

ST PAUL'S CATHEDRAL
ANNUAL REPORT 2008



The Dean's Report

ONLY TOO QUICKLY, I find myself writing my second report as Dean of St Paul's! In some senses the year has passed very quickly, but in another sense it has passed rather more slowly, as I have 'learned the ropes'.

2008 saw some important changes as far as the Chapter membership was concerned. We were pleased to welcome the Right Reverend Michael Colclough to the Chapter as a Residentiary Canon in April. Having been Bishop of Kensington until his appointment to St Paul's, Bishop Michael came to us as no stranger, either to the Cathedral or to the Diocese. His appointment allowed us to look at our portfolio responsibilities. Canon Martin Warner moved from being Canon Pastor to being Canon Treasurer, allowing Canon Colclough to take up the Canon Pastor role. This has proved to have been a highly successful move, with both individuals bringing many skills to their respective tasks.

Just before Christmas, Canon Edmund Newell moved to Christ Church Cathedral, Oxford, to become Sub-Dean. Ed had been Canon Chancellor since 2003. His pioneering work with the Institute has established a world class educational forum within the life of the Cathedral, which provides a platform for debate and discussion with the world at large and with the City in particular. Ed, together with Susan his wife, Sarah their daughter and, lately, Matthew their son, will be greatly missed by both the Chapter and the Cathedral community. We wish them well in their new environment.

The year ended with the retirement of Major General John Milne as Registrar. For eight years John worked tirelessly to keep the 'tanker' which is the Cathedral on course and in good shape! He will be remembered for his meticulous care for detail and his amazing ability to keep every part of our life in view. For myself, I am only too pleased that he was able to see me through my first year. John and his wife Cherry were a vital part of our life here at St Paul's. We wish John well as he enters the next phase of his working life,



HRH Prince Charles and Camilla, Duchess of Cornwall, with the Dean at the service to commemorate the ending of Operation Banner



The Dean and Chapter (l-r): Canon Michael Colclough, Canon Pastor; Canon Martin Warner, Treasurer; Canon Lucy Winkett, Precentor; Nicholas Cottam, Registrar; The Right Reverend Graeme Knowles, Dean of St Paul's; Peter Chapman, Lay Canon; Claire Foster, Lay Canon

dealing with regimental charities, and we thank him for his outstanding contribution to St Paul's.

The year has seen several royal visits and a number of national acts of worship, in particular the service for Operation Banner, marking the end of Forces involvement in Northern Ireland. Any event or service in the Cathedral requires hours of intensive planning and organisation. Tribute must be paid to all those who make these possible, from ordained members of the staff to our dedicated band of cleaners. All have their part to play in delivering the quality of liturgical experience which is expected of St Paul's Cathedral.

In November, we marked the end of the Foundation's ten year appeal to raise £40 million to restore the Cathedral both inside and out. We were delighted that at the service to mark the end of the appeal we were able to announce that we had reached our target! This was an extraordinary achievement, especially in the current financial climate. Our thanks go to Nigel Kirkup and his team in the Foundation office, but also to Lay Canon Peter Chapman, Sir Robert Finch and Sir Roger Gibbs, without whose continued enthusiasm this project could never have been achieved.

Lastly, I would wish to put on record my thanks to and admiration for my colleagues on the Chapter, both lay and ordained. Their wisdom, their vision and their commitment provide the foundation for all that we do and achieve. By their skill and leadership, the whole community which makes up St Paul's Cathedral is released to do its work efficiently and well.

- We marked the end of the Foundation's ten year appeal to raise £40 million to restore the Cathedral... and we were delighted to announce that we had reached our target! ●

*Graeme Knowles
Dean of St Paul's*



Liturgy and Music

ON LORD MAYOR'S SHOW DAY, we suspended the entrance charge and people came in their thousands. Part of their experience was a newly commissioned work for organ and percussion with music by the Swiss composer Guy Bovet and words by the poet Michael Symmonds Roberts. Appropriately, the story told by our actors was the story of Dick Whittington, Lord Mayor of London (and his cat!). To see hundreds of children being entertained by the imaginative use of 'oranges and lemons' in Bovet's music as they crowded around the new Dome console was moving and inspiring, and brought the Cathedral organ to life for a new generation. This was one fulfilment of our hope for the newly refurbished Grand Organ, and we are looking forward to many more.

We were also thrilled to welcome Olivier Latry who played the opening recital on the new Dome console, and Thomas Trotter who took part in the inaugural recital series. To see such skilled performers directly in front of the audience has been a revelation for our concert goers. Within the Cathedral, for services and concerts, the organ has been played this year by three new players. After the departure of Huw Williams for America, Tom Winpenny for St Albans and Jamie McVinnie for Westminster Abbey, we welcomed our new Organist and Assistant Director of Music, Simon Johnson, our new Sub Organist Timothy Wakerell, and Organ Scholar, Timothy Harper.

Our Music Administrator Debra Walters took up a new post at Trinity College of Music and Margaret Rates has been an outstanding addition to the team. All of our new musicians have thrilled us already with their skill and dedication and we are immensely grateful to them for all they bring to us.

The Order of the British Empire, the Order of St Michael and St George and the Imperial Society of Knights Bachelor all held ceremonial services here during this year, and we were delighted to welcome Her Majesty The Queen to all these occasions with the Cathedral full to bursting.

We were delighted also to witness the world premiere of a new piece by Sir Michael Tavener (words by June Boyce Tilman) and then, in November, another premiere of *Requiem for the Lost*



Dick Whittington in St Paul's, appropriately on Lord Mayor's Show Day

Child by the contemporary composer Adrian Snell. The variety of musical styles of which we are proud was maintained by these premieres and commissions during this year. We were honoured to welcome the distinguished conductor Valery Gergiev with the London Symphony orchestra to perform Mahler in two astonishing concerts during the City of London Festival.

The Cathedral hosted large Diocesan services during the year, not only the regular ordinations and confirmations, but the service to celebrate the tenth anniversary of the Diocesan link with Mozambique and Angola. A 'river of life' flowed down the Cathedral from the font and hundreds of people of all ages and backgrounds from across London came to celebrate this important international link. We also hosted the service to inaugurate the new Mellitus College which will train clergy in London.

The Cathedral fulfilled its national role as two thousand gathered at a service to commemorate the ending of Operation Banner, the British forces campaign in Northern Ireland over 38 years. Princes William and Harry also held a 'City Salute' with veterans and military musicians on the steps of the Cathedral to honour those who have died or been injured serving their country in war.

We are extremely grateful to our new Music Patrons who are supporting the music at St Paul's and their enthusiasm for everything from the daily liturgical round, to our annual performances of *Messiah* and *St John Passion*, our Advent Processions and Holy Week meditations is much appreciated by all of us.

All that we do musically and liturgically turns on the hard work, expertise, good humour and dedication of the large team that make it happen. Our Minor Canons, together with the Liturgical Administrator and Weddings and Baptisms Coordinator, work extremely hard to make sure all goes smoothly; and sincere thanks must go to the Virgiers, Stewards and our volunteer Wandsmen who welcome thousands of worshippers to our services. The heartbeat of our life together is found in the rhythm of the daily liturgy and it is there, as sun rises and sets, that our work and creativity is offered in praise to the God to whom it all belongs.

● To see hundreds of children being entertained as they crowded around the new Dome console was moving and inspiring, and brought the Cathedral organ to life for a new generation ●

*Lucy Winkett
Precentor*



Combined Services personnel on the West Steps of the Cathedral during the City Salute

Education

St Paul's Institute

IN 2008 the Institute's autumn programme explored the relationship between science and religion, and what answers they both brought to the big questions human beings ask. *Seeking Truth: Science, Mystery and Human Identity* brought together academic theologians, scientists from different disciplines and philosophers to debate whether science leads inexorably to atheism; what the 'big bang' says about the origin and destiny of the universe; how the story of evolution configures the place of the human species and whether there is a place for the soul in the map of the human genome. Premier Radio broadcast the debates.

Once again, in addition to four panel discussions on the Cathedral floor, we ran themed study days for clergy, the general public and sixth formers, Sunday evening services, a conversation on science and religion at Clifford Chance in Canary Wharf, and a retreat. The Cathedral floor exhibition that accompanied the programme told the story of the multi-disciplinary approach to the building of St Paul's, and the connections between those who built the Cathedral and the founding of the Royal Society.

The Institute continued its Paternoster Business and Leadership Forum, and ran a day conference in collaboration with the Royal Society of Medicine on mental health and religious experiences.

We are grateful to the Cathedral staff who are so supportive and helpful during all the Institute events, especially the Education Department, and our own staff Elizabeth Foy and Rob Gordon. Rob is a new and much welcomed addition to the Institute staff.

We were very sorry to lose Canon Edmund Newell, who left in November to become Sub-Dean at Christ Church Cathedral, Oxford, and wish him well for his future career.

Education Department

2008 HAS BEEN another exciting year in the Education Department and the five-strong staff team has been joined by several new volunteers. In April, we welcomed Amanda Barratt back from maternity leave, only to have to say goodbye to her again in July as her family decided to relocate to the Essex countryside. We are delighted that Sue Rothera agreed to return to the Department to complete the Tower Hamlets project funded by the Aldgate and All Hallows Barking Exhibition Fund. The year also ended with a farewell to Alexandra O'Conner.

Throughout the year we have been fortunate to receive donations which have enabled us to offer some exciting new workshops and themed weeks. In May we held a special Music Week in which children learned about the workings of the Cathedral organ and played a Woofyt (Wooden One Octave Organ For Young Technologists) which required the whole class to pump bellows, squeeze air bags and press whistles in order to play 'Twin-



The Bible in Cockney: Pearly King and Charlton School pupils

kle, Twinkle Little Star'! We also held a series of Art Weeks for both primary and secondary pupils in which they produced some beautiful pieces of work. A fascinating day was spent with a group of Muslim teenagers from the Middle East who were participating in an innovative programme of visits to sites all over the UK. They learned about the art in the Cathedral, the creation of icons and worked on their own piece with egg tempura and gold leaf. They also engaged in a fascinating dialogue with Canon Martin Warner, covering some issues about Christianity and Islam.

We have added a new costumed interpreter, with 'Sir Christopher Wren' explaining the scientific principles behind the building of the Cathedral. We added a new costumed interpreter, a member of the Fire Watch, to talk about the Cathedral during the Blitz, who was extremely engaging! This year we also worked in partnership with the Institute, offering a very popular A-Level conference on God and Science with Professor Russell Stannard.

In December we worked with the Museum of London on a Great Fire Week. Pupils came to us for a Great Fire tour, and attended a storytelling session at the Museum. Through this partnership and a third year working with the Tower of London, we have been pleased to reach out to schools who might otherwise not consider visiting a cathedral.

One of the most enjoyable events was when pupils from Charlton School in Greenwich came to perform 'The Bible in Cockney'. The school caters for pupils with multiple special needs and learning difficulties, and led other school children and bemused tourists in a call-and-response performance.

Overall, 2008 has been a year in which we have broadened our horizons. The regular programme of visits has been supplemented by the special events mentioned above, and we are delighted that over 28,600 UK school children came to the Cathedral. The Education Department team has worked exceptionally hard throughout the year and we are looking forward to 2009.

Through our partnership with the Museum of London and a third year working with the Tower of London, we have been pleased to reach out to schools who might otherwise not consider visiting a cathedral

Claire Foster
Lay Canon



Pastoral Care

THE CATHEDRAL'S Mission Statement talks of the Cathedral being 'served by a community of people who work and worship in this place'. It also reminds us that 'we continue to share in the ministry of the Bishop of London' and aim to 'present a place of refreshment and encounter'. So ministry to others – pastoral ministry – is seen as core to our being, something that flows very naturally out of and expresses our worship of God. That link with the Bishop and Diocese is crucial – we don't do this alone.

In 2008 the Cathedral had nearly 1.7 million visitors (four per cent higher than last year) – so the challenge for the 'community of people who work and worship in this place' to 'present a place of refreshment and encounter' is, to say the least, great. My experience during this first year as Canon Pastor has suggested to me that the Cathedral meets up to this challenge remarkably well. Our visitors are not monochrome by nationality, creed or experience. They are tourists and visitors, pilgrims and scholars, the homeless and the sick, pray-ers and worshippers – and many fall into more than one of those categories. One thing is sure: the Cathedral building and the Cathedral worship have a great impact on believer and non-believer alike.

What about the pastoring – how do we do it? The Cathedral clergy own this responsibility and the Minor Canons take particular responsibility for the ministry that surrounds baptisms and weddings (last year there were 55 baptisms and 46 weddings). The clergy based at the Cathedral are then ably assisted by five different groups of people whose work involves them in the Cathedral's ministry of welcome and care.

The first people that visitors are likely to encounter as they enter the Cathedral are the Stewards who staff the admission tills and are about the Cathedral to assist people as they pilgrim their way round the building. There is also a team of Stewards on duty at all services. Our 54 Stewards are a multi-skilled and multi-cultural team from very diverse backgrounds. People who, between them, speak 15 different languages – a great resource in a Cathedral that attracts people from all corners of the globe.

The Working Friends are the next group met on the Cathedral floor. Here we have a group of 130 people who volunteer and usually work one day a week. Among this group we have people who speak an additional seven languages which, together with the Stewards, means that we have 22 different languages spoken by people working on the Cathedral floor.

These volunteers are people who have a great affection for the Cathedral and its life and delight in sharing their enthusiasm and appreciation of the Cathedral with our visitors. Sixty of the volunteers are also guides who provide the personnel for the introductory tours and super tours of the Cathedral. Those embracing this role follow our own in-house guide training which is accredited by the Institute of Tourist Guiding. Their ministry



Team work: One of the Working Friends with visitors on the Cathedral Floor

is complemented by the staff who provide visitors with the audio tour guides. For those who enter into the Crypt, our staff in the restaurant, café and Cathedral shop add further and different aspects to our welcome and service.

Another weekday team of volunteers are the clergy who make up the Pastoral Team. Fifty clergy from our Diocese give a day a month in order to provide a priestly presence and ministry on the Cathedral floor as well as presiding at the 12.30pm daily Eucharist. These clergy provide an important ministry of availability and prayer for the thousands who daily enter the Cathedral.

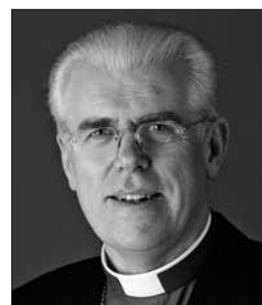
People coming to Sunday services or special services throughout the year are welcomed and guided by one of our teams of Wandsmen. This group of 60 men and women are, again, volunteers who, like the Stewards and Working Friends, come from a wide range of backgrounds. For large services the Wandsmen are very much the welcoming face of the Cathedral community and seek to set people at ease by guiding them to their places in the building. They also have the important responsibility of taking the collection!

Last but not least in our family of teams are the Virgers. Before I arrived at St Paul's I imagined that our team of six Virgers simply had a liturgical function: the preparation of the Cathedral for worship and ensuring the proper order and dignity during the services. That is true but the Virgers are also the first point of contact for all members of staff working on the Cathedral floor in relation to visitors' needs. They are the important link in the pastoral team between staff and clergy. It is the Virgers who have contact with caring organisations in London and can refer those in special needs appropriately. They are the people who are present within the Cathedral building from the opening of the doors to their closing.

The quality and commitment of the people who make up these five teams helps us, as a Cathedral community, to develop and deliver a place of 'refreshment and encounter'. For that the Dean and Chapter are very grateful.

- In 2008 the Cathedral had nearly 1.7 million visitors – so the challenge for the 'community of people who work and worship in this place' to 'present a place of refreshment and encounter' is, to say the least, great ●

*Michael Colclough
Canon Pastor*



Fundraising

ON 26 NOVEMBER 2008 an evensong was held in the Cathedral that was attended by around 800 people. The service was a celebration for donors who had given to the 300th Anniversary Restoration Campaign and gave thanks that the target of £40 million had been reached. It was indeed a joyous occasion celebrating a remarkable achievement over a period of eight years. It was wonderful to welcome so many of those who had made this possible.

The Cathedral itself has been transformed over that period. The largest element of the work not yet finished is the cleaning and restoration of the North Side. The achievement of the £40 million total disguised the fact that there was a shortfall on the funds necessary to complete that work. It was a great joy, therefore, to receive confirmation in December that the Wolfson Foundation, advised by English Heritage, had agreed a grant of £250,000. This grant secured the necessary finance to ensure that work could be finished by 2010/2011 in time for the 300th anniversary of the completion of the Cathedral in 1710/11.

During 2008 some £2m was raised in reaching the targets already mentioned. The Dean and Chapter is very grateful to Sir Robert Finch and the trustees of the St Paul's Cathedral Foundation. I have been fortunate in having a very able team of fundraisers at the Foundation. Nigel Kirkup, the Director, Roger Walkinton, the Deputy Director, and the staff deserve great credit for their skill and professionalism. It was a great sadness, however, to learn of the death of Ewen Balfour a week after the special evensong in November. Ewen had advised the Foundation on its press and public relations activity for many years. We remember him for his great professional ability and his outstanding commitment.

Our US sister trust, The St Paul's Cathedral Trust in America, led by Mr William Miller, has also been successful. We are most grateful to the American Trustees and to Kim Albright who has done sterling work as the Director. In particular, the Dean and Chapter owe much to Bill and Irene Miller for their gift of an endowment to secure the cost of an organ scholar.



Fundraising continues to maintain the educational and musical heritage of the Cathedral



Donors and guests at the Evensong celebrating the success of the 300th Anniversary Restoration Campaign

Endowment of the Cathedral, as can be seen from the Cathedral's accounts, is at a low level. In future years it is hoped to build such funds primarily through the means of a legacy programme. Work is also proceeding on the Interpretation project. This is a major piece of work that aims to provide a comprehensive approach to visitor experience, be they tourists or pilgrims. The project envisages opening up the Triforium, the Library and the Trophy Room to far greater numbers and to provide an Interpretation Centre in the Crypt. As I reported last year, finance for the latter has already been raised but the costs of the Triforium project are still being worked out. This will provide a significant future funding challenge.

The current economic environment is very difficult and this has made us all the more determined. Fundraising, perforce, has to be part of modern life at St Paul's Cathedral. In addition to the major projects already mentioned in this report, Chapter has a continual challenge in trying to balance the books each year. This year essential funding has been raised for our education programmes for school children. The vital and expanding work of the St Paul's Institute also needs to be financed. There is, furthermore, the cost of maintaining the Cathedral's musical heritage to the highest level. To this end the Music Patrons' Scheme was launched in February 2008 and now has 71 members. It has been a most encouraging start.

In conclusion I again emphasise our very great gratitude to all our donors. Their contributions have financed the outstanding work of all those who have overseen the transformation of our magnificent Cathedral and have enabled it to sustain its vital work in the City and wider community.

- Work is proceeding on the Interpretation project, which aims to provide a comprehensive approach to visitor experience, be they tourists or pilgrims •

*Peter Chapman
Lay Canon*



The Fabric

A CONSIDERABLE AMOUNT of our work on the fabric this past year has been unseen, and much of it has been about getting access to the building and movement around it.

The installation of a new lift has been a more demanding task than the casual observer might realise. At the same time, replacing some steps with ramps in the Crypt has made access possible to every part without having to negotiate steps.

This is painstaking work, but we have been sustained in our commitment to it by the invaluable contribution of the members of the Access Advisory Group. In particular, Brenda Wallman, the City of London Access Officer, Margaret Leighton, from the City's Access Group, and John Penton, an Accessibility consultant, have challenged us to view access to St Paul's from the perspective of people who have a range of conditions that might impede ease of entry and enjoyment of the Cathedral.

We celebrated the accomplishment of the appeal for £40 million to clean and restore the building with the good news that the money had been raised for external cleaning of the North Side. Work is well advanced, with the North Quire complete and the North Transept now under scaffolding which will be in place for the rest of 2009.

While the outside is being cleaned, plans are moving towards completion for work inside at Triforium level that indicates an important development in the latter part of 2008. We welcomed the appointment of Simon Carter as Collections Manager, Catherine Angerson as Architectural Archivist, and Ellie Pridgeon who manages the Collections database. Working alongside Jo Wisdom in the Library and our Conservator, Teresa Heady, these skilled young professionals augment a team that we are proud to have looking after this part of our life.



The Library: Caring for our records provides invaluable material for telling the story of our mission



The Question Mark Inside: Martin Firrell's stimulating project

Their work of cataloguing and caring for the accumulated records of our life is a statutory requirement. It also provides us with invaluable material for telling the story of our mission. In order to keep these records in good order, we plan to enlarge our storage space into the Triforium area of the North Transept.

There have been three highlights in the area of art and design this year. The first was in the completion of new copes for the Cathedral and an exhibition, *Glorious*, that celebrated the work of Kate Sinton, the supervisor who brought designs into existence, her team of indefatigable volunteers, Marie Brisou, the textile designer, and a wonderful partnership of other contributors.

The second happening was Martin Firrell's realisation of a project entitled *The Question Mark Inside*. This projected onto the Dome, the West Front and the Whispering Gallery words and phrases that people had posted on a website about how and why they thought St Paul's gave life meaning. It was a roller-coaster of a show for a week, engaging people in new ways, and a tribute to Martin Firrell's genius for building partnerships.

Finally, in partnership with the Watts Gallery, we have hosted an exhibition of the work of G F Watts, one of the great heroes of Victorian art. His work today strikes many people as challenging and opaque. Enquiry into it, however, reveals issues of concern for the environment, social inequality, and the enterprise of faith that resonate with our own time.

This report would be seriously flawed without recognition and praise of the skill and dedication of Martin Stancliffe, our Surveyor, and the team work and tireless leadership of Martin Fletcher, our Clerk of Works. You don't have to be called Martin, but it helps!

- While the outside is being cleaned, plans are moving towards completion for work inside at Triforium level that indicates an important development in the latter part of 2008 ●

*Martin Warner
Treasurer*



Finance

THE CATHEDRAL was not unaffected by the extraordinary global economic events that occurred during 2008 and that continue to bring uncertainty to the future. The major effect was to reduce the value of the long term investment portfolio by £2.22 million and increase the pension deficit by £1.23 million in the year. Nevertheless the conservative investment and reserves policy pursued by the Cathedral over recent years has limited the effect on reserves and provided a strengthened liquidity position.

The key income generators, tourism and commercial activities, on which the Cathedral remains heavily dependent, achieved excellent results this year contributing to a satisfactory surplus of £1.28 million on net incoming resources. Without this income the Cathedral would not be able to sustain its work and mission in all its aspects.

The number of paying visitors increased by eight per cent in the year to 760,000, the highest since 2002. There were several contributory factors to this increase, eg a weakening pound, completion of the South Side restoration and increased tour operator business, but the tourism market remains both changeable and competitive.

The restoration and project programme continues to progress within the budgeted funds made available by our generous donors without whose support the programme would not be possible. The £40 million funds campaign programme target was reached in November 2008.

Results

Gross incoming resources in the year were £14.53 million, compared with £14.49 million in 2007.

Grant income for specific fabric projects was £3.38 million (2007 £4.25 million). This included completion of the restoration programme on the South Side projects, the Organ repair and restoration project and the commencement of the North Side restoration.

Gross income from commercial activities, which included admission charges, the Crypt shop and event income, increased by £0.68 million to £6.69 million.

Gross income from fees and charges, that principally relate to the School, increased from £2.62 million to £3.03 million.

Revenue from voluntary income was similar to 2007 at £0.76 million and there was an increase in gross income from the investment and property portfolios to £0.60 million.

St Paul's Cathedral Foundation reimbursed expenditure of £2.68 million (2007 £3.15 million) of the funded fabric projects and all projects continued to be within budgeted funding. Fabric and other projects not funded by external donors were deferred or kept to a minimum.

Total net assets decreased during the year by £2.40 million to £13.54 million. Unrestricted funds decreased by £1.50 million to £8.86 million,

restricted funds decreased to £2.78 million and endowment funds to £1.9 million.

Legacies received during the year, amounting to £47,000 (2007 £110,000), were transferred into restricted funds.

Investments and Cash

The Cathedral holds £6.90 million of investment units and cash deposits of £2.53 million managed by CCLA Investment Management and invested in CBF Church of England Funds. The performance of the investment fund continued to be better than comparator funds. CCLA operates an effective investment policy which ensures that cash deposits retained their Triple A Rating and that the Cathedral's investments are in line with the Church of England's ethical investment policy.

Cash flow was carefully managed and overall net cash balances and loans, including the cash deposits above, were £3.82 million, £1.37 million higher than at the start of the year.

Defined Benefit Pension Fund

The scheme is closed to new members and to service accrual. It has been replaced by a defined contribution scheme.

The latest scheme specific valuation by the Actuary as at 1 October 2008 disclosed a deficit of £4.0 million. There is a formal recovery plan in place, agreed with the Trustees and the Actuary, to reduce the deficit by payment of £400,000 pa for the next 10 years. Under a covenant with the Trustees £1.08 million is held in a separately identified account for the benefit of the scheme. Both the amount set aside and the availability of funds to the scheme are assessed by formulas in the covenant.

The deficit under the accounting rules of FRS 17 increased in the year by £1.23 million to £3.69 million.

The School

The School is managed under an Instrument of Delegation from the Dean and Chapter. It secured an increase in pupil numbers and achieved an operating surplus of £0.19 million.

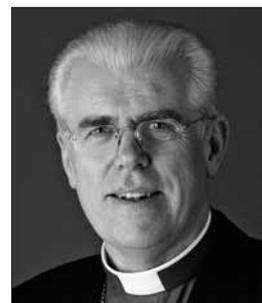
General

During the year there was a specific review, as well as the continuous review programme, of the major risks to which the Cathedral is exposed and also of the systems established to mitigate those risks. This structure and process will continue to be examined and tested to ensure it remains appropriate and effective.

The reserves policy established by the Dean and Chapter, set to ensure there are adequate reserves to finance short term reductions in income caused by economic downturns or similar, remains in place.

◉ We marked the end of the Foundation's ten year appeal to raise £40 million to restore the Cathedral... and we were delighted to announce that we had reached our target! ◉

Michael Colclough
Chairman
Chapter Finance
Committee



Summary Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2008

£000s

		2008		2008	2007
	Unrestricted	Restricted	Endowment	TOTAL	TOTAL
INCOMING RESOURCES					
Tourism and Trading	6,692			6,692	6,014
Grant income		3,376		3,376	4,254
Voluntary and Mission	1,320	2,473		3,793	3,396
Investment income	418	139	43	600	532
Other	163	(90)		73	299
	8,593	5,898	43	14,534	14,495
EXPENDED RESOURCES					
Ministry Music and Outreach	2,454	2,248		4,702	4,230
Major repairs and restoration		3,376		3,376	4,284
Fabric maintenance	1,608			1,608	1,462
Trading	2,132			2,132	2,193
Administrative	1,435			1,435	1,243
	7,629	5,624		13,253	13,412
NET INCOMING RESOURCES	964	274	43	1,281	1,083
Property and Investment revaluations	(2,582)	(501)	(597)	(3,680)	2,339
(DECREASE) INCREASE IN FUNDS	(1,618)	(227)	(554)	(2,399)	3,422
TRANSFERS	122	(79)	(43)	-	
NET (DECREASE) INCREASE FOR YEAR	(1,496)	(306)	(597)	(2,399)	3,422

CONSOLIDATED BALANCE SHEET

For the year ended 31 December 2008

£000s

		2008		2008	2007
	Unrestricted	Restricted	Endowment	TOTAL	TOTAL
INVESTMENTS					
Equities	3,541	1,461	1,900	6,902	9,115
Cash Deposits	2,244	282		2,526	2,093
Property	6,860			6,860	6,695
	12,645	1,743	1,900	16,288	17,903
PENSION RESERVE	(3,695)			(3,695)	(2,470)
CASH AT BANK	618	681		1,299	358
OTHER NET ASSETS (LIABILITIES)	(705)	353		(352)	148
CATHEDRAL FUNDS	8,863	2,777	1,900	13,540	15,939

1. Subject to specific provisions

2. Income can be used but not capital

FIVE YEAR SUMMARY

£000s	2008	2007	2006	2005	2004
FUNDS GENERATED					
Net Incoming Resources	1,279	1,083	814	201	(95)
Investment and Property gains/(losses)	(3,678)	2,339	1,785	1,220	425
Increase/(decrease) in funds	(2,399)	3,422	2,599	1,421	330
Pension Reserve					(4,188)
Funds b/f	15,939	12,517	9,918	8,497	12,355
FUNDS AT YEAR END	13,540	15,939	12,517	9,918	8,497

FUNDS BY CATEGORY

Unrestricted	12,558	12,829	10,194	9,495	9,196
Pension Reserve	(3,695)	(2,470)	(2,750)	(3,855)	(4,188)
Restricted	2,777	3,083	2,677	2,107	1,612
Endowment	1,900	2,497	2,396	2,171	1,877
	13,540	15,939	12,517	9,918	8,497

SUMMARISED ACCOUNTS

These summarised accounts are not the statutory accounts but a summary of information relating to both the statement of financial activities and the balance sheet. The full financial statements from which this summary is derived, have received an unqualified opinion from the Cathedral's auditors, Deloitte LLP.

These summarised accounts do not contain sufficient information to allow a full understanding of the financial affairs of the Cathedral. The full financial statements were approved by the Dean and Chapter on 2 April 2009 and will be delivered to the Church Commissioners for England.

The full financial statements, including the auditors' and Dean and Chapter reports, may be obtained from:

St Paul's Cathedral
The Chapter House
St Paul's Churchyard
London EC4M 8AD

The Right Reverend Michael Colclough
Canon Pastor

AUDITOR'S STATEMENT TO THE DEAN AND CHAPTER OF ST PAUL'S CATHEDRAL

We have examined the summary financial statements which comprise the summary consolidated statement of financial activities and the summary consolidated balance sheet.

This report is made solely to Dean and Chapter, as a body, in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice 2005*. Our work has been undertaken so that we might state to Dean and Chapter those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Dean and Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees are responsible for preparing the summary financial statements in accordance with the guidelines as specified by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999. Our responsibility is to report to you our opinion on the consistency of the summary financial statements with the full financial statements and Annual Report.

We also read the other information contained in the summary annual report as described in the contents section and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work having regard to Bulletin 1999/6 *The auditors' statement on the summary financial statement* issued by the Auditing Practices Board for use in the United Kingdom. Our report on the Cathedral's full financial statements describes the basis of our audit opinion on those financial statements.

Opinion

In our opinion, the summarised financial statements are consistent with the full financial statements and the Annual Report of St Paul's Cathedral for the year ended 31 December 2008.

Deloitte LLP
Chartered Accountants and Registered Auditors
London

2 April 2009

2008 at St Paul's



The American Thanksgiving Service in November



Time for God's Creation, performed by Ballet Rambert under the Dome in September



HRH The Duchess of Gloucester, the patron of the Friends of St Paul's, meets Cathedral choirboys during the Friends' Festival in July



Her Majesty The Queen signs the document commemorating the dedication of the Chapel of the Imperial Society of Knights Bachelor at their centenary service in November



Bishop Michael Colclough is installed as a Residentiary Canon of St Paul's Cathedral by the Bishop of London in April

The year in pictures



The Dean with HRH the Duke of Edinburgh during the service of dedication for the Order of the British Empire in May



The West Front becomes an inspirational backdrop for the son et lumière during the City Salute in May



A bhangra band plays on the West Steps at the opening of the City of London Festival



The Dean gives the blessing to the new Lord Mayor of London on a rainy Lord Mayor's Show Day, when the Cathedral was also filled with children for the production of Dick Whittington



The view from the Whispering Gallery of a full Cathedral during the Seafarers service in October



ST PAUL'S CATHEDRAL

DEAN AND CHAPTER

The Right Reverend Graeme Knowles Dean

The Reverend Canon Dr Edmund Newell Chancellor
Until 30 November 2008

The Reverend Canon Martin Warner Canon Pastor
Until May 2008
Treasurer
From May 2008

The Reverend Canon Lucy Winkett Precentor

The Right Reverend Canon Michael Colclough Canon Pastor
From 20 April 2008

Peter Chapman Lay Canon

Claire Foster Lay Canon

Registrar

Major General John Milne CB *Until 8 January 2009*

Nicholas Cottam CB OBE *From 9 January 2009*

Solicitor to the Cathedral

Owen Carew-Jones

COLLEGE OF MINOR CANONS

The Reverend Claire Robson Chaplain

The Reverend Laura Burgess Sacrist

Diaconal Succentor

The Reverend Jason Rendell

MUSIC DEPARTMENT

Andrew Carwood Director of Music

Huw Williams Assistant Director of Music and Organist
Until March 2008

Simon Reynolds Assistant Director of Music and Organist
From September 2007

Tom Winpenny Sub Organist
Until August 2008

Tim Wakerell Sub Organist
From September 2008

Headmaster of the Cathedral School

Andrew Dobbin

Surveyor to the Fabric

Martin Stancliffe

Honorary Financial Advisers

Kenneth Gardener *Until June 2008*

Robert Ward

Graham Ward *From June 2008*

Clerk of the Works

Martin Fletcher

Head of Marketing & PR

Mark McVay

Head of Finance

Martin Pennington

Head of Personnel

Ruth Moore

Head Steward

Lynn Johnson

Dean's Virger

Michael Page

Librarian

Joseph Wisdom

Collections Manager

Simon Carter *From June 2008*

Head of IT

Gerald Wynter

Head of Education

Laura Arends

Events Coordinator

Jane Laws

Head of Fundraising

Nigel Kirkup

Secretary to the Friends of St Paul's

Patrick Wilkins

Manager St Paul's Institute

Elizabeth Foy

ACKNOWLEDGEMENTS

The Dean and Chapter wish to thank the following for their support in producing this report:

Design and production: Bill Henderson/Form & Content

Photography: Graham Lachdao, Philip Way, Peter Smith

ST PAUL'S CATHEDRAL ST PAUL'S CHURCHYARD LONDON EC4M 8AD

Telephone: 020 7246 8348 email: reception@stpaulscathedral.org.uk website: www.stpauls.co.uk