

- £7.7m release of funds from the Post Covid Resilience Fund
- Transfer of £0.4m into the Short Term Fabric Fund
- Operating surplus generated in the year of £0.3m
- Unrealised gains on listed investment of £0.1m

As outlined elsewhere in the Annual Report there is uncertainty as to whether the Cathedral can achieve 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 resulting in additional losses that exceed the £1.3m Post Covid Resilience Fund will need to be funded from either (1) free reserves, valued at £12.5m at the end of 2022 and is in line with policy; or (2) would need to be funded externally. If the target of 700,000 visitors per year is unattainable in 2024 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 twelve months operating expenditure. Operating expenditure is defined as projected recurrent expenditure excluding one-off items and restricted activities.

St Paul's Cathedral Annual Report and Financial Statements 2022

The current target for free reserves has been set at £11m calculated as being the budgeted monthly cash outflow for twelve months' expenditure of the Cathedral and its trading subsidiary. These reserves are not considered to be available for distribution.

As at 31 December 2022, the Cathedral's total unrestricted, non-designated funds stood at £20.8m, including £8.3m relating to the Tillingham Estate. Free reserves at 31 December 2022 are thus £12.5m and are £1.5m above target.

As noted elsewhere in this report, a total of £1.3m unrestricted reserves are designated to the 'Post Covid Resilience Fund' to support the Cathedral through to 2024.

The Chapter with the advice of the Risk and Audit Committee are reviewing the Cathedral's reserves policy to move to a risk based approach in 2024. Under a risk based policy the target reserves are based upon the expected cost should a risk arise and is weighted by the likelihood of the risk occurring. We will be introducing a lower and upper boundary to give more flexibility to manage our finances within a pre-approved range.

Going Concern

The Chapter have undertaken a comprehensive review progress when making its assessment of going concern for the 'foreseeable future,' considered to be the period up until 31 December 2024. Chapter's assessment including reviewing:

- projected budgets for the period to, and beyond, the end of 2024 and projected cash flows up until 31 December 2024;
- income from visitors and other key sources of income including grants and donations;
- sensitivities to the projections and have adopted a prudent scenario over the next two years there that there will, overall, be a slower upturn in economic activity than that forecast in the press;
- the impact of cost and wage inflationary and wider macro-economic conditions on budgets; and
- the Cathedral's general reserves policy and ensuring it is fit for purpose.

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 and Uncertainties. Responsibility for a Grade 1 listed historic building which has a major place in the nation's history presents a considerable challenge.

Responsibilities and Oversight

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 Chapter determines the level of risk that it is willing to take based on its judgement, and the advice of the ELT, relevant committees and independent advisers. It considers available information before decisions are made and recognises that, in carefully considered circumstances, it is appropriate to take risks to achieve its objectives, particularly if new opportunities present themselves.

Whilst the ELT and Heads of Department (HoD) have responsibility for the day-to-day management of the risks, the Chapter encourages staff at all levels to regard the management of risk as part of their individual roles.

The Finance, Audit and Risk Committee (FARC), which will be replaced by the Audit and Risk Committee later in 2023, has an oversight role and the topic of risk management is considered at each of its meetings. The Finance Committee and the Investment Advisory Committee also considers risks relevant to their mandate.

Process

The risk management process is based around four core elements:

- Identification of risks
- Evaluation of the probability of occurrence, and the potential financial impact, for each risk
- Actions taken to mitigate each risk
- Regular monitoring and internal reporting on the status of the risks and their associated mitigating actions/controls.

Each principal risk has an owner at Chapter, ELT and Departmental-levels with relevant members of the ELT responsible for the mitigation processes.

Information is reported quarterly using a traffic lights system. Enhanced systems and process will be introduced following a review taking place in 2023 (see later).

Principal Risks

The table sets out the Principal Risk Areas and the Principal Risks facing the Cathedral.

| Principal Risk Areas | Principal Risks |
|---------------------------------|--|
| 1 Governance | <ul style="list-style-type: none">• Governance and Leadership• Strategy |
| 2 Finance | <ul style="list-style-type: none">• Financial performance and resilience• Business model and sources of income• Fundraising |
| 3 People (staff and volunteers) | <ul style="list-style-type: none">• Recruitment and retention• Welfare and burnout• Training and expertise |
| 4 Building and Collections | <ul style="list-style-type: none">• Lack of proper maintenance and development• Fire• Irreversible damage to critical heritage |
| 5 Operations | <ul style="list-style-type: none">• Security of building and people• IT and cyber security• Safeguarding• Health and Safety• Regulatory compliance• Visitor experience• Projects• Business continuity |

Reputation risks

Adverse events resulting from the materialisation of one or more of the Principal Risks can impact the reputation of the Cathedral. In addition, specific matters such as a loss of relevance, a reduction in the highest standards of music, liturgy and the learning programme will also impact on the good reputation of the Cathedral. Strategies have been developed in order to engage with a wider community and to maintain the highest standards of our output.

Mitigating Actions

In addition to the specific mitigations outlined later in this section, the Cathedral's overall mitigations include:

- Formal agenda items relating to risk and mitigation are included on the agenda of the regular meetings of the Chapter, ELT, and major committees
- An enhanced process of planning, budgeting, and internal reporting; the output from which is regularly reviewed

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- Internal accountability lines
- Written policies
- Authorisation and approval levels
- Use of external expertise in specific areas.

The cathedral's internal projects will have a Project Board that has to consider risks and mitigations as part of their responsibilities and is included on agenda of their meetings.

Governance

- Bringing governance requirements into line with the Cathedrals Measure 2021
- Updated Terms of Reference for all relevant committees
- Preparing for registration with the Charity Commission
- Ensuring there are appropriate, independent members and expertise on relevant committees, advisory and decision making bodies
- Development of a new strategy for the future
- Training to increase skills

Finance

- Continuous review of the financial model to ensure the Cathedral has sufficient funding and it is correctly focused
- Management accounts
- Balance sheet reconciliations
- Implementation of a new online digital approval process for invoices and purchase orders
- Segregation of duties where possible
- Re-examination of the Business Model, learning lessons from the pandemic, and investing in additional revenue raising opportunities
- Fundraising campaigns to improve longer-term financial resilience
- Regular reviews of investment performance
- Continuous scrutiny of current year forecasts
- Medium and long-term forecasts and cash flow projections
- Management of the various categories of funds

People

- Clear strategies being updated and developed in order to support attraction, retention and wellbeing
- Roll out of a new appraisal process in 2023 and individual objective setting linking back to the Cathedral and departmental key objectives
- External benchmarking used as part of the annual review of salaries ensuring competitiveness
- Regular review of Health and Safety, Safeguarding and Security policies
- Increased training budget

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- Regular all staff meetings and an annual joint meeting to discuss operational matters
- Supporting those in technical areas of the business with study and time off for exams / training

Building and Collections

- Annual programme of maintenance and projects developed to deliver QIR priorities and agreed by the Chapter in the annual business planning and budgeting process, as funding allows.
- Programme and project governance
- Fire risk assessments
- Full fire system monitored 24/7
- Insurance cover in case of fire damage
- Public Liability insurance
- Fundraising campaign being developed for the longer term to support QIR recommendations

Operations

- Detailed Health and Safety risk register
- Independent, expert advice and review, including a Health and Safety audit
- Qualified Safeguarding Officer
- Independent, expert advice including a Safeguarding Advisory Group
- Comprehensive training plan
- Close working with the security services including City of London Police
- Vehicle and person access control, security screening and security patrols
- Emergency and evacuation procedures
- Staff training and briefing
- Business continuity planning

Principal Uncertainties

The Chapter recognises that there are inherent uncertainties in the external environment over which it has no control, yet which can significantly impact the Cathedral, its activities and resources. These include:

- inflation
- geo-political events and instabilities
- the value of the pound and the UK economy
- cost of living issues
- learning to live with Covid

Developments in 2023

Post the pandemic, and the lessons learnt from that experience, and with a new Dean, a new COO and an enhanced strategy; the Chapter has decided to update the risk management process and risk register. A review is underway with the support of some external consultants combined with wider input from employees of the Cathedral. This will be reported on next year in the 2023 year-end Annual Report.

Investment Policy

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

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 (£7.0m 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
- To hold sufficient cash at all times for working capital purposes of at least 3 months operating costs with excess cash held in high interest deposits.

• Future Plans

The immediate future of the Cathedral is dependent upon visitors returning and higher levels of unrestricted fundraising. The Post Covid Resilience Fund of £1.3m 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 600,000 paying visitors in 2023 and 700,000 paying visitors in 2024. These are the key assumptions upon which the Cathedral is able to substantiate going concern in the medium term.

Current visitor numbers in early 2023 are ahead of budget and the Cathedral welcomed 547,355 paying visitors in 2022. Therefore, the Chapter are hopeful that the 600,000-visitor target for 2023 will be met or exceeded. Visitor numbers and trends continue to be closely monitored enabling the Chapter to react quickly to any unexpected fall in visitor numbers.

There is minimal further cover in reserves if visitor income does not return to more normal levels and 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.

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.

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.

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 *(to 15 September 2022)*
The Very Reverend Andrew Tremlett, Dean (Chair) *(from 25 September 2022)*
Mrs Pim Baxter OBE, Lay Canon (Non-Executive) *(to 2 March 2023)*
Ms Gillian Bowen JP MBA MA, Lay Canon (Non-Executive) *(from 5 June 2022)*
The Reverend Prebendary Dr Neil Evans, Canon Steward *(from 5 June 2022)*
Mr Clement Hutton-Mills, Lay Canon (Non-Executive)
The Reverend Canon James Milne, Precentor
Ms Sheila Nicoll OBE, Lay Canon (Senior Non-Executive)
The Venerable Sheila Watson, Canon Non-Residentiary *(to 12 July 2023)*

In attendance:

Canon Dr Paula Gooder, Chancellor
Mrs Joanne Day, Chief Financial Officer and Director of Corporate Services
Mrs Emily MacKenzie, Chief Operating Officer *(from 9 January 2023)*
Ms Emma Davies, Registrar *(to 9 June 2022)*

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Cathedral Council

Sir Peter Estlin (Chair)
Mr Christopher Allen
Mr Robert Bowles
The Reverend Prebendary Marjorie Brown *(to 31 January 2023)*
Mr Bernard Donoghue
The Reverend Prebendary Dr Neil Evans, Canon Steward *(from 5 June 2022)*
Mr Richard Gough
Mr Simon Holden
The Very Reverend Dr David Ison, Dean *(to 15 September 2022)*
Mr Keith Leslie *(from 4 July 2022)*
Dame 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 (Senior Non-Executive)
The Reverend Prebendary Jonathan Osborne
Mr James de Sausmarez
The Right Honourable Stephen Timms MP *(to 9 February 2023)*
The Very Reverend Andrew Tremlett, Dean *(from 25 September 2022)*

College of Canons

The Chapter

The Very Reverend Dr David Ison, Dean *(to 15 September 2022)*
The Very Reverend Andrew Tremlett, Dean (Chair) *(from 25 September 2022)*
Mrs Pim Baxter OBE, Lay Canon (Non-Executive) *(to 3 March 2023)*
Ms Gillian Bowen JP MBA MA, Lay Canon (Non-Executive) *(from 5 June 2022)*
The Reverend Prebendary Dr Neil Evans, Canon Steward *(from 5 June 2022)*
Mr Clement Hutton-Mills, Lay Canon (Non-Executive)
The Reverend Canon James Milne, Precentor
Ms Sheila Nicoll OBE, Lay Canon (Senior Non-Executive)
The Venerable Sheila Watson, Canon Non-Residentiary *(to 12 July 2023)*

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 <i>(to 2 September 2022)</i> |
| Bishop of Kensington | The Right Reverend Dr Emma Ineson <i>(from 19 March 2023)</i> |

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| | |
|---------------------------------|-------------------------------------|
| Bishop of Edmonton | The Right Reverend Robert Wickham |
| Bishop of Willesden | The Right Reverend Lusa Nsenga-Ngoy |
| Bishop of Islington (Suffragan) | The Right Reverend Ric Thorpe |
| Archdeacon of London | The Venerable Luke Miller |
| Archdeacon of Hackney | The Venerable Peter Farley-Moore |
| 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
The Reverend Prebendary Marjorie Brown *(to 31 January 2023)*
The Reverend Prebendary Rosémia Brown
The Reverend Prebendary Philip Chester
The Reverend Prebendary Dr Amatu Christian-lwuago
The Reverend Prebendary Jeremy Crossley
The Reverend Prebendary Irena Edgcumbe
The Reverend Prebendary Dr Neil Evans *(to 5 June 2022)*
The Reverend Prebendary Olubunmi Fagbemi
The Reverend Prebendary Wilson Gill
The Reverend Prebendary Alan Green *(to 23 January 2023)*
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 *(to 31 August 2022)*
The Reverend Prebendary Sandra McCalla
The Reverend Prebendary Mark Melliush *(to 9 May 2022)*
The Reverend Prebendary Hugh Moore
The Reverend Prebendary Graham Noyce
The Reverend Prebendary Jonathan Osborne
The Reverend Prebendary Roy Pearson
The Reverend Prebendary Jason Roach
The Reverend Prebendary Tunde Roberts
The Reverend Prebendary Graeme Rowlands
The Reverend Prebendary Richard Springer
The Reverend Prebendary Fiona Stewart-Darling
The Right Reverend Ric Thorpe

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Minor Canons and Chaplains

The Reverend Robert Coupland, Sacrist
The Reverend Robert Kozak, Succentor
The Reverend Paula Hollingsworth, Chaplain
The Reverend Andrew Richardson, Assistant Chaplain *(to 26 January 2023)*

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")
The Order of the British Empire Chapel Fund

Administration

Ms Emma Davies, Registrar *(to 9 June 2022)*
Ms Emily MacKenzie, Chief Operating Officer *(from 9 January 2023)*

Chapter Finance Committee

The Very Reverend Dr David Ison, Dean *(to 15 September 2022)*
Ms Emma Davies, Registrar *(to 9 June 2022)*
The Very Reverend Andrew Tremlett, Dean *(from 25 September 2022)*
Mrs Joanne Day ACMA, Director Corporate Services and Chief Finance Officer
Mr Jonathan Hunt *(from 25 May 2023)*
Ms Sheila Nicoll OBE, Lay Canon (Chair) (Senior Non-Executive) (Finance)
Mrs Emily MacKenzie *(from 9 January 2023)*
Mr James de Sausmarez *(from 14 November 2022)*

Executive Leadership Team

The Very Reverend Dr David Ison, Dean *(to 15 September 2022)*
The Very Reverend Andrew Tremlett, Dean *(from 25 September 2022)*
Ms Emma Davies, Registrar *(to 9 June 2022)*
Mrs Emily MacKenzie Chief Operating Officer *(from 9 January 2023)*
Mrs Joanne Day ACMA, Director Corporate Services and Chief Finance Officer
Canon Dr Paula Gooder, Chancellor

Executive Leadership Team (continued)

Ms Sandra Lynes Timbrell, Director Visitor Engagement
The Reverend Canon James Milne, Precentor
Ms Nicky Wynne, Director Development (*to 16 January 2023*)

Other Senior Appointments

Mr Andrew Carwood MBE, Director of Music
Mr Martin Fletcher, Clerk of the Works
Mr William Fox, Acting Organist / Assistant Director of Music
Mr Simon Larter Evans, Head Teacher
Mr Charles Williams, Dean's Virger

Fabric Advisory Committee

Appointed by the Chapter:

Mr Sandy Nairne CBE (Chair)
Mr Ashleigh Brown
Professor Christine Stevenson
Dr Virginia Tandy OBE
Mr Rory Young (*to 23 February 2023*)

Appointed by the Cathedrals Fabric Commission for England:

Mr Chris Cowper
Dr Jennifer Freeman OBE
Dr Mark Kirby
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)
Mr Stephen Cockell, Independent Member
Mr Jonathan Hunt, Independent Member
The Very Reverend Dr David Ison, Dean (*to 15 September 2022*)
Ms Sheila Nicoll OBE, Lay Canon (Senior Non-Executive)
Mr James de Sausmarez (*to 14 November 2022*)
The Very Reverend Andrew Tremlett, Dean (*from 25 September 2022*)
Mr Tim Wise, Independent Member

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Investment Advisory Committee

Mr Richard Maitland, Independent Member (Chair)
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, Lay Canon
The Very Reverend Dr David Ison, Dean (*to 15 September 2022*)
The Very Reverend Andrew Tremlett, Dean (*from 25 September 2022*)
Mr Bruce Weatherill, Independent Member (*to 1 December 2022*)

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**

Fabric

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

Liturgy and Music

Events Committee

Security, Access and Health and Safety

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

Commercial

St Paul's Enterprises Board

HR and Employee Engagement

Nominations Committee
Staff Consultative Committee
Volunteering Steering Group
Volunteer Advisory Forum

Cathedral School

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

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. In 2022, the Dean was 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 Andrew Tremlett
Dean

Date: 26/7/2023

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

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 2022 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 2022 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

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 47, 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**

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. This description forms part of our auditor's report.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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

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

10 Queen Street Place
London
EC4R 1AG

Date: 3 August 2023

St Paul's Cathedral
Consolidated Statement of Financial Activities
For the year ended 31 December 2022

| | Note | Unrestricted Funds £000s | Restricted Funds £000s | Endowment Fund £000s | Total 2022 £000s | Total 2021 £000s |
|--|---------|--------------------------------|------------------------------|----------------------------|------------------------|------------------------|
| Income | | | | | | |
| Donations, legacies and grants | | | | | | |
| Donations and legacies | 2 | 678 | 1,014 | - | 1,692 | 3,302 |
| Grants | 3 | 294 | 596 | - | 890 | 3,722 |
| Income from charitable activities | 4 | 625 | 4,403 | - | 5,028 | 4,398 |
| Income from other trading activities | 5 | 9,653 | - | - | 9,653 | 2,667 |
| Income from property and investments | | 331 | 97 | - | 428 | 323 |
| Other income | | - | - | - | - | 2 |
| Total | | 11,581 | 6,110 | - | 17,691 | 14,414 |
| Expenditure | | | | | | |
| Raising Funds | 6 | (5,591) | (286) | - | (5,877) | (2,999) |
| Charitable Activities | 7 | | | | | |
| Ministry | | (1,809) | (654) | - | (2,463) | (1,697) |
| Cathedral and precincts upkeep | | (2,636) | (1,196) | - | (3,832) | (3,838) |
| Education, outreach, community and congregation | | (903) | (4,637) | - | (5,540) | (4,878) |
| Total | | (10,939) | (6,773) | - | (17,712) | (13,412) |
| Net (outgoing) / incoming resources | | 642 | (663) | - | (21) | 1,002 |
| (Losses) / gains on revaluations and disposals of investments | 13 / 14 | 556 | (406) | (706) | (556) | 2,186 |
| Transfers between funds | 21a | (6) | 6 | - | - | - |
| Net (decrease) / increase in funds | | 1,192 | (1,063) | (706) | (577) | 3,188 |
| Funds brought forward | 21a | 24,959 | 12,966 | 7,703 | 45,628 | 42,440 |
| Funds carried forward | 21a | 26,151 | 11,903 | 6,997 | 45,051 | 45,628 |

Unrestricted Funds include Designated Funds.

The comparative 2021 Consolidated Statement of Financial Activities is analysed in note 30a.

The notes on pages 57 to 109 form part of these financial statements.

St Paul's Cathedral
Cathedral Statement of Financial Activities
For the year ended 31 December 2022

| | Unrestricted Funds £000s | Restricted Funds £000s | Endowment Fund £000s | Total 2022 £000s | Total 2021 £000s |
|--|--------------------------------|------------------------------|----------------------------|------------------------|------------------------|
| Income | | | | | |
| Donations, legacies and grants | | | | | |
| Donations and legacies | 1,527 | 34 | - | 1,561 | 1,100 |
| Grants | 294 | 3,933 | - | 4,227 | 3,722 |
| Income from charitable activities | 625 | - | - | 625 | 397 |
| Income from other trading activities | 7,215 | - | - | 7,215 | 1,581 |
| Income from property and investments | 549 | 58 | - | 607 | 520 |
| Other income | - | - | - | - | 2 |
| Total | 10,210 | 4,025 | - | 14,235 | 7,322 |
| Expenditure | | | | | |
| Raising Funds | (4,184) | (286) | - | (4,470) | (2,498) |
| Charitable Activities | | | | | |
| Ministry | (1,964) | (654) | - | (2,618) | (1,832) |
| Cathedral and precincts upkeep | (2,877) | (1,196) | - | (4,073) | (4,144) |
| Education, outreach, community and congregation | (861) | (280) | - | (1,141) | (1,030) |
| Total | (9,886) | (2,416) | - | (12,302) | (9,504) |
| Net incoming / (outgoing) resources | 324 | 1,609 | - | 1,933 | (2,182) |
| (Losses) / gains on revaluations and disposals of investments | 556 | (253) | (706) | (403) | 1,869 |
| Transfers between funds | (6) | 6 | - | - | - |
| Net increase / (decrease) in funds | 874 | 1,362 | (706) | 1,530 | (313) |
| Funds brought forward | 21b 22,824 | 9,361 | 7,703 | 39,888 | 40,201 |
| Funds carried forward | 21b 23,698 | 10,723 | 6,997 | 41,418 | 39,888 |

Unrestricted Funds include Designated Funds.

The comparative 2021 Cathedral Statement of Financial Activities is analysed in note 30b.

The notes on pages 57 to 109 form part of these financial statements.

St Paul's Cathedral
Consolidated Balance Sheet
As at 31 December 2022

| | Note | Unrestricted Funds £000s | Designated Funds £000s | Restricted Funds £000s | Endowment Fund £000s | Total 2022 £000s | Total 2021 £000s |
|---|------|--------------------------------|------------------------------|------------------------------|----------------------------|------------------------|------------------------|
| Fixed assets | | | | | | | |
| Tangible fixed assets | 11 | 81 | - | 8,648 | - | 8,729 | 8,860 |
| Investment property | 13 | 8,294 | - | - | - | 8,294 | 7,802 |
| Investments | 14 | 9,875 | - | 2,895 | 6,997 | 19,767 | 20,710 |
| Total | | 18,250 | - | 11,543 | 6,997 | 36,790 | 37,372 |
| Current assets | | | | | | | |
| Stock | | 196 | - | - | - | 196 | 154 |
| Debtors | 16 | 1,452 | - | 312 | - | 1,764 | 1,762 |
| Short term deposits | | 500 | - | - | - | 500 | 500 |
| Cash at bank and in hand | | 6,510 | 2,876 | 974 | - | 10,360 | 15,283 |
| Total | | 8,658 | 2,876 | 1,286 | - | 12,820 | 17,699 |
| Creditors: amounts falling due within one year | 17 | (1,920) | - | (926) | - | (2,846) | (2,473) |
| Net current assets | | 6,738 | 2,876 | 360 | - | 9,974 | 15,226 |
| Total assets less current liabilities | | 24,988 | 2,876 | 11,903 | 6,997 | 46,764 | 52,598 |
| Creditors - amounts falling due after more than one year | 18 | (1,713) | - | - | - | (1,713) | (6,970) |
| Net assets | | 23,275 | 2,876 | 11,903 | 6,997 | 45,051 | 45,628 |
| Funds | | | | | | | |
| Endowment fund | 21a | - | - | - | 6,997 | 6,997 | 7,703 |
| Restricted funds | 21a | | | | | | |
| School Fund | | - | - | 6,906 | - | 6,906 | 6,663 |
| Special Trusts | | - | - | 2,614 | - | 2,614 | 2,919 |
| Restricted Projects | | - | - | 2,383 | - | 2,383 | 3,384 |
| Designated funds | 21a | | | | | | |
| Post Covid Resilience Fund | | - | 1,350 | - | - | 1,350 | 9,118 |
| Short Term Fabric Fund | | - | 1,500 | - | - | 1,500 | 1,063 |
| Other Designated Fund | | - | 26 | - | - | 26 | - |
| Unrestricted funds | 21a | | | | | | |
| Tillingham Property Fund | | 8,294 | - | - | - | 8,294 | 7,802 |
| General Reserves | | 14,981 | - | - | - | 14,981 | 6,976 |
| Total | | 23,275 | 2,876 | 11,903 | 6,997 | 45,051 | 45,628 |

These financial statements were approved by the Chapter on 24 July 2023 and signed on their behalf by:

The Very Reverend Andrew Tremlett
Dean

Clement Hutton-Mills
Lay Canon (Non-Executive)

The notes on pages 57 to 109 form part of these financial statements.

**St Paul's Cathedral
Cathedral Balance Sheet
As at 31 December 2022**

| | Note | Unrestricted Funds £000s | Designated Funds £000s | Restricted Funds £000s | Endowment Fund £000s | Total 2022 £000s | Total 2021 £000s |
|---|------|--------------------------------|------------------------------|------------------------------|----------------------------|------------------------|------------------------|
| Fixed assets | | | | | | | |
| Tangible fixed assets | 11 | 81 | - | - | - | 81 | 62 |
| Investment property | 13 | 8,294 | - | - | - | 8,294 | 7,802 |
| Investments | 14 | 9,875 | - | 7,935 | 6,997 | 24,807 | 26,607 |
| Total | | 18,250 | - | 7,935 | 6,997 | 33,182 | 34,471 |
| Debtors: Amounts falling due after more than one year | 15 | 1,879 | - | - | - | 1,879 | 2,462 |
| Current assets | | | | | | | |
| Debtors | 16 | 1,470 | - | 178 | - | 1,648 | 1,952 |
| Cash at bank and in hand | | 2,401 | 2,876 | 2,738 | - | 8,015 | 9,493 |
| Total | | 3,871 | 2,876 | 2,916 | - | 9,663 | 11,445 |
| Creditors: amounts falling due within one year | 17 | (1,465) | - | (128) | - | (1,593) | (1,520) |
| Net current assets | | 2,406 | 2,876 | 2,788 | - | 8,070 | 9,925 |
| Total assets less current liabilities | | 22,535 | 2,876 | 10,723 | 6,997 | 43,131 | 46,858 |
| Creditors - amounts falling due after more than one year | 18 | (1,713) | - | - | - | (1,713) | (6,970) |
| Net assets | | 20,822 | 2,876 | 10,723 | 6,997 | 41,418 | 39,888 |
| Funds | | | | | | | |
| Endowment fund | 21b | - | - | - | 6,997 | 6,997 | 7,703 |
| Restricted funds | 21b | | | | | | |
| School Fund | | - | - | 6,036 | - | 6,036 | 6,036 |
| Special Trusts | | - | - | 2,614 | - | 2,614 | 2,919 |
| Restricted Projects | | - | - | 2,073 | - | 2,073 | 406 |
| Designated funds | 21b | | | | | | |
| Post Covid Resilience Fund | | - | 1,350 | - | - | 1,350 | 9,118 |
| Short Term Fabric Fund | | - | 1,500 | - | - | 1,500 | 1,063 |
| Other Designated Fund | | - | 26 | - | - | 26 | - |
| Unrestricted funds | 21b | | | | | | |
| Tillingham Property Fund | | 8,294 | - | - | - | 8,294 | 7,802 |
| General Reserves | | 12,528 | - | - | - | 12,528 | 4,841 |
| Total | | 20,822 | 2,876 | 10,723 | 6,997 | 41,418 | 39,888 |

These financial statements were approved by the Chapter on 24 July 2023 and signed on their behalf by:



The Very Reverend Andrew Tremlett
Dean



Clement Hutton-Mills
Lay Canon (Non-Executive)

The notes on pages 57 to 109 form part of these financial statements.

St Paul's Cathedral
Consolidated Statement of Cash Flows
For the year ended 31 December 2022

| | Note | 2022 £000s | 2021 £000s | |
|--|-----------|------------------|------------------------|------------------|
| Net cash provided by operating activities | 29 | 496 | 1,734 | |
| Cash flows provided by / (used in) investing activities | | | | |
| Income from property and investments | | 428 | 323 | |
| Investment management costs | | (112) | (73) | |
| Payments to acquire tangible fixed assets | 11 | (152) | (1,225) | |
| Proceeds from sale of investment property | 13 | - | 235 | |
| Net cash provided by / (used in) investing activities | | 164 | (740) | |
| Cash flows from financing activities | | | | |
| Proceeds from bank loan | 18 | - | 5,536 | |
| Repayment of bank loans | 18 | (5,583) | (38) | |
| Net cash from financing activities | | (5,583) | 5,498 | |
| Net change in cash and cash equivalents | | (4,923) | 6,492 | |
| Cash and cash equivalents at the beginning of the year | | 15,783 | 9,291 | |
| Cash and cash equivalents at the end of the year | | 10,860 | 15,783 | |
| Analysis of changes in net debt: | | | | |
| | | Opening £000s | Cash flows £000s | Closing £000s |
| Cash at bank and in hand and short term deposits | | 15,783 | (4,923) | 10,860 |
| Bank loans (See 'Net cash from financing activities' above) | | (7,462) | 5,583 | (1,879) |
| Total | | 8,321 | 660 | 8,981 |

The notes on pages 57 to 109 form part of these financial statements.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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. Figures in these financial statements are in sterling and are rounded to the nearest one thousand unless otherwise specified.

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.

The Chapter considers that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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.

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 2022

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.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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.

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 2022

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.

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.

Derecognition 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.

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.

Derecognition of financial liabilities

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

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

I. FINANCIAL ASSETS AND LIABILITIES (continued)

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.

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 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
Notes to the Financial Statements
For the year ended 31 December 2022

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 and 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 2022 is based on the advice of 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
Notes to the Financial Statements
For the year ended 31 December 2022

2 DONATIONS AND LEGACIES

| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|---------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Donations (including gift aid) | 329 | 1,014 | 1,343 | 924 |
| Legacies | 11 | - | 11 | 85 |
| Congregational collections and giving | 338 | - | 338 | 71 |
| Learning in Harmony | - | - | - | 9 |
| Remember Me Memorial donations | - | - | - | 2,213 |
| Total | 678 | 1,014 | 1,692 | 3,302 |

3 GRANTS

| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|--|--------------------------------|------------------------------|------------------------|------------------------|
| Church Commissioners | - | 238 | 238 | 206 |
| Coronavirus Job Retention Scheme | - | - | - | 603 |
| National Lottery Heritage Fund | - | - | - | 875 |
| City of London Endowment Trust for St Paul's Cathedral | 294 | - | 294 | 550 |
| Historic England - Roof Repairs | - | - | - | 249 |
| All Churches Trust | - | 100 | 100 | 100 |
| Challenging History project | - | - | - | 90 |
| Website project | - | - | - | 150 |
| Garfield Weston Trust | - | 50 | 50 | 250 |
| Friends of St Paul's Cathedral | - | 166 | 166 | 165 |
| Other grants | - | 42 | 42 | 484 |
| Total | 294 | 596 | 890 | 3,722 |

In prior years, the Cathedral took advantage of the Government's Coronavirus Job Retention Scheme ("CJRS") when it was introduced in March 2020. The Cathedral group claimed furlough of £nil (2021: £717k) of which £nil (2021: £87k) is included in gross income of the shop (Enterprises) in income from other trading activities (note 5) with £nil (2021: £27k) recognised in gross income of the School (note 4).

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4 INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|---|--------------------------------|------------------------------|------------------------|------------------------|
| Facilities and other fees | 625 | - | 625 | 397 |
| Income of St Paul's Cathedral Choir School* | - | 4,403 | 4,403 | 4,001 |
| Total | 625 | 4,403 | 5,028 | 4,398 |

* After deducting fees payable to the School by the Cathedral.

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

5 INCOME FROM OTHER TRADING ACTIVITIES

| | Total 2022 £000s | Total 2021 £000s |
|--|------------------------|------------------------|
| Ticket and related visitor income | 7,148 | 1,527 |
| Gross income of shop and other commercial activities | 2,438 | 1,086 |
| Corporate partnerships | 44 | 54 |
| Other trading income | 23 | - |
| Total | 9,653 | 2,667 |

6 COST OF RAISING FUNDS

| | Total 2022 £000s | Total 2021 £000s |
|---|------------------------|------------------------|
| Cost of visitor admissions | 2,633 | 1,441 |
| Gross costs of shop and other commercial activities | 1,436 | 479 |
| Cost of fundraising and lettings | 494 | 343 |
| Investment and property management costs | 112 | 73 |
| Support costs (see note 9) | 1,202 | 663 |
| Total | 5,877 | 2,999 |

St Paul's Cathedral
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7 EXPENDITURE ON CHARITABLE ACTIVITIES

| | Direct Costs (note 8) £000s | Support Costs (note 9) £000s | Total 2022 £000s |
|---|--------------------------------------|---------------------------------------|------------------------|
| Summary | | | |
| Ministry | 2,208 | 255 | 2,463 |
| Cathedral and precincts upkeep | 3,435 | 397 | 3,832 |
| Education, outreach, community and congregation | 4,965 | 575 | 5,540 |
| Total | 10,608 | 1,227 | 11,835 |

| | Direct Costs (note 8) £000s | Support Costs (note 9) £000s | Total 2021 £000s |
|---|--------------------------------------|---------------------------------------|------------------------|
| Summary | | | |
| 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 |
| Total | 9,040 | 1,373 | 10,413 |

Included in the above is irrecoverable VAT of £111,000 (2021: £83,000).

8 DIRECT COSTS OF CHARITABLE ACTIVITIES

| | Total 2022 £000s | Total 2021 £000s |
|--------------------------------------|------------------------|------------------------|
| Ministry | | |
| Clergy stipends and working expenses | 325 | 318 |
| Virger, liturgical and support costs | 313 | 249 |
| Services and music | 1,570 | 906 |
| Total | 2,208 | 1,473 |

| | Total 2022 £000s | Total 2021 £000s |
|--|------------------------|------------------------|
| Cathedral and precincts upkeep | | |
| Major repairs and restoration (see note (i) below) | 808 | 1,549 |
| Maintenance and interior upkeep | 2,399 | 1,582 |
| Insurance | 228 | 201 |
| Total | 3,435 | 3,332 |

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8 DIRECT COSTS OF CHARITABLE ACTIVITIES (continued)

| | Total | Total |
|---|---------------|--------------|
| | 2022 | 2021 |
| | £000s | £000s |
| Education and outreach, community and congregation | | |
| School related activities | 4,238 | 3,780 |
| Education activities | 434 | 261 |
| Archives and Library | 293 | 194 |
| Total | 4,965 | 4,235 |
| Total direct costs of charitable activities | 10,608 | 9,040 |
| (i) Analysis of Majors Repairs and Restoration | 2022 | 2021 |
| | £000s | £000s |
| Equal Access Project (Permanent Ramp) | 1 | 362 |
| Remember Me - Inner Portico | 657 | 743 |
| Library refurbishment | 22 | 153 |
| Whispering Gallery safety | 63 | - |
| Roof repairs | - | 269 |
| Other repairs | 65 | 22 |
| Total | 808 | 1,549 |

9 SUPPORT COSTS

| | Cost of Raising Funds | Charitable activities | 2022 |
|--------------------------|-----------------------|-----------------------|--------------|
| | £000s | £000s | £000s |
| Finance, HR and IT costs | 669 | 684 | 1,353 |
| Other premises costs | 518 | 528 | 1,046 |
| Governance costs | 15 | 15 | 30 |
| Total | 1,202 | 1,227 | 2,429 |

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

| | 2022 | 2021 |
|-------------------------------|--------------|--------------|
| | £000s | £000s |
| General administration | 777 | 772 |
| Pension Scheme administration | 269 | 179 |
| Finance | 387 | 402 |
| Human Resources | 546 | 323 |
| Information Technology | 450 | 360 |
| Total | 2,429 | 2,036 |

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9 SUPPORT COSTS (continued)

Audit fees of £52,383 (2021: £44,940) and other non-audit fees of £1,770 (2021: £3,000) 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 | 2022 £000s |
|---|-----------------|--------------------|---------------|
| Wages and salaries (including stipends) | 201 | 8,515 | 8,716 |
| Social security costs | 21 | 782 | 803 |
| Pension costs | 52 | 767 | 819 |
| Total | 274 | 10,064 | 10,338 |
| | 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 |
| Total | 253 | 8,492 | 8,745 |

Staff costs include contractor costs, payroll for temporary as well as permanent staff. As disclosed in note 3, grant income of £nil (2021: £717,281) was claimed across the group in respect of the Coronavirus Job Retention Scheme from its introduction in March 2020. Included in salaries and wages are redundancy costs of £75,915 (2021: £4,520).

| Average staff numbers | Headcount | | Full Time Equivalent | |
|--------------------------------------|------------|------------|----------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| St Paul's Cathedral Choir School | 62 | 59 | 57 | 54 |
| Security | 10 | 10 | 10 | 10 |
| Corporate Services | 37 | 35 | 35 | 33 |
| Worship, Liturgy & Music | 30 | 36 | 28 | 27 |
| Shop and Corporate Events | 9 | 9 | 8 | 9 |
| Visitor Engagement | 51 | 45 | 40 | 35 |
| Registrar / COO and Business Support | 7 | 7 | 6 | 7 |
| Learning | 6 | 7 | 6 | 6 |
| Development | 7 | 7 | 7 | 6 |
| Total | 219 | 215 | 197 | 187 |

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10 SALARIES AND WAGES (continued)

| Higher paid employees | 2022 | 2021 |
|------------------------------|-------------|-------------|
| £60,000 - £70,000 | 5 | 2 |
| £70,001 - £80,000 | 3 | 1 |
| £80,001 - £90,000 | 2 | 3 |
| £90,001 - £100,000 | 2 | 2 |
| £110,001 - £120,000 | 1 | 1 |
| £160,001 - £170,000 * | 1 | - |

The key management personnel of the Cathedral, and Group, comprise the Executive Leadership Team, the Chapter, the Head of Commercial and the Head Teacher of the School. Key management personnel consists of 10 (2021: 10) individuals and total remuneration during the year was £935,521 (2021: £828,010). Total remuneration consists of gross salary, benefits, employers pension, employers national insurance contributions and stipends. Some higher paid employees are not part of the Executive Leadership Team.

* Including redundancy costs of £73,482.

Remuneration of Chapter members

| | Salary / Stipend | NI / Levy | Pension | 2022 | 2021 |
|-----------------------------------|-----------------------------|------------------|----------------|--------------|--------------|
| | £000s | £000s | £000s | £000s | £000s |
| The Very Revd Andrew Tremlett | 10 | 1 | 3 | 14 | - |
| The Very Revd Dr David Ison | 27 | 3 | 8 | 38 | 55 |
| The Revd Canon James Milne | 33 | 4 | - | 37 | 32 |
| The Revd Prebendary Dr Neil Evans | 17 | 2 | 5 | 24 | - |
| The Revd Canon Jonathan Brewster | - | - | - | - | 33 |
| | 87 | 10 | 16 | 113 | 120 |

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. These payments are set out in the above table. Jonathan Brewster resigned as a Chapter member on 13 October 2021 and David Ison resigned as a Chapter member on 15 September 2022. Andrew Tremlett replaced David Ison as Dean on 25 September 2022 and Neil Evans was appointed a member of Chapter on 5 June 2022. With exception of the above Chapter members, no other members of the Chapter are remunerated.

The Cathedral reimbursed expenses of £25,782 (2021: £547) to 5 (2021: 1) 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. Reimbursement costs are higher this year owing to relocation costs for two ministers appointed in 2022.

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11 TANGIBLE FIXED ASSETS

| GROUP | Buildings Improvements £000s | Fixtures & Fittings £000s | IT Equipment £000s | 2022 £000s |
|--------------------------------|---|--|-----------------------------------|-----------------------|
| Cost | | | | |
| Cost at 1 January 2022 | 10,125 | 485 | 447 | 11,057 |
| Additions | 87 | 25 | 40 | 152 |
| Total | 10,212 | 510 | 487 | 11,209 |
| Depreciation | | | | |
| Depreciation at 1 January 2022 | 1,471 | 384 | 342 | 2,197 |
| Depreciation for year | 205 | 38 | 40 | 283 |
| Total | 1,676 | 422 | 382 | 2,480 |
| Net Book Value | | | | |
| At 31 December 2022 | 8,536 | 88 | 105 | 8,729 |
| At 31 December 2021 | 8,654 | 101 | 105 | 8,860 |

| CATHEDRAL | Buildings Improvements £000s | Fixtures & Fittings £000s | IT Equipment £000s | 2022 £000s |
|--------------------------------|---|--|-----------------------------------|-----------------------|
| Cost | | | | |
| Cost at 1 January 2022 | 42 | 26 | 149 | 217 |
| Additions | 21 | - | 40 | 61 |
| Total | 63 | 26 | 189 | 278 |
| Depreciation | | | | |
| Depreciation at 1 January 2022 | 42 | 26 | 87 | 155 |
| Depreciation for year | 2 | - | 40 | 42 |
| Total | 44 | 26 | 127 | 197 |
| Net Book Value | | | | |
| At 31 December 2022 | 19 | - | 62 | 81 |
| At 31 December 2021 | - | - | 62 | 62 |

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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 Library. 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 five 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 essential 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 of 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 2022 (2021: none). No value is attributed to the Heritage Assets as explained in the accounting policy note 1g.

13 INVESTMENT PROPERTY

| | 2022 | 2021 |
|-----------------------------|--------------|--------------|
| GROUP AND CATHEDRAL | £000s | £000s |
| Market value at 1 January | 7,802 | 7,900 |
| Disposal proceeds | - | (235) |
| Net gains | 492 | 137 |
| Market value at 31 December | 8,294 | <u>7,802</u> |

The value of the freehold investment property of Tillingham Estate, Essex, is incorporated in the financial statements under unrestricted funds. During 2021 one of the residential properties on the estate was sold for £235,000. No gain or loss arose from the disposal of this property. 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 2023 to review the valuation of the estate. This has resulted in an increase to the value of the estate of £492,000 in 2022.

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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 fairly stated.

14 INVESTMENTS

GROUP

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

| | 2022 | 2021 |
|--|----------------|---------------|
| | £000s | £000s |
| Market Value at 1 January | 15,424 | 13,375 |
| Net (losses) / gains | (1,048) | 2,049 |
| | 14,376 | 15,424 |
| Cash held for investment | 5,391 | 5,286 |
| Total market value of investments | 19,767 | 20,710 |

| | Listed | Unlisted | 2022 | 2021 |
|--|--------------------|--------------------|----------------|---------------|
| | investments | investments | £000s | £000s |
| | £000s | £000s | | |
| CATHEDRAL | | | | |
| Market Value at 1 January | 14,124 | 7,197 | 21,321 | 20,429 |
| Capital redemption | - | (1,010) | (1,010) | (840) |
| Impairment | - | - | - | (154) |
| Net (losses) / gains | (895) | - | (895) | 1,886 |
| Market Value at 31 December | 13,229 | 6,187 | 19,416 | 21,321 |
| Cash deposits held for investment | 5,391 | - | 5,391 | 5,286 |
| Total market value of investments | 18,620 | 6,187 | 24,807 | 26,607 |

Cathedral listed investment funds under management are:

| | 2022 | 2021 |
|--------------|---------------|---------------|
| | £000s | £000s |
| Ruffer | 3,172 | 2,952 |
| CCLA | 10,057 | 11,172 |
| Total | 13,229 | 14,124 |

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

St Paul's Cathedral
Notes to the Financial Statements
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14 INVESTMENTS (continued)

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

| | 2022 | 2021 |
|--|-------------|------|
| CCLA - CBF Church of England Deposit Fund | 29% | 27% |
| CCLA - CBF Church of England Investment Fund Accumulation Shares | 54% | 58% |
| Ruffer - Charity Assets Trust Account | 17% | 15% |
| Total | 100% | 100% |

| Reconciliation of Group net (losses) / gains as per Statement of Financial Activities | 2022 | 2021 |
|--|----------------|-------|
| | £000s | £000s |
| Listed investment net (losses) / gains | (1,048) | 2,049 |
| Investment property net gains (see note 13) | 492 | 137 |
| Net (losses) / gains per Statement of Financial Activities | (556) | 2,186 |

Analysis of unlisted investments of the Cathedral

| Unlisted investments represents investment in subsidiaries. | 2022 | 2021 |
|---|--------------|-------|
| | £000s | £000s |
| St Paul's Cathedral Enterprises Limited | 150 | 150 |
| St Paul's Cathedral Choir School | 6,037 | 6,037 |
| St Paul's Cathedral Foundation | - | 1,010 |
| Total | 6,187 | 7,197 |

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 and will continue to be held at the current value less any impairment.

The unlisted investment of St Paul's Cathedral Foundation reduced in the year by £1,010k relating to a capital redemption. This investment is held at £nil value at 31 December 2022.

St Paul's Cathedral
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15 DEBTORS: AMOUNTS FALLING DUE OVER ONE YEAR

| | GROUP | | CATHEDRAL | |
|------------------------------------|--------------|----------|------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £000s | £000s | £000s | £000s |
| Loan to St Paul's Cathedral School | - | - | 1,879 | 2,462 |
| Total | - | - | 1,879 | 2,462 |

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 an amount of £123k (2021: £158k) due within one year.

16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | GROUP | | CATHEDRAL | |
|---|--------------|--------------|------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £000s | £000s | £000s | £000s |
| Trade debtors | 564 | 319 | 426 | 167 |
| Gift Aid recoverable | 75 | 84 | 69 | 62 |
| VAT recoverable | - | 66 | - | 89 |
| Grants receivable | 204 | 387 | 141 | 133 |
| Prepayments | 117 | 101 | 91 | 75 |
| Other debtors | 438 | 545 | 298 | 390 |
| Amounts owed by Subsidiary Undertakings | - | - | 257 | 776 |
| Amounts owed by Associated Undertakings | 366 | 260 | 366 | 260 |
| Total | 1,764 | 1,762 | 1,648 | 1,952 |

Trade debtors for the Cathedral are stated less provisions of £1,827 (2021: £1,672). Trade debtors for the Group are stated less provisions of £1,827 (2021: £1,672).

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17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | GROUP | | CATHEDRAL | |
|---|---------------------|--------------|---------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £000s | £000s | £000s | £000s |
| Trade creditors | 689 | 326 | 417 | 248 |
| Other tax and social security | 221 | 190 | 221 | 190 |
| Accruals | 812 | 907 | 324 | 414 |
| Deferred income (i) | 364 | 439 | 32 | 82 |
| Amounts owed to Subsidiary Undertakings | - | - | - | 8 |
| Amounts owed to Associated entities | 1 | 32 | - | - |
| Bank loan | 166 | 499 | 166 | 499 |
| VAT | 344 | - | 250 | - |
| Other creditors | 249 | 80 | 183 | 79 |
| Total | <u>2,846</u> | <u>2,473</u> | <u>1,593</u> | <u>1,520</u> |

- (i) Deferred income held in the Cathedral relates to fees earned from weddings and baptisms taking place after 31 December. The relevant proportion of Corporate memberships where the period of membership spans 31 December 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.

| GROUP | Brought forward | Amount added | Amount released | Carried forward |
|----------------------|------------------------|---------------------|------------------------|------------------------|
| | £000s | £000s | £000s | £000s |
| Deferred income 2022 | 439 | 364 | (439) | 364 |
| Deferred income 2021 | 177 | 439 | (177) | 439 |
| CATHEDRAL | | | | |
| Deferred income 2022 | 82 | 32 | (82) | 32 |
| Deferred income 2021 | 47 | 82 | (47) | 82 |

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18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | GROUP | | CATHEDRAL | |
|---------------------------------|---------------|---------------|---------------|---------------|
| | 2022 £000s | 2021 £000s | 2022 £000s | 2021 £000s |
| Pension provision (see note 23) | - | 7 | - | 7 |
| Bank loans | 1,713 | 6,963 | 1,713 | 6,963 |
| Total | 1,713 | 6,970 | 1,713 | 6,970 |

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

| | | | | |
|------------------|------------|-------|------------|-------|
| Bank loan | 901 | 1,568 | 901 | 1,568 |
|------------------|------------|-------|------------|-------|

| Analysis of bank loans (Group and Cathedral) | 2022 £000s | 2021 £000s |
|--|---------------|---------------|
| Coronavirus Business Interruption Loan (CBIL) | - | 5,000 |
| Other bank loans | 1,879 | 2,462 |
| | 1,879 | 7,462 |
| Included in Creditors: Amounts falling due after more than one year | 1,713 | 6,963 |
| Included in Creditors: Amounts falling due within one year (see note 17) | 166 | 499 |
| | 1,879 | 7,462 |

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 with a final installment due in September 2033. The loan is 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 loan incurred interest at a rate of 2.14% above the Bank of England base rate with a repayment term of five years. The loan was fully repaid in September 2022 and the second legal charge over the freehold property and land of the Tillingham Estate was released.

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.

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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 (2022: £1,031,000, 2021: £415,000).

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

| PROFIT AND LOSS | 2022 | 2021 |
|---|--------------|-------|
| | £000s | £000s |
| Turnover | 2,452 | 913 |
| Cost of sales | (929) | (273) |
| Gross Profit | 1,523 | 640 |
| Other income | 18 | 170 |
| Operating expenses | (510) | (203) |
| Profit for the financial year | 1,031 | 607 |
| Cathedral Distribution to Cathedral | 1,031 | 415 |
| BALANCE SHEET | | |
| | 2022 | 2021 |
| | £000s | £000s |
| Current assets | | |
| Stock | 196 | 154 |
| Debtors | 217 | 209 |
| Cash at bank and in hand | 398 | 671 |
| Total | 811 | 1,034 |
| Creditors: amounts falling due within one year | (661) | (884) |
| Net assets | 150 | 150 |
| CAPITAL AND RESERVES | | |
| | 2022 | 2021 |
| | £000s | £000s |
| Called up share capital | 150 | 150 |
| Reserves | - | - |
| Equity shareholders' funds | 150 | 150 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

19 GROUP ENTITIES (continued)

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

St Paul's Cathedral 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 29 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 2022 the Foundation made grants totalling £4,349,465 to the Cathedral. 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 2022, the Foundation has restricted reserves of £293,658.

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.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

19 GROUP ENTITIES (continued)

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

| STATEMENT OF FINANCIAL ACTIVITIES | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|---|---|---------------------------------------|---------------------------------|---------------------------------|
| Income | | | | |
| Donations and legacies | 181 | 654 | 835 | 3,002 |
| Investment income | 7 | - | 7 | 1 |
| Total | 188 | 654 | 842 | 3,003 |
| Expenditure | | | | |
| Cost of raising funds | 7 | - | 7 | (15) |
| Charitable activities | (28) | (4,330) | (4,358) | (1,339) |
| Total | (21) | (4,330) | (4,351) | (1,354) |
| Net (outgoing) / incoming resources | 167 | (3,676) | (3,509) | 1,649 |
| Transfers between funds | - | - | - | - |
| Funds brought forward | 521 | 3,969 | 4,490 | 2,841 |
| Funds carried forward | 688 | 293 | 981 | 4,490 |
| BALANCE SHEET | | | | |
| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
| Current assets | | | | |
| Debtors | 10 | 60 | 70 | 280 |
| Short term deposits | 500 | - | 500 | 500 |
| Cash at bank and in hand | 216 | 233 | 449 | 3,772 |
| Total | 726 | 293 | 1,019 | 4,552 |
| Creditors: amounts falling due within one year | (38) | - | (38) | (62) |
| Net funds | 688 | 293 | 981 | 4,490 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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. In September 2022 a second Reception form was introduced making 5 classes in Reception with the full complement of 6 being achieved in September 2023.

St Paul's Cathedral School Association is a registered charity with number 283757 and its objectives are closely aligned to those of St Paul's Cathedral. The Association raises money to advance the education of the choristers and probationers at the School and support choral traditions.

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

| | 2022 | 2021 |
|--|----------------|---------|
| | £000s | £000s |
| STATEMENT OF FINANCIAL ACTIVITIES | | |
| Income | 5,118 | 4,533 |
| Expenditure | (4,581) | (4,030) |
| Net (loss) / gain on investments | (153) | 163 |
| Net incoming resources | 384 | 666 |
| | | |
| BALANCE SHEET | 2022 | 2021 |
| | £000s | £000s |
| Fixed assets | 9,795 | 10,098 |
| Current assets | 1,579 | 1,471 |
| Current liabilities | (981) | (972) |
| Long term liabilities | (1,708) | (2,296) |
| Net Funds | 8,685 | 8,301 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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. The associated entities are not consolidated in these financial statements. 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 exceptions of St Paul's Cathedral Chorister Trust which has a 31 August year and The Order of the British Empire Chapel Fund which has a 31 March 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

| | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|--|---|---------------------------------------|---------------------------------|---------------------------------|
| Income | | | | |
| Donations and legacies | - | - | - | 2 |
| Investment income | 321 | 6 | 327 | 306 |
| Total | 321 | 6 | 327 | 308 |
| Expenditure | | | | |
| Cost of raising funds | (8) | - | (8) | (8) |
| Charitable activities | (304) | (6) | (310) | (561) |
| Total | (312) | (6) | (318) | (569) |
| Net (losses) / gains on investments | (1,367) | (26) | (1,393) | 878 |
| Transfers between funds | - | - | - | - |
| Net (outgoing) / incoming resources | (1,358) | (26) | (1,384) | 617 |
| Funds brought forward | 11,783 | 230 | 12,013 | 11,396 |
| Funds carried forward | 10,425 | 204 | 10,629 | 12,013 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

20 ASSOCIATED ENTITIES (continued)

| BALANCE SHEET | Unrestricted Funds £000s | Restricted Funds £000s | Total 2022 £000s | Total 2021 £000s |
|---|---|---------------------------------------|---------------------------------|---------------------------------|
| Fixed asset investments | | | | |
| Investments | 10,405 | 210 | 10,615 | 12,017 |
| Current assets | | | | |
| Cash at bank and in hand | 336 | - | 336 | 9 |
| Total assets | 10,741 | 210 | 10,951 | 12,026 |
| Creditors: amounts falling due within one year | (316) | (6) | (322) | (13) |
| Net funds | 10,425 | 204 | 10,629 | 12,013 |

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

| | 2022 £000s | 2021 £000s |
|--|-----------------------|-----------------------|
| Income | | |
| Investment income | 121 | 119 |
| Expenditure | | |
| Cost of raising funds | (84) | (286) |
| Operating surplus / (deficit) | 37 | (167) |
| Net (losses) / gains on investments | (718) | 470 |
| Net (outgoing) / incoming resources | (681) | 303 |
| Funds brought forward | 5,307 | 5,004 |
| Funds carried forward | 4,626 | 5,307 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

20 ASSOCIATED ENTITIES (continued)

| BALANCE SHEET | 2022 | 2021 |
|---|---------------------|---------------------|
| | £000s | £000s |
| Fixed assets | | |
| Investments | 4,536 | 5,095 |
| Current assets | | |
| Cash at bank and in hand | 156 | 483 |
| Creditors: amounts falling due within one year | (66) | (271) |
| Net funds | <u><u>4,626</u></u> | <u><u>5,307</u></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 and music. The summary audited financial performance and position for the year is below:

STATEMENT OF FINANCIAL ACTIVITIES

| | 2022 | 2021 |
|---|---------------------|---------------------|
| | £000s | £000s |
| Income | | |
| Donations, legacies and subscriptions | 65 | 98 |
| Activities for generating funds - Events & Activities | 1 | - |
| Investment income | 2 | - |
| Total | <u><u>68</u></u> | <u><u>98</u></u> |
| Expenditure | | |
| Cost of raising funds | (40) | (39) |
| Charitable activities | (131) | (132) |
| Total expenditure | <u><u>(171)</u></u> | <u><u>(171)</u></u> |
| Net outgoing resources | (103) | (73) |
| Funds brought forward | 300 | 373 |
| Funds carried forward | <u><u>197</u></u> | <u><u>300</u></u> |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

20 ASSOCIATED ENTITIES (continued)

BALANCE SHEET

| | 2022 | 2021 |
|---|--------------|--------------|
| Current assets | £000s | £000s |
| Other debtors | 3 | 44 |
| Cash at bank and in hand | 199 | 258 |
| Total | 202 | 302 |
| Creditors: amounts falling due within one year | (5) | (2) |
| Net funds | 197 | 300 |

All income and expenditure received in 2022 and 2021 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

| | 2022 | 2021 |
|--|--------------|--------------|
| | £000s | £000s |
| Income | 215 | 209 |
| Expenditure | (200) | (126) |
| Net (loss) / gain on investments | (160) | 299 |
| Net (outgoing) / incoming resources | (145) | 382 |
| Funds brought forward | 2,805 | 2,423 |
| Funds carried forward | 2,660 | 2,805 |

BALANCE SHEET

| | | |
|---|--------------|--------------|
| Assets | 2,796 | 3,005 |
| Creditors: amounts falling due within one year | (136) | (200) |
| Net funds | 2,660 | 2,805 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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:

| PROFIT AND LOSS | 2022 | 2021 |
|--|---------------|--------|
| | \$000s | \$000s |
| Donations | 315 | 673 |
| Grants to St Paul's Cathedral and Choir School | (170) | (358) |
| Expenditure | (200) | (259) |
| Net (outgoing) / incoming resources | (55) | 56 |
| Funds brought forward | 189 | 133 |
| Funds carried forward | 134 | 189 |
| BALANCE SHEET | | |
| Assets | 134 | 189 |
| Net funds | 134 | 189 |

e. The Order of the British Empire Chapel Fund (Charity number 308077)

The Order of the British Empire Chapel Fund is a UK based charity with registration number 308077 with an accounting period to 31 March. It supports the Cathedral to furnish and maintain the OBE Chapel in the Crypt of St Paul's and provides for the holding of services in both the OBE Chapel and Cathedral.

The summary financial performance and position of The Order of the British Empire Chapel Fund is below. The results are independently examined.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

20 ASSOCIATED ENTITIES (continued)

e. The Order of the British Empire Chapel Fund (continued)

STATEMENT OF FINANCIAL ACTIVITIES

| | 2022 | 2021 |
|--|---------------------|--------------|
| | £000s | £000s |
| Income | | |
| Subscriptions and donations (including gift aid) | 134 | 117 |
| Investment income | 38 | 34 |
| Total | <u>172</u> | <u>151</u> |
| Expenditure | | |
| Grants | (58) | (364) |
| Other costs | (7) | (7) |
| Total | <u>(65)</u> | <u>(371)</u> |
| Investment gains | 141 | 465 |
| Net incoming resources | 248 | 245 |
| Funds brought forward | 4,429 | 4,184 |
| Funds carried forward | <u>4,677</u> | <u>4,429</u> |

BALANCE SHEET

| | | |
|---|---------------------|--------------|
| Assets | | |
| Investments | 4,659 | 4,413 |
| Other debtors and prepayments | 19 | 17 |
| Total | <u>4,678</u> | <u>4,430</u> |
| Creditors: amounts falling due within one year | (1) | (1) |
| Net funds | <u>4,677</u> | <u>4,429</u> |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS

a. Analysis of Group Funds

| 2022 | As at 1 Jan 2022 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2022 £000s |
|--------------------------------|------------------------------|-----------------|----------------------|------------------------------|--------------------|-------------------------------|
| Endowment Fund | 7,703 | - | - | (706) | - | 6,997 |
| Restricted Funds | | | | | | |
| School Fund | 6,663 | 4,753 | (4,357) | (153) | - | 6,906 |
| <u>Special Trusts</u> | | | | | | |
| Alexander Fund | 108 | 2 | (1) | (10) | - | 99 |
| American Memorial Fund | 149 | 3 | - | (14) | - | 138 |
| Bill Viola | 106 | 2 | (10) | (10) | - | 88 |
| Chorister Tuition Fees | 235 | 5 | - | (22) | - | 218 |
| Choristers' Memorial | 15 | - | - | (1) | - | 14 |
| Chapter House - Right of Light | 65 | 1 | - | (6) | - | 60 |
| Crewe Dean Exhibitions | 206 | 3 | (8) | - | (86) | 115 |
| Fishwick Organ Scholar | 88 | 2 | - | (8) | - | 82 |
| Library Fund | 352 | 7 | - | (33) | - | 326 |
| Middlesex Chapel Fund | 524 | 10 | (2) | (49) | - | 483 |
| Music Commissions | 41 | 1 | - | (4) | - | 38 |
| Music Tours Fund | 44 | 1 | - | (4) | - | 41 |
| Visiting Preachers Fund | 140 | 3 | (3) | (13) | - | 127 |
| Tillingham fund | 544 | 11 | - | (51) | - | 504 |
| Vicars Choral | 302 | 7 | - | (28) | - | 281 |
| Total Special Trusts | 2,919 | 58 | (24) | (253) | (86) | 2,614 |
| <u>Collections</u> | | | | | | |
| Challenging History | 90 | 10 | (11) | - | - | 89 |
| Collections - Other | 105 | 27 | (191) | - | 86 | 27 |
| <u>Education</u> | | | | | | |
| Education | 147 | 130 | (123) | - | - | 154 |
| <u>Fabric</u> | | | | | | |
| American Chapel | 34 | - | - | - | - | 34 |
| Bells Appeal | 46 | - | - | - | - | 46 |
| Equal Access Ramp | - | - | (1) | - | - | (1) |
| Fabric - Other | 257 | 24 | (11) | - | - | 270 |
| Library | 208 | 1 | (27) | - | (3) | 179 |
| Organ CCTV | 137 | - | (94) | - | - | 43 |
| Remember Me | 1,441 | 26 | (959) | - | (19) | 489 |
| Roof Works | 1 | - | - | - | - | 1 |
| Sound System Project | 70 | 1 | - | - | - | 71 |
| Whispering Gallery Safety | 150 | 477 | (76) | - | - | 551 |
| <u>Music & Ministry</u> | | | | | | |
| Chorister Funds | 114 | 101 | (120) | - | - | 95 |
| Church Commissioners | - | 139 | (141) | - | - | (2) |
| Girls Choir | 115 | 6 | (42) | - | 144 | 223 |
| Ministry | - | - | - | - | - | - |
| Music - Other | 140 | 105 | (6) | - | (141) | 98 |
| Music - Outreach | 62 | 71 | (123) | - | - | 10 |
| Piano Appeal | 4 | - | - | - | - | 4 |
| Vicars Choral | 119 | - | (160) | - | - | (41) |
| <u>Other Restricted funds</u> | | | | | | |
| Church Commissioners | - | 99 | (99) | - | - | - |
| Learning in Harmony | 14 | - | - | - | - | 14 |
| National Heritage Lottery Fund | - | - | - | - | - | - |
| Restricted - Other | 16 | 82 | (123) | - | 25 | - |
| Website | 114 | - | (85) | - | - | 29 |
| Total Restricted Funds | 12,966 | 6,110 | (6,773) | (406) | 6 | 11,903 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

a. Analysis of Group Funds (continued)

| | As at 1 Jan 2022 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2022 £000s |
|---------------------------------|------------------------------|-----------------|----------------------|------------------------------|--------------------|-------------------------------|
| Designated Funds | | | | | | |
| Post Covid Resilience Fund | 9,118 | - | - | - | (7,768) | 1,350 |
| Short Term Fabric Fund | 1,063 | - | - | - | 437 | 1,500 |
| Other Designated Fund | - | - | - | - | 26 | 26 |
| Total | 10,181 | - | - | - | (7,305) | 2,876 |
| Unrestricted Funds | | | | | | |
| Tillingham Property Fund | 7,802 | - | - | 492 | - | 8,294 |
| General Reserves | 6,976 | 11,581 | (10,939) | 64 | 7,299 | 14,981 |
| Total | 14,778 | 11,581 | (10,939) | 556 | 7,299 | 23,275 |
| Total Unrestricted funds | 24,959 | 11,581 | (10,939) | 556 | (6) | 26,151 |
| Total Funds | 45,628 | 17,691 | (17,712) | (556) | - | 45,051 |

| 2021 | As at 1 Jan 2021 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2021 £000s |
|--------------------------------|------------------------------|-----------------|----------------------|------------------------------|--------------------|-------------------------------|
| Endowment Fund | 6,545 | - | - | 1,158 | - | 7,703 |
| Restricted Funds | | | | | | |
| School Fund | 6,161 | 4,139 | (3,800) | 163 | - | 6,663 |
| Special Trusts | | | | | | |
| 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 |
| Total Special Trusts | 2,622 | 55 | (28) | 270 | - | 2,919 |

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 (continued)

| | As at 1 Jan 2021 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2021 £000s |
|---------------------------------|------------------------------|-----------------|----------------------|------------------------------|--------------------|-------------------------------|
| <i>Collections</i> | | | | | | |
| Challenging History | - | 90 | - | - | - | 90 |
| Collections - Other | 29 | 98 | (22) | - | - | 105 |
| <i>Education</i> | | | | | | |
| Education | 72 | 122 | (47) | - | - | 147 |
| <i>Fabric</i> | | | | | | |
| 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 |
| <i>Music & Ministry</i> | | | | | | |
| 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 |
| <i>Other Restricted funds</i> | | | | | | |
| 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 |
| Total Restricted Funds | 11,271 | 9,456 | (7,755) | 433 | (439) | 12,966 |
| Designated Funds | | | | | | |
| Post Covid Resilience Fund | 10,000 | - | - | - | (882) | 9,118 |
| Short Term Fabric Fund | 1,313 | - | - | - | (250) | 1,063 |
| Total | 11,313 | - | - | - | (1,132) | 10,181 |
| Unrestricted Funds | | | | | | |
| Tillingham Property Fund | 7,900 | - | - | 137 | (235) | 7,802 |
| General Reserves | 5,411 | 4,958 | (5,657) | 458 | 1,806 | 6,976 |
| Total | 13,311 | 4,958 | (5,657) | 595 | 1,571 | 14,778 |
| Total Unrestricted Funds | 24,624 | 4,958 | (5,657) | 595 | 439 | 24,959 |
| Total Funds | 42,440 | 14,414 | (13,412) | 2,186 | - | 45,628 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

| b. Analysis of Cathedral Funds | As at 1 | | | Gains / | | As at 31 |
|---------------------------------------|-----------------|---------------|--------------------|-----------------|------------------|-----------------|
| 2022 | Jan 2022 | Income | Expenditure | (losses) | Transfers | Dec 2022 |
| | £000s | £000s | £000s | £000s | £000s | £000s |
| Endowment Fund | 7,703 | - | - | (706) | - | 6,997 |
| Restricted Funds | | | | | | |
| School Fund | 6,036 | - | - | - | - | 6,036 |
| <u>Special Trusts</u> | | | | | | |
| Alexander Fund | 108 | 2 | (1) | (10) | - | 99 |
| American Memorial Fund | 149 | 3 | - | (14) | - | 138 |
| Bill Viola | 106 | 2 | (10) | (10) | - | 88 |
| Chorister Tuition Fees | 235 | 5 | - | (22) | - | 218 |
| Choristers' Memorial | 15 | - | - | (1) | - | 14 |
| Chapter House - Right of Light | 65 | 1 | - | (6) | - | 60 |
| Crewe Dean Exhibitions | 206 | 3 | (8) | - | (86) | 115 |
| Fishwick Organ Scholar | 88 | 2 | - | (8) | - | 82 |
| Library Fund | 352 | 7 | - | (33) | - | 326 |
| Middlesex Chapel Fund | 524 | 10 | (2) | (49) | - | 483 |
| Music Commissions | 41 | 1 | - | (4) | - | 38 |
| Music Tours Fund | 44 | 1 | - | (4) | - | 41 |
| Visiting Preachers Fund | 140 | 3 | (3) | (13) | - | 127 |
| Tillingham fund | 544 | 11 | - | (51) | - | 504 |
| Vicars Choral | 302 | 7 | - | (28) | - | 281 |
| Total Special Trusts | 2,919 | 58 | (24) | (253) | (86) | 2,614 |
| <u>Collections</u> | | | | | | |
| Challenging History | 90 | - | (11) | - | - | 79 |
| Collections - Other | 19 | 117 | (191) | - | 86 | 31 |
| <u>Education</u> | | | | | | |
| Education | 147 | 130 | (123) | - | - | 154 |
| <u>Fabric</u> | | | | | | |
| American Chapel | 34 | - | - | - | - | 34 |
| Bells Appeal | 41 | 5 | - | - | - | 46 |
| Equal Access Ramp | (80) | 80 | (1) | - | - | (1) |
| Fabric - Other | 236 | 37 | (11) | - | - | 262 |
| Library | (51) | 260 | (27) | - | (3) | 179 |
| Organ CCTV | 137 | - | (94) | - | - | 43 |
| Remember Me | (559) | 2,025 | (959) | - | (19) | 488 |
| Roof Works | 1 | - | - | - | - | 1 |
| Sound System Project | 70 | 1 | - | - | - | 71 |
| Whispering Gallery Safety | 50 | 412 | (76) | - | - | 386 |
| <u>Music & Ministry</u> | | | | | | |
| Chorister Funds | (1) | 173 | (120) | - | - | 52 |
| Church Commissioners | - | 139 | (141) | - | - | (2) |
| Girls Choir | 115 | 6 | (42) | - | 144 | 223 |
| Ministry | - | 3 | - | - | - | 3 |
| Music - Other | 113 | 48 | (6) | - | (141) | 14 |
| Music - Outreach | (125) | 203 | (123) | - | - | (45) |
| Piano Appeal | 4 | - | - | - | - | 4 |
| Vicars Choral | 46 | 117 | (160) | - | - | 3 |
| <u>Other Restricted funds</u> | | | | | | |
| Church Commissioners | - | 99 | (99) | - | - | - |
| Restricted - Other | 5 | 112 | (123) | - | 25 | 19 |
| Website | 114 | - | (85) | - | - | 29 |
| Total Restricted Funds | 9,361 | 4,025 | (2,416) | (253) | 6 | 10,723 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

b. Analysis of Cathedral Funds (continued)

| CATHEDRAL | As at 1 Jan 2022 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2022 £000s |
|---------------------------------|---------------------------------------|-------------------------|------------------------------|---------------------------------------|----------------------------|--|
| Designated Funds | | | | | | |
| Post Covid Resilience Fund | 9,118 | - | - | - | (7,768) | 1,350 |
| Short Term Fabric Fund | 1,063 | - | - | - | 437 | 1,500 |
| Other Designated Fund | - | - | - | - | 26 | 26 |
| Total | 10,181 | - | - | - | (7,305) | 2,876 |
| Unrestricted Funds | | | | | | |
| Tillingham Property Fund | 7,802 | - | - | 492 | - | 8,294 |
| General Reserves | 4,841 | 10,210 | (9,886) | 64 | 7,299 | 12,528 |
| Total | 12,643 | 10,210 | (9,886) | 556 | 7,299 | 20,822 |
| Total Unrestricted funds | 22,824 | 10,210 | (9,886) | 556 | (6) | 23,698 |
| Total Funds | 39,888 | 14,235 | (12,302) | (403) | - | 41,418 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

| b. Analysis of Cathedral Funds | As at 1 Jan 2021 | Income | Expenditure | Gains / (losses) | Transfers | As at 31 Dec 2021 |
|--------------------------------|---------------------|--------|-------------|---------------------|-----------|----------------------|
| 2021 | £000s | £000s | £000s | £000s | £000s | £000s |
| Endowment Fund | 6,545 | - | - | 1,158 | - | 7,703 |
| Restricted Funds | | | | | | |
| School Fund | 6,036 | - | - | - | - | 6,036 |
| <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 |
| Total Special Trusts | 2,622 | 55 | (28) | 270 | - | 2,919 |
| <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 & 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 |
| Total Restricted Funds | 10,545 | 3,126 | (3,960) | 116 | (466) | 9,361 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

b. Analysis of Cathedral Funds (continued)

| CATHEDRAL | As at 1 Jan 2021 £000s | Income £000s | Expenditure £000s | Gains / (losses) £000s | Transfers £000s | As at 31 Dec 2021 £000s |
|---------------------------------|------------------------------|-----------------|----------------------|------------------------------|--------------------|-------------------------------|
| Designated Funds | | | | | | |
| Post Covid Resilience Fund | 10,000 | - | - | - | (882) | 9,118 |
| Short Term Fabric Fund | 1,313 | - | - | - | (250) | 1,063 |
| Total | 11,313 | - | - | - | (1,132) | 10,181 |
| Unrestricted Funds | | | | | | |
| Tillingham Property Fund | 7,900 | - | - | 137 | (235) | 7,802 |
| General Reserves | 3,898 | 4,196 | (5,544) | 458 | 1,833 | 4,841 |
| Total | 11,798 | 4,196 | (5,544) | 595 | 1,598 | 12,643 |
| Total Unrestricted funds | 23,111 | 4,196 | (5,544) | 595 | 466 | 22,824 |
| Total Funds | 40,201 | 7,322 | (9,504) | 1,869 | - | 39,888 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

c. Group and Cathedral Fund descriptions

1) 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.

2) 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.

2A) 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.

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 2022

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 are 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.

2B) 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. Funds continue to be used against the costs of opening the entrance to visitors.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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 project has spanned several years and the books were returned from storage back to the Library in April 2023.

Organ CCTV Fund

These funds are restricted towards the costs and installation of CCTV for use by the Organists during services. The project completed in May 2022 and funds continue to be used towards the costs of maintenance and repair.

Remember Me (Inner Portico)

A fundraising campaign was launched in partnership with the newspaper, The Daily Mail, during 2021 to fundraise the construction and operational costs of the Inner Portico in the North Transept. Most of the 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

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

Whispering Gallery Safety

These funds relate to the installation of a safety rail in the Whispering Gallery. Work on the project commenced during 2022 and the Gallery will re-open in late 2023.

Music and Ministry

Chorister Funds

These funds are restricted towards the cost of Chorister tuition and Music fees at the Cathedral 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 2022 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 2022 was fully utilised by 31 December. All grants received from Church Commissioners relate to s21 and s23 under the Cathedrals Measure 1999.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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 a Girls' Choir. The project is currently in the early stages of its development with a fundraising target set at £8m to fund the capital costs of the boarding house refurbishment and operational costs for 5 years. The new choir will be formed by September 2025.

Ministry

These funds are restricted towards the cost of ministerial roles and / or services. All funding received in 2022 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 repair and maintenance of the piano.

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. St Paul's was awarded a further grant in early 2022 to support the salaries of the Corporate Giving Manager for 3 years from 1 May 2022. All funding received in 2022 was fully utilised by the year end. 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 in receipt of a £3m grant in respect of the Culture Recovery Grant and was fully utilised by 30 June 2021. The grant was used to support staff salaries and other operational costs in the period 1 October 2020 to 30 June 2021.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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.

3) DESIGNATED FUNDS

Post Covid Resilience Fund (formerly 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 had originally budgeted an operating deficit for 2022 and 2023 and was not expected to breakeven until 2024.

In 2022 the Cathedral outperformed it's paying visitor forecast and as a result a much smaller fund is needed at 31 December 2022 to cover 2023 operational losses.

Included in the year end balance is the budgetted 2023 operational loss of £850k and a further £500k set aside to fund long term revenue driving opportunities as the relevant business case/(s) arise.

Short Term Fabric Fund

The Short Term Fabric Fund relates to funds allocated by the Chapter for projects in the near future. The fund increased in the year owing to an increased cost to projects.

Other Designated Fund

The Other Designated Funds relates to a number of small funds designated by Chapter for use in operational projects in 2023.

4) UNRESTRICTED FUNDS

Tillingham Property 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.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

21 ANALYSIS OF NET MOVEMENT IN FUNDS (continued)

c. Group and Cathedral Fund descriptions (continued)

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. The larger transfers are detailed below.

A transfer of £86,000 was made out of the Crewe Dean Exhibition fund into the Collections - Other fund. This was to fund the shortfall on the Jubilee Exhibition where funding could not be externally raised.

A transfer of £144,000 was made into the Girl's Choir fund from other restricted music funds following permission from the donors.

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

22 PENSIONS

The Cathedral maintains a defined contribution scheme 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 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 £414,000 (2021: £380,000).

Defined Benefit Scheme

The Cathedral is responsible for a defined benefit pension scheme which was closed to further service accrual from May 2007. Although closed to service accrual from May 2007, scheme benefits for those who remained employed from that date remained linked to final remuneration until 31 December 2022. The assets of the Scheme are held in a separate trustee administered fund.

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 Chapter therefore agreed that no further deficit contributions were required to meet the Statutory Funding Objective. A scheme funding valuation was due in September 2022 however it did not go ahead as a result of the buy-in and buy-out process taking place in 2023.

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 £10,705,000. This significant negative return was caused by the value of the Scheme's Liability Driven Investments moving, as intended, in line with falls in the Scheme's liabilities, these being caused up upward movements in interest rates in the latter part of 2022. 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:

| | 2022 | 2021 |
|---|-----------------|-----------------|
| | £000s | £000s |
| Present value of defined benefit obligation | 17,023 | 27,072 |
| Fair value of plan assets | (20,904) | (33,093) |
| Surplus | (3,881) | (6,021) |
| Impact of asset ceiling | 3,881 | 6,021 |
| Net liability / (asset) in Balance Sheet | - | - |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

22 PENSIONS (continued)

| Expenditure recognised in the Statement of Financial Activities: | 2022 | 2021 |
|---|--------------|-----------|
| | £000s | £000s |
| Cathedral's part of the current service cost | - | 84 |
| Total expense recognised in Statement of Financial Activities | - | 84 |

In previous years, we have charged the premiums paid by the Cathedral for insuring death-in-service benefits, through the Scheme's service cost, and for consistency included it as an Employer contribution and as a disbursement. In 2022 we have not charged these premiums through the service cost this year, both for simplicity and as we understand they primarily relate to insurance of benefits that the Cathedral provides to its employees outside the Scheme.

| Analysis of Scheme assets: | 2022 | | 2021 | |
|---|-------------------|---------------|-------------|---------------|
| | Allocation | £000s | Allocation | £000s |
| Equities | 0% | - | 0% | - |
| Absolute return bonds | 20% | 4,127 | 38% | 12,721 |
| Diversified growth funds | 11% | 2,268 | 15% | 4,981 |
| Dynamic Liability Driven Investment ("LDI") | 67% | 14,041 | 42% | 14,004 |
| Cash at bank | 1% | 164 | 1% | 103 |
| Insured pensioners | 1% | 304 | 4% | 1,284 |
| Total | 100% | 20,904 | 100% | 33,093 |

| Movement in the net balance sheet position: | 2022 | 2021 |
|--|--------------|----------|
| | £000s | £000s |
| Net liability / (asset) position at 1 January | - | - |
| Expense charged to Statement of Financial Activities | - | 84 |
| Employer contributions | - | (84) |
| Net liability / (asset) position at 31 December | - | - |

| Movement in present value of defined benefit obligation: | 2022 | 2021 |
|---|---------------|---------------|
| | £000s | £000s |
| Defined benefit obligation at 1 January | 27,072 | 30,205 |
| Employer's cost of the current service cost | - | 84 |
| Interest on plan liabilities | 507 | 356 |
| Actuarial gains / (losses) due to | | |
| Experience on benefit obligation | 952 | 473 |
| Changes in financial assumptions | (10,003) | (2,725) |
| Changes in demographic assumptions | (21) | (303) |
| Benefit payments | (775) | (1,018) |
| Curtailments and settlements | (709) | - |
| Defined benefit obligation at 31 December | 17,023 | 27,072 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

22 PENSIONS (continued)

| Movement in fair value of plan assets: | 2022 | 2021 | |
|--|------------------------|----------------------|-----------------|
| | £000s | £000s | |
| Fair value of assets at 1 January | 33,093 | 34,505 | |
| Interest on plan assets | 621 | 408 | |
| Actual return on plan assets less interest on plan assets | (11,326) | (886) | |
| Contributions by Cathedral | - | 84 | |
| Benefit payments | (775) | (1,018) | |
| Curtailments and settlements | (709) | - | |
| Defined benefit obligation at 31 December | <u>20,904</u> | <u>33,093</u> | |
| Return on plan assets | <u>(10,705)</u> | <u>(478)</u> | |
| Movement in the impact of the asset ceiling: | 2022 | 2021 | |
| | £000s | £000s | |
| Effect of asset ceiling at 1 January | 6,021 | 4,300 | |
| Interest on asset limit | 114 | 52 | |
| Change in asset limit other than interest | (2,254) | 1,669 | |
| Effect of asset ceiling at 31 December | <u>3,881</u> | <u>6,021</u> | |
| Significant actuarial assumptions at 31 December: | 2022 | 2021 | 2020 |
| Retail Price Inflation (% p.a.) | 3.40% | 3.50% | 3.00% |
| Consumer Price Inflation (% p.a.) | 2.80% | 2.90% | 2.30% |
| Discount rate (% p.a.) | 4.80% | 1.90% | 1.20% |
| Revaluation of non-GMP in deferment (% p.a.) | 2.80% | 2.90% | 2.30% |
| General salary increases (% p.a.) | n/a | 2.90% | 2.30% |
| Life expectancy of male / female aged 65 | 22.6 / 25.1 | 22.6 / 25.0 | 22.8 / 25.1 |
| Life expectancy of male / female aged 65 in 20 years' time | 23.8 / 26.4 | 23.8 / 26.4 | 24.1 / 26.5 |

St Paul's Cathedral
Notes to the Financial Statements
For the year ended 31 December 2022

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 (2022: £36,000, 2021: £44,000), plus the figures in relation to the Scheme's deficit highlighted in the table below as being recognised in the Statement of Financial Activities, giving a total charge of £29,000 for 2022 (2021: £37,000).

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 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m, assessed using the following assumptions:

- an average discount rate of 2.7% p.a.;
- RPI inflation of 3.6% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA tables, with allowance for improvements in mortality rates in line with the CMI2020 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 data of 0% (i.e. w2020 = 0%).

Following the 31 December 2018 valuation, a deficit recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) were as set out in the table below. An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from 1 April 2022. Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was in surplus.

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23 CATHEDRAL CLERGY PENSIONS (continued)

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the table below. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

| Percentage of Pensionable Stipends | Year 2021 - 22 | Year 2018 - 20 |
|---|---------------------------|---------------------------|
| Deficit repair contributions | 7.10% | 11.90% |

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is £nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

| Movement in pension provision | 2022 £000s | 2021 £000s |
|--------------------------------------|-----------------------|-----------------------|
| Liability at 1 January | 7 | 14 |
| Deficit contribution paid | (4) | (8) |
| Actuarial change in liability* | (3) | 1 |
| Liability at 31 December | <u>-</u> | <u>7</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. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.

Significant actuarial assumptions at 31 December (per annum):

| | 2022 | 2021 | 2020 |
|-------------------------------|-------------|-------------|-------------|
| Discount rate | n/a | 0.0% | 0.2% |
| Price inflation | n/a | n/a | 3.1% |
| Pensionable payroll increases | n/a | (1.5%) | 1.6% |

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.

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24 CAPITAL COMMITMENTS

The Cathedral has a building contract with Sir Robert McAlpine for the construction of the Remember Me Inner Portico. At the year end a commitment of £0.1m (2021: £0.5m) was outstanding and will be settled in 2023. There are no other capital commitments across the group.

25 CONTINGENT LIABILITIES

The Cathedral and its subsidiaries had no contingent liabilities as at 31 December 2022 (2021: none).

26 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.

| Group | 2022 £000s | 2021 £000s |
|-------------------|-----------------------------|---------------|
| Under one year | 19 | 85 |
| Two to five years | - | 19 |
| Total | <u>19</u> | <u>104</u> |

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.

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27 RELATED PARTY TRANSACTIONS

Income of £1,030,751 (2021: £415,565) 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 £420,645 (2021: £248,513). St Paul's Cathedral Enterprises received income from St Paul's Cathedral for the provision of guidebooks of £31,512 (2021: £Nil). As at the year end, £221,046 (2021: £752,919) was owed and included within the Cathedral's debtors.

Tuition fees of £327,521 (2021: £330,202) and music fees of £26,663 (2020: £53,426) were paid to St Paul's Cathedral Choir School ("School") to fund the education of the choristers. The Cathedral loaned the School £Nil in 2022 (2021: £560,827) and repayments were made in the year of £582,804 (2021: £38,370). The loan balance outstanding at the year end is £1,878,825 (2021: £2,461,630). The Cathedral paid grants to the School totalling £Nil (2021: £5,000) in relation to the Learning in Harmony project. The Cathedral received a donation from the School during the year of £Nil (2021: £149,548). The Cathedral received rental income from the School of £128,950 (2021: £125,194) and received interest on the intercompany loan of £96,177 (2021: £105,359). As at the year end, £7,954 was due from the School and included in debtors (2021: £7,890 was owed to the School and included within the Cathedral's creditors).

During the year St Paul's Cathedral Foundation awarded the Cathedral grants totalling £4,349,465 (2021: £1,176,769) and awarded the School grants totalling £Nil (2021: £155,438). As at the year end £28,378 (2021: £22,663) was owed and included within the Cathedral's debtors in relation to other reimbursed expenses.

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 £166,247 (2021: £166,541) to the Cathedral in respect of £100,000 (2021: £50,000) towards Whispering Gallery Safety, £Nil (2021: £50,000) towards Remember Me (Inner Portico), £35,000 (2021: £35,000) being a salary contribution, £20,000 (2021: £20,000) towards the Schools and families department, £Nil (2021: £1,541) towards the Organ with a further £11,247 (2021: £10,000) towards the choristers. As at the year end £5,002 (2021: £1,478) was owed and included within the Cathedral's debtors in relation to other reimbursed expenses.

In 2022 three Chapter (2021: one) members donated a total of £3,300 (£2,800) to the Cathedral Group.

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.

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28 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. 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.

29 RECONCILIATION OF NET (OUTGOING) / INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| GROUP | Note | 2022 | 2021 |
|--|-------------|--------------|--------------|
| | | £000s | £000s |
| Net (outgoing) / incoming resources | | (577) | 3,188 |
| Depreciation of tangible fixed assets | 11 | 283 | 259 |
| (Increase) / Decrease in stock | | (42) | 75 |
| (Increase) / Decrease in debtors | 16 | (2) | 432 |
| Increase in creditors excluding bank loan | 17 / 18 | 699 | 252 |
| Investment and property management costs | 6 | 112 | 73 |
| Income from investment property and investments | | (428) | (323) |
| Net movement in cash held in investments | 14 | (105) | (36) |
| Investment losses / (gains) | 13 / 14 | 556 | (2,186) |
| Net cash provided by operating activities | | 496 | 1,734 |

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30 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021 BY FUND

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

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30 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021 BY FUND

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