

# 2023

# **Annual Report and Accounts**



# **The Mission of York Minster**

York Minster is the Archbishop of York's cathedral church, a community of communities bound together in common purpose and mission which can be stated thus:

"We are called to live Christ's story through prayer, hospitality, service and stewardship".

The way we journey together is as significant as any destinations to which we move. In all our ways we will cherish the following as our key values:

- Humility
- Wisdom
- Trust
- Courage



# **Annual Report and Accounts**

# For the year ended 31 December 2023

INDEX	PAGE
Chapter Mission & Values	2
Administrative information	4 - 7
Chapter's Annual Report	8 – 12
Plans for Future Periods	13 – 15
Financial Review	16 – 25
Principal Risks & Uncertainties	25
Going Concern & Public Benefit	26
Structure, Governance and Management	27 – 29
Statement of the Chapter's responsibilities and Investment Powers	30
Independent Auditor's Report	31 – 34
Consolidated Statement of Financial Activities	35
Consolidated Balance Sheet	36
Chapter Balance Sheet	37
Consolidated Cash Flow Statement	38 – 39
Notes to the Accounts	40 – 73

The Chapter presents its Annual Report and Accounts for the year ended 31 December 2023 which comprises Chapter's Annual Report, Report of the Auditors, Consolidated Statement of Financial Activity (SoFA), Consolidated Balance Sheet of the group, Cathedral Balance Sheet, Consolidated Cash Flow Statement, Accounting Policies and Notes to the Financial Statements.

The Annual Report is prepared in accordance with the reporting requirements of the Charities Act 2011.



# **Administrative and reference details**

**Registered Charity Name** Chapter of York (York Minster)

**Registered Charity Number** 1201499

Full legal name of Cathedral Cathedral and Metropolitical Church of St. Peter in York

Commonly used name York Minster

Office Address 8-9 Minster Yard, York, YO1 7HH

**Visitor** The Archbishop of York,

The Most Revd and Rt Hon Stephen Geoffrey Cottrell

**High Steward** The Rt Hon The Earl of Halifax

**CHAPTER** 

The members during the year were:

**Dean\*** The Very Revd D M J Barrington

Canon Pastor\* The Revd Canon M D Smith (until 12 February 2023)

Canon Missioner\*The Revd Canon M A McLeanCanon Precentor\*The Revd Canon Dr V L Johnson

Canon for Congregational The Revd Canon T Goode (from 9 September 2023)

Discipleship & Nurture\*

**Senior Non-Executive Member** HH Canon P N Collier KC **Non-Executive Trustee & Canon** Canon A D Dunsmore

**Treasurer** 

Non-Executive Trustee Canon Sir W R Worsley
Non-Executive Trustee Canon L E Tembey

Non-Executive Trustee Canon P J S Thompson (until 9 September 2023)

Non-Executive Trustee Canon L Ali

**Non-Executive Trustee**Canon Dr C E Poole (from 26 October 2023) **Non-Executive Trustee**Canon J Britton (from 26 October 2023)

<sup>\*</sup> Members of Chapter's Senior Executive Team



# Administrative and reference details (continued)

# THE COLLEGE OF CANONS

The members during the year, in order of installation:

The Chapter, as listed on the previous page

The Revd Canon F J A Hewitt (until 15 October 2023)

The Revd Canon R C Carew
The Revd Canon S Sheriff

The Revd Canon G Holland
The Revd Canon A Bailey

The Revd Canon A Richards

The Revd Canon J C Weetman Canon R P A Brewer

Canon R Liversedge The Rt Revd Dr E R Sanderson EO

Canon P J Warry

The Rt Revd S P Race EO (from 16 September 2023)

The Revd Canon E E Bielby (until 15 November 2023)

The Revd Canon S J Binks (from 16 September 2023)

The Revd Canon S V Cope

The Revd Canon M J Carey (from 16 September 2023)
The Rt Revd P J Ferguson EO

The Revd Canon E C Hassall (from 16 September 2023)
The Rt Revd Dr J B Thomson EO

The Revd Canon Dr I M McIntosh (from 16 September 2023)

2023)

The Ven A C Broom EO

The Revd Canon P H Peverell (from 16 September 2023)
The Revd Canon C Wilton

The Revd Canon Dr P J R Rajkumar (from 16 September

The Ven S J Rushton EO 2023)

The Ven Dr A Bloor EO

Canon Dr H R Lawrence (from 16 September 2023)

The Revd Canon N W R Bird

Canon Capt R M B Cooke CA (from 16 September 2023)

The Revd Canon D P Black

The Revd Canon C R Pinchbeck (from 18 November 2023)

Minor Canon SuccentorThe Revd Catriona CummingCathedral ReaderHH Canon Peter Collier KC

Honorary Minor Canon Theologian The Revd Canon Dr P J R Rajkumar (from 8 May 2022)

**Honorary Minor Canon** The Revd Daniel Jones

Honorary Minor Canon The Revd David Mann (until 28 February 2022)

**Honorary Minor Canon** The Revd Jane Speck

**Honorary Minor Canon** The Revd Dr Catherine Reid



# Administrative and reference details (continued)

# **STAFF**

Chapter Steward\* David Colthup CBE MA (from 9 January 2023)

Chief Finance Officer\*Jo Clarkson FCADirector of Works & Precinct\*Alex McCallion FRICSDirector of Visitor Experience & Operations\*Barbara George MA

**Director of Music**Robert Sharpe MA, FRCO, FRSA, Hon FGCM

Chapter Clerk Andy Oates LL.B. (Hons)

# **FINANCE COMMITTEE**

The members during the year were:

Canon Treasurer and Chairman Canon A D Dunsmore

Graham Millar FCA (until 31 October 2023) Philip Ashton FCA (until 30 November 2023)

Paul Fox MRICS Daniel Grew Mark Calvert Andrew Green

Non-members but in attendance as

required:

Chief Finance Officer Jo Clarkson FCA

Chapter Steward/Chief Operating David Colth

Officer Dean David Colthup CBE MA

The Very Revd D M J Barrington (from 12 November 2022)

# **AUDIT & RISK COMMITTEE**

The members during the year were:

Chairman Adrian Stone FCA (from 1 November 2023)

Graham Millar FCA (until 31 October 2023) Philip Ashton FCA (until 4 December 2023) Nigel Wilkinson (from 4 December 2023) Andrew Green (from 26 January 2024) Jonathan Britton (from 26 January 2024)

<sup>\*</sup> Members of Chapter's Senior Executive Team



# Administrative and reference details (continued)

# **FABRIC ADVISORY COMMITTEE**

**Chairman** Dr J Gough

**Deputy Chairman** Mr M Stancliffe

Ms T Hunt Ms S VanSnick Dr J Grenville Mr J McCosh Mr A Graham

The Revd Canon Dr S Jones

Prof J Strawbridge

Mr S Vickers

Secretary Mr D Demack

### **ADVISERS TO CHAPTER**

Surveyor of the Fabric Mr O Caroe, Caroe Architecture

Archaeologist Mr S Harrison, Ryedale Archaeology Service Ltd
Bankers HSBC Bank plc, 13 Parliament Street, York, YO1 8XS
Solicitors Grays Solicitors LLP, Duncombe Place, York, YO1 7DY

Langleys Solicitors LLP, Queens House, Micklegate, York, YO1 6WG

Womble Bond Dickinson LLP, Helix, Draymans Way, Newcastle Upon Tyne,

NE4 5DE

Investment Managers Rathbones Group Plc, 8 Finsbury Circus, London, EC2M 7AZ

CCLA Investment Management Ltd, Senator House, 85 Queen Victoria

Street, London, EC4V 4ET

Investment Advisors Barnett Waddingham, Pinnacle, 67 Albion Street, Leeds, LS1 5AA Property Managers Sanderson Weatherall LLP, 25 Wellington Street, Leeds, LS1 4WG

INDEPENDENT AUDITOR BHP LLP, Rievaulx House, 1 St Mary's Court, York, YO24 1AH



# **Chapter's Annual Report for 2023**

# **ACHIEVEMENTS AND PERFORMANCE**

On 9 January 2023 David Colthup became the new Chapter Steward (Chief Operating Officer) replacing Kathryn Blacker who departed at the end of 2022 after more than 9 years in post. This change at the top of the organisation came only a few weeks after the installation of Dominic Barrington as the new Dean of York. 2023 began with a different feel but a desire for stability following a period with an interim Dean and still shaking off the tail-end effects of the pandemic.

Any expectations that new leadership would usher in a period of calm were quickly dashed when planning started in early January 2023 for what is the key event for any cathedral; to host the Monarch for the Royal Maundy service. By necessity it was not possible to share the details with all the staff until closer to the event itself which meant the burden of planning and preparation fell on a small number of key people who had only just seen Their Majesties The King and Queen visit York Minster in November 2022 to unveil the statue to Her Majesty the Late Queen. For York Minster to be chosen by His Majesty The King as the first place during his reign to distribute Maundy Money was a significant honour and one which the team were determined to match by enabling a truly memorable occasion. Pulling the operation together was aided by having managed the challenge of the London Bridge impact following the death of Her Majesty The Queen. Another very high-profile occasion so soon after the statue unveiling was not anticipated but preparations were certainly aided as a result. There was some residual experience to draw on from the last Royal Maundy service in 2012, both the Director of Music and Head Verger had been in their current jobs.

All the preparations and rehearsals finally came together on 6 April 2023 when Their Majesties The King and Queen arrived and an immaculate and perfectly executed service took place in which 74 men and 74 women received Maundy Money within a congregation of more than 1,500 people in the Minster. At the end of the service the Royal party was photographed outside the Great West Doors with the Lord High Almoner, the Archbishop of York and other key members of the service before Their Majesties met with members of the public on their way to a reception in the York Minster Refectory. This final act of the Royal visit allowed time to meet with selected members of the York Minster team and for the formal opening of the Refectory Gardens and the York Minster Refectory as a restaurant.

# **OBJECTIVES AND ACTIVITIES**

# Ministry - Worship, Music and Prayer

The primary purpose of the Cathedral is worship and prayer and this continued in 2023. In an average year the Minster hosts at least 1,500 public acts of worship, the clergy maintain this pattern of prayer daily, from quiet Morning Prayer at 7.30am, to choral matins, midday eucharists, to full services of Choral Evensong each day and a series of compline services through the year to end the day in prayer. It was pleasing during 2023 to see numbers continuing to grow across all services and with an increasing number of new worshippers joining the community and engaging in discipleship and learning through a new Lent Course, sermon series and teaching sessions on Sundays all of which have proved a great success. Thank you as always to everyone who contributes to our worshipping life including our growing team of servers, intercessors and readers, choirs, vergers and administrative staff. As the Cathedral of the Diocese, we also host key diocesan services including ordinations and licensing services, and in our metropolitical role consecrations of new bishops and confirmations of elections which continued in 2023. The Royal Maundy was a significant occasion taking many months of planning and focus. The Choir of York Minster sang with the Choir of the Chapel Royal and the Minster excelled in terms of preparation, operation and execution of this national service during Holy Week. This necessitated some changes to the pattern of Holy Week which also included the Chrism Mass for the Diocese of York, a gathering of clergy and lay ministers who are invited to renew their vows. After Easter we focussed on celebrations for the Coronation of King Charles III with special civic services which were very well received and broadcast to thousands of people around the world. Our live-streaming output continues to be a vital source of mission and promotion for the Minster and its work, and thanks to Joseph Priestly who has been developing this part



of our outreach through his work as Broadcast Officer. We receive much positive feedback online and from those who travel to York as pilgrims after watching our worship from afar. We were delighted to work towards becoming part of the National School Singing Programme and much work was put in place in 2023 to enable this to happen including the recruitment of a School Singing Programme Lead.

We were once again successful in the recruitment of new boy and girl choristers working closely with St Peter's School, the Choir School of York Minster, and we also recruited new singers to our back row, consolidating what we regard as one of the most excellent adult choirs around: our Choral Scholars and Vicars Choral, consistently elevate our worship magnificently along with our brilliant choristers who perform a significant number of new works each year by female composers, a significant example of York Minster leading the way in promoting musical equality and diversity. In July we welcomed General Synod to York and many former choristers to a special annual reunion. Through the Autumn term, the Music and Liturgy team was ably led by Revd Catriona Cumming (Succentor) as Canon Victoria Johnson (Precentor) was granted Sabbatical leave. We welcomed Canon Tim Goode as Canon for Congregational Discipleship and Nurture and a number of honorary Canons and new Chapter members. Worship during September and October was linked to our work in becoming an Eco Cathedral with a sermon series for Creationtide, additional learning opportunities and special services to mark the season. This was well received and will contribute to achieving Eco-Gold status and leading in this field both through practical application and through worship, theology and prayer. The final part of the year concluded with a busy and successful Advent and Christmas programme, with the usual intensity of celebratory services with key mission partners, including schools, universities and charities, and huge attendances at worship through this key season. Thanks to the whole Music and Worship Team who sustain our core purpose through offering prayer and worship to the glory of God.

# **Cathedral and Precinct Upkeep**

Completed Works. Another busy year for the Works Department. Work on the South Quire continues with the completion of clerestory windows S3 and S4. Butress s8 was completed in September and work is advancing on the rebuilding of buttress s9. The scheduling of the St Cuthbert Window has also been completed allowing the setting out scheduling for the restoration to begin. In 2023, two further projects of the Neighbourhood Plan completed and two started on site. In January, work commenced on the conversion of Church House to 10 residential apartments. The apartments will be released to the market in late spring 2024. In March, the restoration and rejuvenation of College Green completed to the delight of the many people who now regularly enjoy the space. And planning permission for 199 solar panels on the Quire roof was secured through the policies of the Neighbourhood Plan (NP). Work will start on the installation of the panels in late 2024, which will produce 33% of the Minster's energy requirement. April saw the opening of the completed York Minster Refectory, a project delivered as a Joint Venture between Chapter and the Star Inn Group. The building delivered the first sustainable retrofit to a listed building in the Precinct, including the first solar slates and air source heat pump. Importantly, the building was given an Energy Performance Certificate (EPC) with a B rating – an enormous achievement for a listed heritage asset. In May, Minster Gardens formally opened to the public to enjoy. In July, Simpson of York were appointed as contractor for the delivery of the Centre of Excellence for Heritage Craft Skills & Estate Management. The turf was officially cut by The Dean in August and work commenced thereafter. During the summer the pre-development archaeology at the Heritage Quad found Roman remains of part of an old barrack block and road. Whilst pre-development surveys found nothing at the Technology Hub, once the former stoneyard had been demolished and the concrete slab broken and removed extensive medieval archaeology was identified. Working closely with City of York Council and York Archaeology, this was recorded and where necessary removed to allow the foundations of the Hub to be laid. The Technology & Works Hub will complete in July 2024 and the Heritage Quad, which includes residential accommodation for our first-year apprentices, in August 2024. Both sites in the Centre of Excellence project will contain a mixture of PV panels, heat pumps and rainwater harvesting. There is much more still to do but in many regards York Minster is leading the way nationally within the cathedrals sector on what can be achieved on the way to Net Zero. The team won two major awards in 2023, the first from the Royal Town Planning Institute for Best Plan and the second from the European Future for Religious Heritage recognising the lead Chapter has taken on tackling the Net Zero agenda in a complex heritage estate. Both awards recognise the leading role the York Minster NP has taken.



# **Education and Outreach**

**Learning.** After a major impact from Covid which effectively closed down the learning capability, there was a gradual regrowth with a team of two educators from the summer of 2023 filling the roles of Learning and Participation Manager and Learning and Participation Officer. The ambition has initially been set low to ensure the capability grows depth and we can sustainably meet future demand but the indications are already good that schools are very keen to build the Minster back into their curriculum and we may need to consider further growth in the team in future years.

# **Collections and Interpretation**

'Majesty: Monarchy and York Minster'. Launched in the Treasury in 2022 to mark the Platinum Jubilee of Her Majesty The Queen the exhibition was redeveloped to focus on Coronation and Royal Maundy themes, and opened to the public on Saturday 25 March 2023. The launch attracted extensive coverage, including ITV Calendar, BBC Radio York, The Times, The Telegraph, The Yorkshire Post, the York Press and other northern local papers, estimated to be worth in excess of £360K in 'advertising value equivalency', with 13,204,706 'opportunities to see'. In the approach to the Coronation the exhibition also featured on GB News (with David Starkey) and French breakfast television. The exhibition ran until 1 October 2023.

'Treasures: Yorkshire's People and Parishes' opened in the Treasury in October and will run to February 2025. It features some of the extensive collections of splendid parish silver, library and other material housed for safekeeping in York Minster, including two altar panels on loan from Goldthorpe parish church attributed to the Italian artist Sano di Pietro (1406-81), supported by our own collections. It explores themes with local, national and global resonance, from religious turmoil, loss and remembrance to patronage, craftsmanship, change and renewal, and parish life. On its launch, the exhibition received wide media coverage, including BBC News online, The Yorkshire Evening Post, The Yorkshire Post and local TV and radio, with a reach of 199,000 individuals worth almost £240K in advertising equivalency. Many parishioners and minsters of the featured parishes have already visited, with further missional engagement planned through the Canon Missioner.

Conservation. As previously reported, 26 books in 31 volumes were damaged when a dehumidifier malfunctioned and leaked, in the Upper Hall of the Old Palace in January 2022. The volumes date from 1536 to 1815, most from the 16<sup>th</sup> and 17<sup>th</sup> centuries. Harwell Restoration undertook trial conservation on three volumes, with different conservation needs and varying levels of damage, to inform a treatment plan and quotation for the other volumes, which was reviewed by the Fabric Advisory Committee Inventory Sub-Committee and Janet Berry, Head of Conservation of the Cathedrals Fabric Commission for England (CFCE). The insurers commissioned independent reports on the conservation plan and on the value of the books. On 27 November 2023 we received notification that the conservation costs of £275,090.40 inc VAT had been accepted by the insurers. The conservation is expected to take up to two years. Work on four volumes had been completed by December 2023, these have now returned to the Old Palace.

Also conserved were: the Processional Cross by Gerald Benney, 2000, part of the Millennium Silver Collection, damaged during active use (rod strengthened, damaged head repaired and regilded); and conservation cleaning of St George chest, c. 1380-1420, oak, for the treatment of mould. In very welcome news, Tom Ashley, Senior Cathedrals and Major Churches Officer and Deputy Secretary of the CFCE, has confirmed that, legally, removal of collections items for conservation assessments and conservation work does not constitute a loan under the Care of Cathedrals measure. Therefore, CFCE consent is not required, unless the work would constitute a 'material change' to the item. This assists with more agile assessment of items in the studios of external conservators.

**Environmental Conditions in the Undercroft and Crypt.** Since 2019, relative humidity (RH) in the Undercroft and Crypt has regularly reached over 80% in the Summer months (40-60% is optimal for most museum objects). This was the case again in 2023, with RH often approaching 84%, and up to 86% in Chamber 6 and 85% in Chamber 4, where



significant items, including the Walter de Gray material, are displayed. Although museum cases continue to buffer well, RH has risen on several occasions risen to over 60% within many of them, despite systematic replacement of silica and although still under 65%, very much in the 'danger zone' at which moulds are more likely to bloom.

Collections on display are carefully monitored. Apart from worked stone, including the Doomstone, artefact material has been removed from open display. The York Gospels book was removed from exhibition for three weeks after its use in the two canonical installations in September, until RH in its case, which rose sharply during the opening of the case for its removal, could be brought back to under 60%. The dehumidifier in the large air-controlled case in the Treasury malfunctioned, leading to removal of objects on display for the final weeks of the exhibition 'Majesty: Monarchy and York Minster' and a small number of visitor complaints, despite a sign explaining the issue and the conservation needs of objects. Assessments suggested that dehumidifiers in the four air-controlled cases, which were installed a decade ago, are now at the end of their lives: a programme of replacement is underway, scheduled to complete in Spring 2024.

Air quality testing was conducted in the Undercroft and Crypt in August 2023. The results indicated that levels of moulds and fungi are within acceptable levels. Carbon dioxide levels were well within workplace exposure limits of 5000 ppm. However, as in some areas CO<sub>2</sub> levels slightly exceeded 1000ppm, the point at which discomfort such as headaches can occur with prolonged (several hours) exposure, staff and volunteer rotas were adjusted to limit time spent in the location. The Surveyor of the Fabric is undertaking scoping during 2024 to assess whether ventilation can be improved in the Undercroft and Crypts, to lower relative humidity and improve environmental conditions.

# **Community and Congregation**

With one of the recommendations of the Cathedrals Measure 2021 stating that the existing Cathedral Council must no longer hold a governance role, Chapter became the primary governing and oversight body for the Cathedral. The need therefore has arisen for a new community body, one which holds no formal governance role, but which provides a forum for the community to gather around, to foster a building up of community life and discipleship within the Minster, to build relationships with cathedrals communities across the Northern Provence and to represent the values, strategic direction and policy decisions of Chapter to Minster worshippers.

In seeking to achieve this aim an Interim Community Working Group has been formed which has met regularly since September 2023, co-chaired by Canon Tim Goode, the new Canon for Congregational Discipleship and Nurture, Ben Fuller and more recently Alison Norman, with the specific aim of creating the terms of reference for a new community group, now to be called the Community Matters Forum, which will be in place for September 2024. While that piece of work has progressed at a pace, the community has continued to meet regularly, as we have continued to grow in confidence and numbers with in-person worship and community activities post the Covid 19 pandemic. The Wednesday coffee mornings have been extremely well attended, being appreciated by both regular worshippers and visitors. The Lent lunches have also been equally well attended. The Barn Dance back in October was the first big social event since the lockdowns and was a well-attended and joyful occasion.

A return to in person discipleship courses started in the autumn with Canon Maggie leading 'Eat, Pray, Learn', a nine week course on the psalms and the Lent course this year has focused on the 'Christ in the Wilderness' series of paintings by Stanley Spencer, which have also captured people's imagination, assisted by the Archbishop of York leading the last session, sharing his own reflections captured in a short book he has written on the paintings in question.

Our babies and toddlers group Minster Mice meet every Wednesday at 10am and has grown exponentially through the year, with many making the leap to Minster Angels which meets once a month on a Sunday during the 11am Sung Eucharist. It has been particularly encouraging to observe how many of the children at Minster Mice are being brought forward for baptism.



# **Responsible Stewardship**

**People.** 2023 saw a keen focus on supporting staff skills development through the delivery of face-to-face courses including Coaching Skills for Managers. Access to development opportunities for all staff has come through the launch of the iHASCO eLearning platform, which is providing high quality, accredited training in compliance areas (such as Health & Safety and GDPR) alongside 'soft skills' and leadership development. Our focus on Equity, Diversity and Inclusion was supported by a mandated training course for all managers and visitor facing staff to complete. Staff also rose to the challenge issued by the Archbishop of York at the Dean's installation to 'get out more' in order to avoid introspection and to benefit from sharing best practice across the sector and region. This saw every staff member having a specific outward facing objective in their annual plan, which helped strengthen relations across the Cathedral network alongside building links with local organisations and staff contributing to online fora.

Staff wellbeing remained firmly in the spotlight with initiatives aimed particularly at supporting staff experiencing health challenges and suffering financial hardship as a result of the cost of living pressures being faced. A cash health plan was introduced at no cost to staff in order to provide lump sum contributions for dental, optical and similar costs as well as access to a discount platform and GP service. A range of other supportive measures included a focus on men's wellbeing, a pension workshop and the launch of a revised cycle to work scheme. The pastoral care framework for staff was refreshed with provision of counselling services and an Employee Assistance Programme.

The year saw the work of the elected representatives of the Staff Forum develop which has encouraged greater two way communication. This was supplemented by whole staff briefings and the embedding of the weekly Staff Newsletter. A cycle of employment policy review and design is ongoing and ensures both legal compliance and best practice is attained.

Steps to recognise and engage with volunteers further deepened in 2023 with the introduction of Volunteer Gatherings, which provide knowledge exchange in areas such as the centre of Excellence, Music and Collections, as well as an opportunity to say 'thank you'. The main celebration of volunteer contribution was in July and was well attended despite poor weather. Volunteer Coordinators were provided with a small budget allocation to enable them to offer token acts of recognition and to host smaller events focused on role specific matters.

Personalised volunteer induction continued to be developed in line with the newly launched Better Impact IT system which streamlines administration, strengthens communication and enables volunteers to amend their rotas or volunteer for additional roles. A successful volunteer 'Development Month' was held which drew on internally trained staff and external trainers to deliver modules including Welcome all, Dementia Forward and Deaf Acceptance. The Volunteer Trip to Markenfield Hall and Ripon Cathedral was a great success with an opportunity for sharing learning. The Guides course ran with a mix of staff and volunteers with many encouraged to join the re-established Learning Team.

Project volunteering was introduced and trialled with students coming in for a short-term volunteering project creating the Remembrance flowers. Visiting group volunteering was also expanded with support from the Health and Safety Manager and the Police Sergeant to welcome one off groups of volunteers including amongst the Gardens Team.

# PLANS FOR FUTURE PERIODS THE YORK MINSTER STRATEGY FOR 2030



The change of senior leadership with a new Dean and Chapter Steward, greater clarity around the implications of Cathedrals Measure 2021, the change to full charitable status on 5 January 2023 and a sense that opportunities from the Neighbourhood Plan needed to drive change, all combined to create the catalyst to take a long hard look at our strategic approach. Previous strategic thinking had created strategic plans for 2015-2020 and 2021-2026 but the challenge with the latter version was that the scale of ambition was out of balance with the resources needed to deliver the outcomes both in capacity and capability and from a financial perspective. Moreover, a lack of clear prioritisation had created a culture of overly busy staff occupied by too many conflicting workstreams. With new leadership, important sustainability ambitions and the potential for significant commercial and development opportunities, York Minster found itself at the start of 2023 at a strategic point to re-assess how it is set up to flourish in the future.

A proposal was submitted to Chapter in April 2023 to undertake a package of consultant-enabled strategic work focused at the Senior Executive Team (SET) level but with the involvement of Non-Exec members of Chapter when and where they were available. The approach was to embark on a 5-step process, as illustrated in the layout below, and in what became Phase 1 to determine what our Destination was and to unpack as much of the Strategy as possible. The output of this was discussed informally at the Staff Forum and with the middle management team before it was approved by Chapter in July 2023. At the same meeting Chapter agreed the need to pick up a second Phase of work which was approved in August and started in September 2023. Phase 2 was designed to conclude those elements of Step 2 which had not been finalised and attend to as much of the Transformation Roadmap as possible. A 14-week package of work was again the focus of SET but with continued support from Non-Exec members of Chapter, which proved to be invaluable. Two 2-day workshops in this Phase really built on the sense of collegiate working which had been generated in Phase 1, such that the outputs which went to Chapter in November 2023 for approval were genuinely a team effort with a strong sense of collective ownership and responsibility.



# PROGRAMME, PROJECT & CHANGE LEADERSHIP & MANAGEMENT



# I. DESTINATION

Mission, Vision and Values - Let's ensure we are all aligned on the foundations that will guide York Minster through the transformation. Defining a narrative that will excite us all to deliver change!

# 2. STRATEGY

Focus Areas, Strategic Objectives and measures of Success - How we will enable and deliver our Vision, ensuring alignment with our mission and values? Defining what good looks like and how we will track and measure our collective achievement!

# 3. TRANSFORMATION ROADMAP

What are the **first step**s we need to take on our transformation to enable the vision and strategy and what are the **initiatives**, **plans**, **finances and resources** to deliver it?

# 4. WAYS OF WORKING

Governance, Decision Making,
Processes, Technology enablement
- How can our organisation operate
optimally and enable a culture of
innovation and collaboration?

# 5. ORGANISATION

Capability and capacity required - Who needs to do what, when and with what support?

One challenge this process had to grapple with was how to determine the prioritisation and funding for a range of strategic initiatives which would start to deliver against the strategy in 2024, at the same time as pulling together the Business as Usual (BaU) budget for 2024. It was not an ideal approach but the ability to create some synergy did marginally outweigh the extra workload on the team.

York Minster staff were given a special briefing on the Strategy for 2030 in December 2023, and the plan to brief external stakeholders has been rolling out through the early part of 2024. The new strategy now incorporates a Vision to clarify the long-term aim and a revised Mission describing for now how Chapter sees the journey to achieve the Vision. Considerable thought was applied to the Values which when combined represent what York Minster aspires to be, how we should live and operate and be judged. As a development from the previous strategic plan, each value has some context to explain what it means and represents for York Minster. The Values are being adopted within the PDR process for all members of staff from the start of 2024 to judge how people meet their objectives, not simply whether the objectives were met.



# OUR RENEWED VISION, MISSION & VALUES



# **OUR VISION**

To inspire everyone to experience God's love through our welcome, worship and work.

# OUR MISSION

To deliver innovation, welcome everyone and offer outstanding experiences as part of our living tradition, where faith is nurtured.

# **OUR VALUES**

This is how we will interact and behave to deliver our Vision and Mission.



# Integrity

We behave ethically, honestly and professionally, take accountability and consider the impact of our actions both short term and long term.

# **Humility**

We are grounded and respectful in all that we do, ensuring everyone's unique contribution is valued and that we constantly seek to develop and share learning.

# **Purpose**

We are focused on achieving our objectives in a responsible way and on delivering innovation and excellence in our welcome, worship and work.

# Compassion

We are thoughtful in all our attitudes and behaviours so that everyone is listened to, treated with kindness and feels safe.

# MISSION & WORSHIP



- 1 To be a centre of excellence for liturgy, discipleship and music and to grow a community that is nurtured and empowered by our mission.
- 2 To create and deliver a liturgical plan that will provide an innovative, accessible and welcoming space for worship.

# ESTATE, FABRIC & COLLECTIONS



- 3 To work with our partners, statutory and funding bodies to deliver the York Minster
  Neighbourhood Plan to sustain and secure the Precinct for future generations.
- 4 To transform the management, infrastructure and long-term sustainability of the Precinct and the collections and make them more accessible to our users.

# YORK MINSTER

# Phase 1 also identified six Focus Areas.

The strategy recognises Mission and Worship as the heart of the core purpose of York Minster and it is therefore very deliberately shown first. The remainder are not depicted in any order of priority but together represent the entirety of what Chapter must take forward to achieve the Vision. Sitting within each Focus Area are two Strategic Objectives, less People with three, which begin to narrow down the high-level workstreams.



# GROWTH & SUSTAINABI<u>LITY</u>



- **5** To grow existing and develop new sources of income aligned to our charitable purposes and values to enable our Vision for 2030.
- 6 To establish York
  Minster as a pioneering,
  low carbon heritage
  estate with environmental
  sustainability integrated
  throughout our
  behaviours, business
  practices and building
  innovation.

# OUR PEOPLE



- **7** To develop an integrated people strategy to enable delivery of innovation and excellence by 2030.
- **8** To create an Equity, Diversity and Inclusion (EDI) strategy and plan that will drive culture change throughout the organisation.
- **9** To confidently foster and embed a safe and supportive environment for all through culture and practice.

# OPTIMISING OUR OPERATIONS



- 10 To enhance our organisational efficiency, resilience and effectiveness through streamlined decision making, using data and insight, collaboration and clear accountability structures.
- 11 To transform our IT function and systems to enable collaborative, innovative and efficient working 24/7.

# STAKEHOLDERS & AUDIENCE



- 12 To develop a stakeholder management strategy that enables us to create a connected and engaged stakeholder community.
- 13 To evolve and enable the Audience and Programming Strategy to deliver excellence in our visitor experience and attract new, repeat and diverse audiences to York Minster.

# OUR PRIORITISATION CRITERIA



One of the most important outcomes from the Phase 2 work was the adoption of a set of prioritisation criteria based on the MoSCoW model of Must, Should, Could and Won't. It has been the key to bringing clarity to the difficult decisions needed to reduce ambition to a deliverable and funded reality. The criteria which define what Must be undertaken has been kept as tight as possible to ensure that Chapter is completely focused on keeping staff, volunteers, worshipers and visitors safe, the organisation legal and compliant and the doors open and lights on. Outside of this, no initiative should be considered as a Must Do activity. Equally useful has been the ability to determine what Won't be done, either in 2024 or at all, and to enable sensible and coordinated planning to take place.

Everything we do will be aligned with our Christian mission and values, the benefit understood, costs confirmed and funding source known and will be prioritised as follows:

# Must

Keeping us safe, legal, compliant our doors open and lights on!

# Should

Enabling the delivery of our Vision, Mission, Values and Strategy.

# Could

Defer to future year or years without significant impact on achievement of our Vision and Strategy for 2030.

# Won't (or not yet)

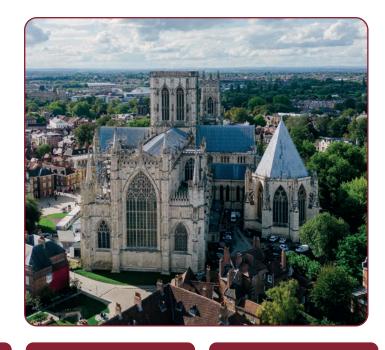
It does not contribute to the delivery of our Vision and Strategy 2030.



# OUR 2024 MUST TRANSFORMATION INITIATIVES



The outcome of the strategic development work at the end of 2023 was a package of Must and Should initiatives for Chapter to consider either to be completed, or to start, in 2024. Over two Chapter meetings, in November 2023 and January 2024, and alongside the budget position for 2024, trustees examined the initiatives and approved the investment of time and funding to enable the start of delivery. Those initiatives are show below.



# MISSION & WORSHIP



- Mission & Strategy
- CommunityWorking Group
- Quire Ramp Permissions

# ESTATE, FABRIC & COLLECTIONS



- Undercroft Environmental Improvements
- Archive Service Accreditation
- Progress Inventory Indentification& Management

# OUR PEOPLE



- Pastoral Care Strategy
- ED&I Strategy
- H&S Policy
- H&S Strategy
- Independant Safeguarding Adult
- Safeguarding Learning & Development Strategy & Delivery

# OPTIMISING OUR OPERATIONS



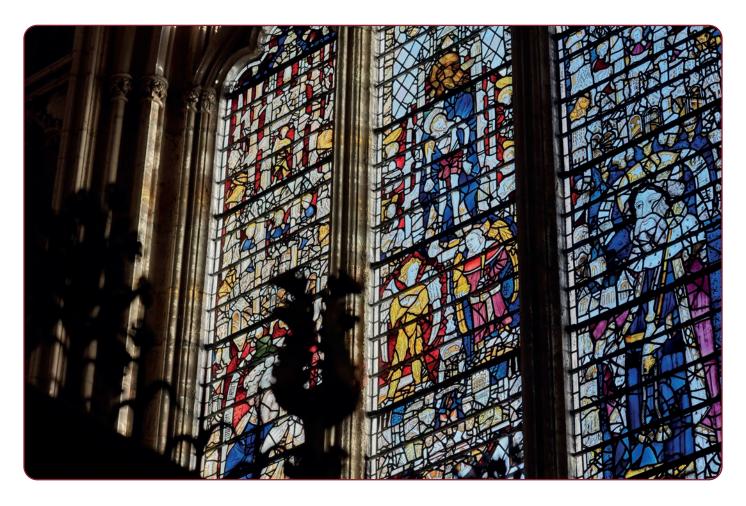
- Ensure we have capability and capacity to deliver the 2024 plan
- Ensure that we have the right data to make effective decisions and run our business
- Ensure we can respond quickly to adverse events
- Enable IT & Comms to provide the service YM requires

# OUR 2024 SHOULD TRANSFORMATION INITIATIVES



A critical enabling component to all of this work is the creation of a core capability to cohere effort and ensure the organisation does deliver against the strategic objectives and does not become consumed by Business as Usual. Standing up a new core team as part of the Chapter Office called the Strategic Planning and Programming (SP&P) Team at the start of 2024 has been vitally important. The capability will need to grow through 2024 but will be at the heart of driving the Strategy for 2030. It has taken a considerable amount of additional effort from many people, especially those who are part of the SET, to create a coherent and prioritised plan for 2024 and the emergent shape for 2025-2030. Despite this, the benefits are already clear to see. We have a renewed direction, focus and clarity on our Vision, Mission, Values. Our priorities will deliver real and positive change that will be visible and tangible. Our plans will enable York Minster to:

ensure our work and volunteering has a meaningful impact; be more effective and productive in our work; access to the right information to enable clear accountability and decision making; ensure that everyone feels included, secure, heard and valued; take pride in the innovation and leadership we showcase within the heritage sector – a centre of excellence for liturgy, music, heritage crafts and sustainability; provide a space for worship and reflection that is welcoming, engaging, accessible and safe; ensure that everyone in our community, from our people to worshippers, finds a strong sense of belonging and pride; and to demonstrate that our staff and volunteers that they can have confidence in the leadership team and York Minster's future.



# MISSION & WORSHIP



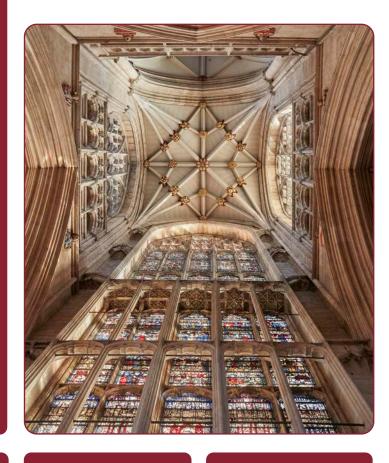
 Build Faith Resources for Pilgrimage

# ESTATE, FABRIC & COLLECTIONS



- Progress the requirements for our Museum & Learning Centre
- Define requirements for St. Williams College
- Assess our ability to provide additional Toilet Capacity





# GROWTH & SUSTAINABILITY



- Invest in tools and insight that improve investment, finance and estate decisions
- Establish our American Friends of York Minster
- Increase momentum in our Sustainability, Eco-friendly and Low Carbon Estate efforts

# OUR PEOPLE



- People Strategy
- Staff Training Framework
- Trial a new Appraisal process for Senior Leaders

# OPTIMISING OUR OPERATIONS



- Improve effectiveness and clarity of our decision making and governance
- Ensure we have an appropriate Crisis Management Process
- Enhance our Physical Workspace Review
- Optimse our Exisiting

# STAKEHOLDERS & AUDIENCE



- Marketing Strategy (to target 30k additional Visitors)
- StakeholderEngagement Strategy& Plan
- Review & enhance our Programming
- Investigate a Digital Multilingual Visitor Experience Offering (Reqs. & Tool Selection)



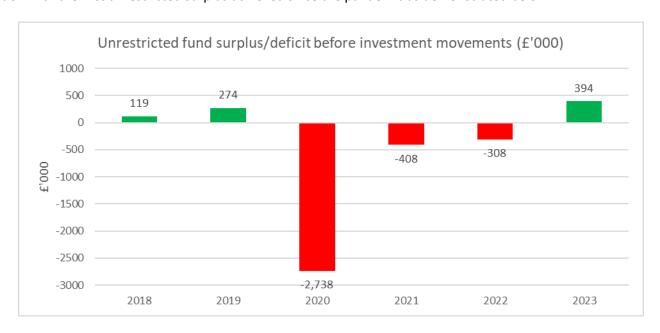
# **2023 Financial Review**

These accounts have been prepared under the historical cost convention as modified by the revaluation of investments and investment property, in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

# **Overall Financial Position**

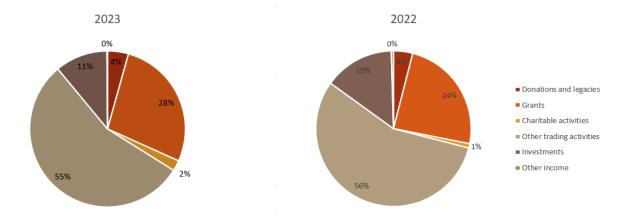
The Chapter accounts for the year ended 31 December 2023 show a net surplus of £2,701,000 (2022: deficit of £329,000), before taking account of gains or losses on the valuation of investments. Most of this surplus (£2,567,000) lies within the restricted fund, being largely the funding gratefully received from York Minster Fund (YMF) in year for the capital development of the Heritage Centre of Excellence. The expense relating to this income is found on the balance sheet within the fixed assets and prepayments balances, the latter being deposits paid for machinery not received as at the balance sheet date.

Chapter's underlying operational position is more adequately reflected in the unrestricted fund which records a surplus of £394,000 before investment movements (2022: deficit of £308,000). This is attributable to further improvement in income from both charitable activities (including learning and outreach) and other trading activities (visitor admission income and retail operations). This marks a further improvement on the unrestricted income position with the first unrestricted surplus achieved since the pandemic as demonstrated below.

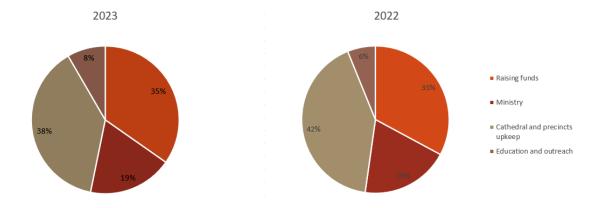




Total income for the year across all funds was £12,853,000 (2022: £9,738,000). This increase of over £3.1 million is attributable primarily to the increased income from the visitor business, up by almost £1.6 million on 2022, with an increase of £1.15 million on Grant income arising from the previously mentioned funding from YMF towards the Heritage Centre of Excellence development. Further, smaller increases were seen in Donation Income and Income from Charitable Activities, totalling around £357,000 altogether.



Total expenditure on mission across all funds amounted to £10,152,000 (2022: £10,067,000), an increase of only £85,000, less than 1%. This overall movement is comprised mainly of increases in Costs of Raising Funds (up £225,000 on 2022) and Education and Outreach (up £235,000 on 2022) offset by decreased costs on Cathedral and Precincts Upkeep (down £298,000 on 2022). The increases in the former are as a result of the direct costs of the increased activity across all aspects of the visitor and learning operations while the decreased costs in the latter arise from reduced fabric restoration spend and lower costs relating to precinct development professional fees. Expenditure on Ministry has fallen very slightly by £77,000 but only because of reduced costs of investment in clergy properties, with fewer refurbishment needs required in 2023 than in 2022.



Investment markets made some recovery against the losses suffered in 2022, so Chapter's financial investments have seen net realised and unrealised gains of £1,005,000 (2022: losses of £1,903,000) across all funds. Net position after investment movements and before transfers between funds is therefore a gain of £3,706,000 (2022: a loss of £2,232,000) across all funds, and a £539,000 gain on the unrestricted fund in particular (2022: loss of £820,000).

There have been transfers made between funds as follows:

• £1,599,000 has been transferred from restricted funds into designated funds in respect of the grant funding for the Centre of Excellence development, as the capital work in progress constitutes additions to assets already in existence. These assets are endowed and the cost of the construction work is being recognised against the asset with a professional valuation to take place at completion.



- £178,000 has been transferred from unrestricted funds into the designated fabric fund in accordance with Chapter policy. Given there is net unrestricted income of £394,000 pre investment losses and gains (2022: net unrestricted expenditure of £308,000), £178,000 (2022: £nil) has been transferred to the designated fund for long term major fabric maintenance of the Minster under the standard mechanism Chapter uses for designating from unrestricted surpluses where they arise. More detail is set out on this in the Designated Funds section on p25.
- £31,800 has been transferred from unrestricted funds into the designated St Peter's deposit fund in accordance with the terms of the contract for the education of choristers.
- £20,000 has been transferred from restricted funds into unrestricted general funds in respect of grant funding towards the cost of the stone bench installed on College Green, an unrestricted asset.

Investment properties are measured initially at cost and subsequently at fair value at the reporting date. Depreciation is not provided on investment properties, in line with Charity SORP accounting regulations. Investment properties require an independent formal professional valuation to be carried out at least every five years with material movements between valuations being included in the accounts.

The latest full professional valuation for investment property was carried out at 31 December 2022, this was undertaken by Sanderson Weatherall LLP, and resulted in a re-valuation upwards of £1,604,000 in the market value of investment properties since the last valuation in 2017. The next valuation is due in 2027, there has been no material movement since the last valuation.

Two properties moved from own use property into investment property during the course of the year, 5 Minster Yard and 2a College Street. Both these buildings were formerly used to house clergy, however they have now been vacated and made available on the property rental market since late 2023, the former for residential short-term tenancies and the latter as a holiday let property. Accordingly a revaluation sum of £454,000 has been recognised on this transfer.

There was a net cash outflow of £2,406,000 (2022: outflow of £868,000) in the year bringing total cash and cash equivalents to £1,936,000 (2022: £4,342,000). The net cash inflow from operating activities was £856,000 (2022: outflow of £588,000) and cash outflow from investing activities was £2,604,000 (2022: inflow of £241,000). In addition, there was a cash outflow of £658,000 (2022: outflow of £521,000) in respect of interest and capital repayments on the Coronavirus Business Interruption Loan. More detail is given on page 43.

The consolidated funds of the Cathedral as at 31 December 2023 are £54,617,000 (2022: £50,911,000). The following table provides a breakdown:

Fund		Balance at 31 December 2023 (£'000)	Balance at 31 December 2022 (£'000)	Purpose
Unrestricted		9,164	8,815	Held for the day-to-day operations of the Cathedral
Endowed		35,818	35,360	Held for the permanent benefit of the Cathedral through income generation from capital
Restricted		3,119	2,129	Held for specific purposes required by the donor
	St Peter's	374	343	Held in respect of chorister fee amounts due to St Peter's School on an annual basis
Designated	Fabric	2,797	2,558	Held for the conservation and maintenance of the Cathedral Fabric
	Other strategic purposes	3,345	1,706	Held for future strategic purposes (and including investment in Centre of Excellence assets under construction.)
TOTAL		54,617	50,911	

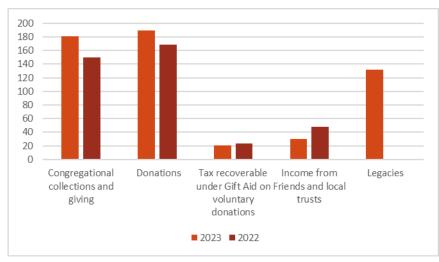
Further detail is provided in Note 17 to the accounts.



#### Income

Detail to support the incoming resources summary in the Consolidated Statement of Financial Activities is provided in Note 3 to the accounts. Items of particular note are set out below.

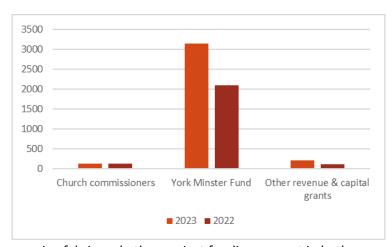
# **Donations & Legacies**



Net income from donations and legacies has increased in the year by £164,000 to £554,000 (2022: £390,000). Congregational collections and giving have increased by £31,000 on 2022 levels, as levels of cash giving have continued to return following the reintroduction of cash collections in late 2022. Donation income has increased by £21,000; this includes online giving. Legacy income of £132,000 was received in 2023 compared to nil in 2022. Of this £59,000 was restricted to the conservation of the fabric of the Minster and £73,000 was unrestricted. The Friends of York Minster

continued to provide much valued financial support for various projects, including contributions towards the College Green memorial bench, water fountain and restoration projects for Chapter's historic collection.

# **Grants**

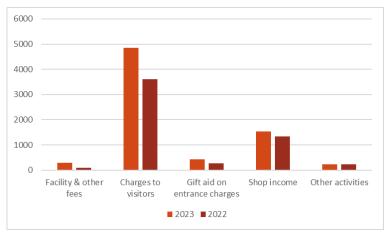


Income from grants amounted to £3,493,000 (2022: £2,346,000). Church Commissioners grant income has remained stable year on year, this being funding to cover the stipend and other employment costs of the Dean and two residentiary canons. Chapter receives much welcome funding from the York Minster Fund on an annual basis towards core fabric restoration costs as well as additional funding for specific projects as and when they occur. Total income from York Minster Fund in 2023 constituted £3,151,000 (2022: £2,091,000). This increase of £1,060,000 has arisen due to funding of the capital costs of development of the Centre of Excellence during 2023 alongside

ongoing fabric and other project funding present in both years. Other revenue and capital grants received increased by £91,000 to £210,000. Included in this increase is one off funding in respect of historic collection and archives acquisitions, funding for Chapter's participation in the National Schools' Singing Programme, to be launched in 2024 and a contribution from City of York Council towards the costs of installing new floodlights at the West End of the Cathedral. Ongoing funding in respect of our Stonemason apprentices from Cathedral Workshop Fellowship formed the majority of the year-on-year amount in this category.



# **Net Income from Charitable Activities & Other Trading Activities**



Income from Charitable activities has increased notably to £281,000 (2022: £88,000). This income arises from our learning offer and other fees associated with events and services in the Cathedral and precinct as these areas of activity continue to grow back in the post-pandemic period.

Income from visitors, including gift aid on tickets, increased by £1,390,000 to £5,268,000 (2022: £3,878,000). Additionally shop income increased by £200,000 to £1,537,000 (2022: £1,337,000).

The costs of these trading activities are included within Expenditure of Raising Funds on the SOFA and amounted to £2,737,000 (2022: £2,352,000) of the total Expenditure on Raising Funds of £3,533,000 (2022: £3,308,000) excluding any attributable support costs. These have increased due to higher costs for the retail operations as a result of the increased direct costs of purchase. The gross profit margin of 57% achieved in 2022 has been improved to 61% in 2023 alongside the 15% growth in sales income.

Key metrics relating to the charitable activity and other trading activity items and their comparatives for 2022 and 2019 (as the last comparative year pre-pandemic) are set out in the table below.

Metric	2023 2022		2019	
Individual general admission ticket income	£4,167,000	£3,159,000	£2,877,000	
Gift Aid conversion rate on general admission income	40%	35%	38%	
Tower trips & tours income	£329,000	£268,000	£365,000	
Commercial group income	£221,000	£129,000	£277,000	
Learning group income	£55,000	£20,000	£117,000	
Retail income	£1,537,000	£1,337,000	£1,050,000	
Retail gross profit margin %	61%	57%	61%	
Visitor numbers (excluding worshippers)	455,213	521,056	556,121	
Visitor numbers (including worshippers)	571,099	620,591	706,484	

Visitor numbers in 2022 include those associated with the period following the death of Her Late Majesty Queen Elizabeth II, both for mourning and expressing thoughts of condolence and at services held to celebrate and commemorate her life and this has contributed to some of the movement between 2022 and 2023.

Support costs allocated to expenditure on raising funds have increased by £50,000 on 2022 – further information about increases in support costs is set out below.



# **Net Income from Investment Activities**

# **Investment properties**

The return on the investment property portfolio was as follows:

	2023		2022	
Total return on investment property	£'000	£'000	£'000	£'000
Gross rents receivable		952		831
Repairs and maintenance	61		249	
Agents management fees	65		38	
Other agent fees	3		27	
Quinquennials	106		85	
Legal fees	13		26	
Bad debt provision	-		28	
Utility and other costs	24		10	
	_	(272)	_	(463)
Net income from investment property		680		368
Property revaluation/capital additions	_	454	_	1,604
Net income/gains from investment property in the year	_	1,134	_	1,972

Investment property expenses and management fees are down by £191,000 as investments in our property portfolio were reduced -2022 included significant investment in converting a former residential property to a holiday let and work to fully rewire one of our residential properties.

The Cathedral Accounting Regulations require an independent formal professional valuation to be carried out at least every five years with material movements between valuations being included in the accounts. A formal valuation was carried out at 31 December 2022 by Sanderson Weatherall LLP. Further detail is provided in Note 6 and above.

# Equity investments policy and performance

The investment objective is to ensure the creation of sufficient income and capital growth to enable the Chapter to carry out its purposes consistently year by year with due and proper consideration of the future needs and maintenance and, if possible, enhancement of the invested funds.

The investments held by the Chapter were managed during the period by two investment managers, Rathbone Brothers Plc ("Rathbones") and CCLA Investment Management Limited ("CCLA"). Rathbones achieved a twelve-month net return of 5.4% (2022 -12.9%) compared with the agreed gross benchmark of 10.9% (2022 -6.8%). Funds held with CCLA in The CBF Church of England Property Fund produced a return of -1.19% (2022 -7.8%) against the benchmark MSCI/AREF UK Other Balanced Quarterly Property Fund Index of -2.38% (2022 -8.71%). Another difficult year in the investment environment with persistent high inflation rates and global geopolitical and economic issues has again challenged the performance of Rathbones against their benchmark in year. However, the performance against benchmark over the duration of their management of Chapter's investments has been consistently and cumulatively positive to date and performance in early 2024 has begun to improve against benchmarks.



# Total return investment policy

The Church of England (Miscellaneous Provisions) Measure 2014 received Royal Assent on 14<sup>th</sup> May 2014. This enabled Cathedrals to adopt a total return approach to investment. In September 2017 Chapter duly passed a total return resolution in accordance with the Measure and determined that the total unapplied return at 31 December 2016 amounted to £30,320,000.

At the time of resolution, the trust for investment was determined at £1,303,000 being based on the 1996 book value of endowed assets, this is adjusted for inflation each year. As at 1 January 2023 the trust for investment was £1,676,000, a further £67,000 has been allocated to the trust for investment from the unapplied total return in the year. The trust for investment as at 31 December 2023 is £1,743,000.

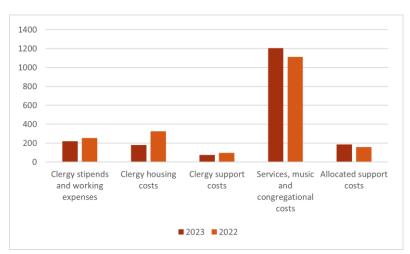
The income from the endowment's investments has been recognised as endowment income in the year and £1,200,000 of this income has been allocated out of the unapplied total return and applied for Cathedral purposes, this allocation is shown within unrestricted and restricted other income. Chapter made an allocation of £198,000 (2022: £296,000) from unapplied total return for Cathedral purposes, this was to enable essential repairs and refurbishment to endowed investment properties in the year. Chapter consider that this is a prudent distribution of the available endowment funds.

Other realised and unrealised gains and losses on the disposal and revaluations of investments and property amounted to a gain of £1,005,000 (2022: loss of £1,903,000) in the year. The endowed element of this gain, £700,000, (2022: loss of £417,000) was transferred to the endowment funds and does not affect the surplus for the year under the Cathedrals Measure 2021.

Further detail regarding the total return approach can be found on page 73 as part of note 17.

# **Expenditure on Mission & Charitable Activities**

Detail to support the outgoing resources summary in the Consolidated Statement of Financial Activities is provided in Note 4 to the accounts. Items of particular note are set out below.



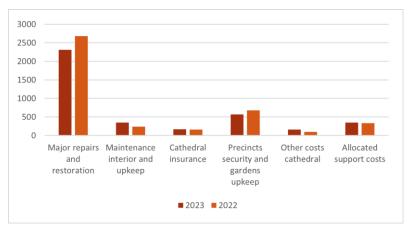
# Ministry

Ministry costs have decreased slightly by £77,000 to £1,873,000 (2022: £1,950,000). This is largely driven by a reduction in costs of clergy housing; following significant property refurbishment costs incurred in 2022 this area of expenditure has reduced by £146,000. Other direct costs of clergy in terms of stipends, working expenses and support costs are down £58,000 compared to 2022 – this is due to a vacancy in the clergy PA support role for some of the year and reduced employer contribution rates for the clergy pension scheme. Service, music and congregational costs have increased by £91,000 due to salary cost increases of £65,000, further increases in printing

costs of £13,000 and costs of a successful choir tour to the Netherlands (also supported by YMF). Support costs allocated to Ministry have increased by £36,000 – further information about increases in support costs is set out below.



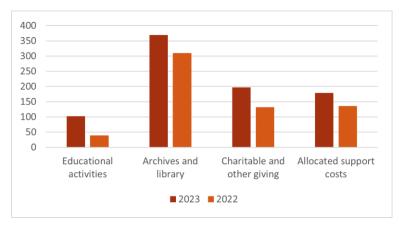
# Cathedral and Precincts Upkeep



Cathedral and precincts upkeep has decreased by £298,000 to £3,893,000 (2022: £4,191,000). Major repairs and restoration costs have fallen by £374,000 due to the strategic focus of Stoneyard activity on the development of the Centre of Excellence in 2023. Glass costs have fallen by £130,000 with fewer windows being worked on this year and other material costs associated with restoration have fallen by £210,000. Interior maintenance and cathedral insurance costs have increased by £118,000 due to inflationary pressure on contracts and consumable costs.

Precincts, security and gardens upkeep costs have decreased by £112,000 as initial planning fees associated with precinct development costs were a substantial proportion of 2022 costs and are much reduced in 2023. Support costs allocated have also increased by £3,000 – further information about increases in support costs is set out below.

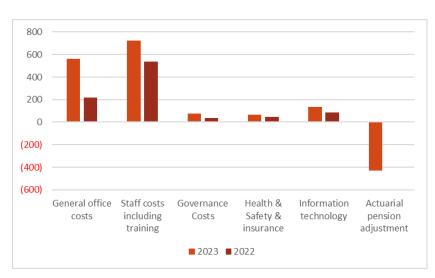
### **Education and Outreach**



Expenditure on education and outreach has increased by £235,000 to £853,000 (2022: £618,000). All areas within this category have seen an increase in costs due to increased activities throughout the year. Educational activity costs have increased by £64,000 due to the appointment of new Learning team members in the year and increased costs of maintaining the undercroft exhibition space in the cathedral. Archives and library costs increased by £58,000 due to increased staffing costs. Charitable and other giving costs have increased by £65,000 due to the uplift of Chapter's

freewill offering to the Diocese in support of its wider work. Support costs allocated have also increased by £48,000 – further information about increases in support costs is set out below.

# Support costs



Support costs includes the costs of the core Chapter office function, Finance, IT and People Team costs and the total costs of these areas are allocated across the Expenditure categories in accordance with agreed allocation criteria, largely based on headcount and time spent by key employees on the different areas of the operation.

Support costs as a whole have increased by £137,000 to £1,145,000 (2022: £1,008,000). All categories of expenditure have increased. Included in Support Costs this year is a one-off £431,000 actuarial gain recognised in the year



on the Church Workers' Pension Fund scheme arising from the plan by the Church of England Pension Board to secure a buy-in in 2024. Staff costs have increased by £216,000 across support departments as the team has grown to support increasing activity. General office costs have increased by £314,000. This is as a result of increased Coronavirus Business Interruption Loan interest costs (variable rate linked to base rate) and investment in strategic plan development for the period through to 2030. Other costs across the categories of governance, health and safety and insurance and IT have also increased as a result of specific projects in year and general cost increases across many contracts and consumable costs.

# **Reserves policy**

Chapter aims to hold unrestricted free reserves at a level that enables management of financial risk, preservation and maintenance of our assets and for fulfilment of the mission. The unrestricted free reserves are held to ensure that financial commitments can be met as they fall due, sustain optimal levels of investment in the fabric of the Minster and allow investment and preservation of property portfolio over the longer term. The unrestricted free reserves also provide financial protection against income uncertainty (e.g. investment market risk or change in operating context).

Reserves are an inherent part of the risk management process. The need for reserves will vary depending on our financial position and our assessment of the many risks we face at a particular time.

Reserves thresholds are assessed as part of our strategic planning process, currently on an annual basis. The need to maintain and strengthen reserves is also taken into account in the annual planning and budgeting process.

The target level of free unrestricted reserves was revised by Chapter and is ten to twelve months of operating expenditure at current levels, this equates to between £8,500,000 and £10,200,000 in 2023 (2022: between £8,000,000 and 10,000,000).

This threshold set by Chapter takes account of the following factors:

- The need to provide short-term protection against downward fluctuations in annual revenues, such as legacies;
- The need to provide long term strategic financial support to aid master-planning, fulfilment of our five year strategy and maintain our endowment property investment portfolio;
- The need to finance contingencies as and when required;
- The need to provide a financial cushion in the event of extreme circumstances affecting ability to operate;
- The need to protect Chapter from investment market risk.

The level of unrestricted reserves (including designated funds) held as at 31 December 2023 is £15,680,000 (2022: £13,422,000), net of the pension reserve held of £83,000 (2022: £83,000). £6,516,000 (2022: £4,607,000) has been designated by Chapter for long term major fabric needs of the Minster, Chorister fees at St Peter's School and other Chapter strategic plan objectives and £4,225,000 (2022: £2,373,000) are held as tangible fixed assets and property, and £1,786,000 represents work completed on Centre of Excellence at the balance sheet date leaving £4,939,000 (2022: £6,442,000) free unrestricted reserves.

The level of free unrestricted reserves as at 31 December 2023, as described above, excluding designated amounts and fixed assets, is below the current target window of between £8,500,000 and £10,200,000, caused in large part by the spend on fixed assets during the year. However, designated funds of over £6,500,000 remain available at the discretion of Chapter and therefore free unrestricted reserves levels do not concern Chapter at this time. The level of these reserves includes unrealised gains and is subject to volatility, therefore it is under annual review and subject to ongoing monitoring.



# **Designated funds**

When unrestricted net income is generated, pre investment gains, Chapter has a policy to transfer restricted funds to the designated fund. Any transfer made represents 33% of the unrestricted net income (net of legacy income) plus total unrestricted legacy income. There was an unrestricted gain of £394,000 pre gains and transfers and unrestricted legacy income of £73,000, therefore a transfer of £179,000 (2022: £nil) was made into this designated fund in the year. There have also been investment gains net of fees of £71,000 (2022: losses of £441,000). Therefore, as at 31 December 2023 £2,797,000 (2022: £2,558,000) has been designated by Chapter for the long term major fabric maintenance of the Minster.

The designated fund created during 2020 in respect of the annual Chorister fee bursary payable to St Peter's School in respect of the education of the York Minster Choristers remains and a transfer of £31,000 from unrestricted funds has been made in accordance with the terms of the agreement with St Peter's. Therefore the balance on this fund at 31 December 2023 was £374,000 (2022: £343,000), representing Chapter's contracted portion of fee bursary cost for our 40 choristers.

Further funds were designated by Chapter in 2021 in respect of strategic plan and masterplan objectives. The investment in the Centre of Excellence buildings which is development of existing assets has been transferred here from restricted funds while the assets are in course of construction, with the growth in value of what are endowed assets to be recognised at completion of the works. The total value of these designations totals £3,345,000 at 31 December 2023 (2022 £1,706,000).

Although total net assets of £54,617,000 are held as at 31 December 2023, £53,903,000 of these are fixed assets; £33,655,000 of which are held as property and £19,741,000 as equity investments. This reflects the long-term strategy for ensuring financial stability as these assets provide an annual return which funds a significant proportion of operational expenditure. It remains a priority for Chapter to focus on increasing and diversifying its operating and fundraised income to meet the tasks ahead of us which are manifold, complex and interconnected.

# **Total Return**

Chapter passed a resolution on 14<sup>th</sup> September 2017 to adopt a total return policy in respect of endowed funds. This approach allows any increase in the value of an investment to be used as income, whilst protecting the value of the original gift, or trust for investment. Following this resolution, the investment managers were instructed to remit income to Chapter based on this approach. During the course of 2023, the annual cash drawdown from investments was £750,000 (2022: £750,000) which is equivalent to just under 4% (2022: just under 4%) based on current yields & portfolio value. This drawdown percentage is subject to regular review. This aligns the total return accounting treatment with cash realisation from the investments. The decision was taken to ensure that Chapter invests in a way that has appropriate regard to the furtherance of its aims both now and in the future.

# Principal risks and uncertainties

Chapter continue to develop our organisational risk management approach, working to further refine the approach to risk registers with departmental risk monitoring underpinning a strategic risk register which is reviewed by SET on a quarterly basis and shared with Chapter for their awareness.

In addition, we will be looking to develop a system of process to monitor the controls put in place to mitigate risk; this will ensure that the processes are indeed doing what they are intended to and help respond more effectively to changes in the risk environment.



Key risks subject to closest scrutiny from Chapter at a strategic level include:

- Maintaining a sustainable financial business model.
- Degree of reliance on visitor-related income.
- Preventing fabric-related events such as stone fall which could have significant consequences for people and property.
- Protecting the fabric and collections from damage .
- Possibility of Chapter liability for historic safeguarding cases.
- Risks of underinvestment in IT, leading to increased risk in cybersecurity and an impact on achieving objectives across the organisation.

# Going concern

York tourism continues to perform well despite the pressures on domestic audiences as a result of the cost-of-living crisis. International tourism is now close to pre-pandemic levels and visits from the US in particular have been strong due to the strong dollar. We continue to invest in plans that will generate additional income streams in the course of 2024 and onwards which will further underpin the expenditure levels needed to maintain mission and maintenance of the cathedral fabric and precincts. Budgets and cash flow forecasts have been prepared to December 2025 and based on these Chapter are confident that the Cathedral has the ability to continue as a going concern for at least twelve months from the approval of these financial statements.

# **Public benefit**

As a Cathedral of the Church of England the Chapter's statutory responsibility under the Cathedrals Measure 2021 is to be the seat of the Diocesan Bishop and a centre of worship and mission. The Dean's Report sets out in detail how Chapter provides a benefit to the public through its support for the Archbishop of York and the Church of England throughout the Northern Province, its provision of worship of world class standard, and the increasing excellence of its welcome, conservation and learning work with opportunity provided for all. The Report gives details of particular achievements in 2023.

The Cathedral has had due regard to the guidance set by the Church Commissioners on public benefit and, from the completion of the charity registration process in January 2023 that brought the Cathedral under the statutory co-regulation regime of the Charity Commission, due regard to the Charity Commission's public benefit guidance.



# **Structure, Governance and Management**

# **Constitution and Statutes**

The Cathedral is an ecclesiastical corporation, governed by the Constitution and Statutes for the Cathedral and Metropolitical Church of St Peter in York, prepared in accordance with the Cathedrals Measure 2021, confirmed by an Amending Instrument made on 29 September 2022. It is also a registered charity from 5 January 2023.

A wide-ranging package of modernising revisions to the Cathedral's Constitution and the Statutes was implemented in 2018 to ensure that the Chapter of York, as the Cathedral's governing executive, was fully effective and fit for purpose. The revision proposals took due note of the helpful assessments of cathedral governance structures and management issues that were produced during this period for General Synod by the Church of England Cathedrals Working Group.

The revisions were based closely on the helpful assessments of cathedral governance structures and management issues that had been produced in 2017 for General Synod by the Church of England Cathedrals Working Group. The Working Group's proposals were subsequently formalised as a mandatory compliance regime to be adopted by all Church of England cathedrals in the form of the Cathedrals Measure 2021 (broadly equivalent in legal status to secular Acts of Parliament, 'Measures' are the primary legislation that governs the Church of England). All cathedrals that had not already done so were required by the 2021 Measure to become registered charities, bringing all cathedrals under the co-regulation oversight regime of the Church Commissioners and the Charity Commission.

The revision process required by the 2021 Measure was completed, after a public consultation, in September 2022. The updated Constitution and Statutes were formally adopted by an Amending Instrument dated 29 September 2022 and came into force on that date, with the exception of the 'charity provisions' that came into force on 29 December 2022 on the subsequent completion of the charity registration process. The Charity Commission has confirmed that the Cathedral was entered onto the Register of Charities with Registered Charity Number 1201499 on 5 January 2023.

# **Charitable Objects**

The charitable objects for all Church of England cathedrals are defined in the following mandated terms in the 2021 Cathedrals Measure, and they have been adopted verbatim in Article 3 of the Cathedral's current Constitution:

- (1) (a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
  - (b) to care for and conserve the fabric and structure of the Cathedral Church building;
  - to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b).
- (2) In paragraph (1)—
  - "the mission of the Church of England" means the whole mission of the Church of England, pastoral, evangelistic, social and ecumenical;
  - "Cathedral Church building" means the buildings within the ecclesiastical exemption for the Cathedral; "charitable purposes" means purposes within section 2(1) of the Charities Act 2011.
- (3) In furthering the objects set out in paragraph (1), the Chapter must act for the public benefit within the meaning of section 4(3) of the Charities Act 2011.



### **Role in the Diocese**

The Chapter of York plays an active role across the Diocese of York and the Northern Province of the Church of England, supporting the work of the Archbishop, sharing our skills and knowledge, and working with communities and partners to further our mission.

# **Organisational Structure**

### The Visitor

The Visitor of the Cathedral Church is the Archbishop of York, the Most Revd and Rt Hon Stephen Cottrell. As the Diocesan Bishop, the Archbishop has the right under the 2021 Cathedrals Measure to attend and to speak, but not vote, at one special Chapter meeting each year, the agenda for which is prepared in close consultation with him.

# **Body Corporate**

The members for the time being of the Chapter of the Cathedral and Metropolitical Church of St Peter in York are individually and collectively Charity Trustees and a body corporate with perpetual succession and a common seal.

# The Chapter

The Chapter consists of the Dean and up to five Residentiary Canons (the 'Executive Members') and the necessary number of Non-Residentiary Canons (the 'Non-Executive Members') to ensure that the majority of Chapter members are Non-Executives. At least two-thirds of the Non-Executives must be Lay people. A full list is on page 4.

Members of the Chapter are appointed under the terms of the Constitution and Statutes of the Minster currently in force. The Executive Members are appointed by the Archbishop of York with the exception of the Dean who is appointed by the Crown. The Non-Executive Members are appointed by the Chapter with the exception of the Senior Non-Executive Member who is appointed by the Archbishop of York.

Under the terms of the Constitution and Statutes of the Minster, Non-Executive members of the Chapter are appointed for terms of three years. Members of Chapter are required to be actual communicants of the Church of England, and on admission to office swear oaths of allegiance to the Sovereign and obedience to the Archbishop and the Cathedral.

The duty of the Chapter is to direct and oversee the administration of the Cathedral. It is required to meet at least five times in each calendar year. Each member of Chapter has one vote, the Dean as Chair having a second or casting vote.

New members of Chapter receive training arranged with specialist external providers including the Association of English Cathedrals. On-going Chapter training is overseen by the Nominations & Development Committee. Chapter's arrangements for setting the pay and remuneration of key senior staff, and their inclusion in Chapter's processes for performance review and professional development, do not differ from the arrangements for appointing all lay staff.

All cathedrals are required by the 2021 Cathedrals Measure to include in their organisational structure a **Finance Committee**, an **Audit & Risk Committee**, a **Nominations & Development Committee**, and a "Senior Management Group" which at York Minster is known as the **Senior Executive Team**. The Terms of Reference for these mandatory Chapter committees are dictated by the Measure and by templates supplied by the two statutory co-regulators.



# The College of Canons

The College of Canons is a non-governing part of the Cathedral's organisational structure. Its principal function is to be 'the voice of the Diocese' in discussions with the Chapter about the Cathedral's work, and to assist the Chapter in developing closer ties between the Cathedral and the parishes of the Diocese. It consists of the Dean (Chair), the Executive and Non-Executive members of the Chapter, the Suffragan Bishops and Archdeacons of the Diocese of York and nominated persons (both clergy and lay) all appointed from within the Diocese by the Archbishop. A full list is on page 5. The College meets at least twice a year to hear reports from the Chapter and to receive the Annual Accounts.

### The Finance Committee

This Committee has the duty to advise Chapter in connection with its responsibilities in financial and investment management and in the management of property belonging to the Cathedral Church if required to do so. Its remit includes oversight of the financial implications of major projects and developments, scrutinising judgements and financial management systems, and making recommendations to Chapter as appropriate. Members, listed on page 6, are collectively required to possess appropriate knowledge and skills in accounting, risk management, audit, financial governance and any other technical issues relevant to the business and strategic management of the Cathedral.

### The Audit and Risk Committee

This Committee has responsibility to provide independent oversight of the Cathedral's systems of internal control, risk management and financial reporting, to assess whether they are appropriate to the circumstances of the Cathedral, and to respond to changes in the operating and financial environment. Specifically, the Committee approves the scope of the external audit and reviews the audit findings prior to their being reported to the Finance Committee and Chapter.

# The Nominations and Development Committee

This Committee has the duty to advise Chapter on the recruitment of Chapter's Non-Executive members and members of each Chapter Committees. It also advises on the selection of candidates for nomination by Chapter to educational establishments and other bodies for which Chapter has any power of nomination. It is additionally responsible for monitoring and advising Chapter on Chapter members' training needs, and keeps under review the skills, knowledge and experience of, and the diversity among, Chapter's members and the members of each Chapter Committee.

### The Senior Executive Team

This Committee directs the management, operation and administration of every aspect of the Cathedral's work on behalf of Chapter, acting with Chapter's delegated executive authority and subject to the provisions of Chapter's overarching Statement of Delegated Authority. Meetings are chaired by one of the Cathedral's Chief Officers. Other Committee members include the Executive members of Chapter and the Directors of the Cathedral's departments.



# Statement of the responsibilities of the Chapter in respect of the financial statements

Collectively members of Chapter are responsible for preparing Chapter's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires Chapter to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, Chapter are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. observe the methods and principles in the Charity SORP 2019 (FRS102);
- c. state whether applicable accounting standards have been followed;
- d. make judgements and estimates that are reasonable and prudent; and
- e. prepare the accounts on the going concern basis unless it is inappropriate to presume that the Cathedral will continue in business.

Chapter are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Constitution and Statutes. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Chapter are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Investment powers**

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

- land
- funds administered for the Central Board of Finance of the Church of England by CCLA Investment Management Limited
- investments in which trustees may invest in under the general powers of investment in the Trustee Act 2000
- The improvement or development of property belonging to the Cathedral except that endowment funds may not be used to improve or develop the Cathedral itself nor its auxiliary buildings.

On behalf of the Chapter:

Dominic Barrington

Signer ID: ZBK2ARO8IO
The Very Reverend Dominic Barrington

27 June 2024

Alon Dunsmore
Signer ID: RTGZ20KYCK...
10/07/2024 GMT

Dean of York



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAPTER OF YORK

# **Opinion**

We have audited the financial statements of The Chapter of York (the 'parent entity) and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the Chapter balance sheet, the consolidated cash flow statement and notes to the financial statements, including 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:

- 1. give a true and fair view of the state of the group's and parent entity's affairs as at 31 December 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- 2. have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 3. have been prepared in accordance with the requirements of the Charities Act 2011

# **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent entity 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 Chapter's use of the going concern basis in 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 entity'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 Chapter with respect to going concern are described in the relevant sections of this report.

# Other information

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAPTER OF YORK (continued)

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

We have nothing to report in this regard.

### Matters on which we are required to report by exception

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

- 1. adequate and sufficient accounting records have not been kept; or
- 2. the parent entity's financial statements are not in agreement with the accounting records and returns; or
- 3. the information given in the financial statements is inconsistent in any material aspect with Chapter's Annual Report; or
- 4. we have not received all the information and explanations we require for our audit.

## **Responsibilities of Chapter**

As explained more fully in the Chapter's responsibilities statement, Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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, Chapter are responsible for assessing the group's and parent entity'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 Chapter either intend to liquidate the group or parent entity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAPTER OF YORK (continued)

## 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent entity through discussions with Chapter and other management, and from our knowledge and experience of the Cathedral sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the
  financial statements or the operations of the group and parent entity, including the Accounting and
  Reporting Regulations for English Anglican Cathedrals (December 2018), the Cathedrals Measure 2021,
  safeguarding legislation, health and safety requirements including fire safety and data protection
  laws;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHAPTER OF YORK (continued)

## Auditor's responsibilities for the audit of the financial statements (continued)

misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## Use of our report

This report is made solely to Chapter's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to Chapter members 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 members of Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

BHP LLP Signer ID: IPFNE7JEI6...

Laura Masheder (Senior Statutory Auditor)

For and on behalf of BHP LLP, Statutory Auditor Rievaulx House 1 St Mary's Court Blossom Street York YO24 1AH

Date 16/07/2024 GMT

BHP LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

Not		Unrestricted funds	Designated funds	Restricted funds	Endowment funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
Income and endowments	from:						
Donations and legacies		384	-	170	-	554	390
Grants		-	-	3,493	-	3,493	2,346
Charitable activities		281	-	-	-	281	88
Other trading activities		7,033	-	-	-	7,033	5,447
Investments		147	96 (06)	34	1,200	1,477	1,422
Other income		1,297	(96)	14	(1,200)	15	45
Total income	3	9,142	-	3,711	-	12,853	9,738
Expenditure on:							
Raising funds		(3,230)	(18)	(43)	(242)	(3,533)	(3,308)
Charitable activities:							
Ministry		(1,691)	-	(182)	-	(1,873)	(1,950)
Cathedral and precincts		(3,041)	-	(852)	-	(3,893)	(4,191)
Education and outreach		(786)	-	(67)	-	(853)	(618)
Total expenditure	4	(8,748)	(18)	(1,144)	(242)	(10,152)	(10,067)
Net income/ (expenditure	۱د	<del></del>					
before investment losses	-,	394	(18)	2,567	(242)	2,701	(329)
Net gains/(losses) on							
Investments	6	145	118	42	700	1,005	(1,903)
Net income/(expenditure	)	539	100	2,609	458	3,706	(2,232)
Gross transfers between							
funds	17	(190)	1,809	(1,619)	-	-	-
Net movement in funds		349	1,909	990	458	3,706	(2,232)
Reconciliation of funds:							
Total funds brought forwa	rd	8,815	4,607	2,129	35,360	50,911	53,143
Funds carried forward	17	9,164	6,516	3,119	35,818	54,617	50,911



## **CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023**

	Note	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	t Total funds 2023	Total funds 2022
		£'000	£'000	£'000	£'000	£'000	£'000
FIXED ASSETS							
Investment assets	_						
Property	6	3,748	-	-	19,152	22,900	18,955
Investments	6	5,053	3,628	1,294	9,766	19,741	20,640
		8,801	3,628	1,294	28,918	42,641	39,595
Non-investment assets		-,	-,	, -	-,-	, -	,
Property	7	-	1,599	-	9,156	10,755	9,246
Equipment and plant	7	256	-	-	-	256	323
Landscaping		221	-	-	-	221	-
Heritage assets	8	-	-	30	-	30	-
Total fixed assets		9,278	5,227	1,324	38,074	53,903	49,164
CURRENT ASSETS							
Stocks	9	134	_	_	_	134	143
Debtors	10	1,412	_	1,732	_	3,144	2,192
Cash at bank and on deposit		2,095	1,289	362	(2,256)	1,490	3,343
LIABULTIES BUE WITHIN ONE W	/E A D	3,641	1,289	2,094	(2,256)	4,768	5,678
LIABILITIES DUE WITHIN ONE Y Creditors	11	(2,672)	_	(299)	_	(2,971)	(2,348)
Creditors	11	(2,072)		(233)		(2,371)	(2,340)
					(0.000)		
NET CURRENT ASSETS		969	1,289	1,795	(2,256)	1,797 	3,330
TOTAL ASSETS LESS							
CURRENT LIABILITIES		10,247	6,516	3,119	35,818	55,700	52,494
COUNTER LIABILITIES		10,247	0,310	3,113	33,010	33,700	32,737
LIABILITIES DUE AFTER ONE YE							
Defined benefit scheme liability		<b>-</b>	-	-	-	<b>-</b>	-
Loans due in more than one year	ar 12	(1,083)	-	-	-	(1,083)	(1,583)
		<del></del>					<del></del>
TOTAL NET ASSETS		9,164	6,516	3,119	35,818	54,617	50,911
THE PUNDS OF THE SATURDS							
THE FUNDS OF THE CATHEDRA	L	0.164				0.164	0.015
Unrestricted general		9,164	6,516	-	-	9,164	8,815 4,607
Unrestricted designated Restricted fabric fund		<b>-</b>	0,510	- 837	- -	6,516 837	4,607 782
Restricted other funds		-	-	2,282	-	2,282	1,347
Endowment funds		- -	- -	<i>-</i> ,202	35,818	35,818	35,360
2down.che fanas				_	55,010		55,500
Total Cathedral funds	17	9,164	6,516	3,119	35,818	54,617	50,911

The financial statements were approved by the Chapter on 27 June 2024 and signed on their behalf by:

Dominic Barrington

Signer ID: Z8K2ARQ8IO...

The Very Revd Dominic Barrington Dean

Alan Dunsmore Canon Treasurer





## **BALANCE SHEET AS AT 31 DECEMBER 2023**

	Note	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Total funds
FIVED ACCETS		C/000	C/000	C/000	£'000	2023	2022
FIXED ASSETS Investment assets		£'000	£'000	£'000	£ 000	£'000	£'000
Property	6	3,748	_	_	19,152	22,900	18,955
Investments	6	5,053	3,628	1,294	9,766	19,741	20,640
		8,801	3,628	1,294	<del>28,918</del>	42,641	39,595
Non-investment assets		8,801		1,234	20,918	42,041	39,333
Property	7	-	1,599	-	9,156	10,755	9,246
Equipment and plant	7	256	-	-	-	256	321
Landscape	8	221	-	- 30	-	221 30	
Heritage assets	٥	-		30	-	30	-
Total fixed assets		9,278	5,227	1,324	38,074	53,903	49,162
CURRENT ASSETS							
Stocks	9	_	_	-	-	-	2
Debtors	10	1,954	_	1,732	-	3,686	2,702
Cash at bank and on deposit		1,580	1,289	362	(2,256)	975	2,885
		3,534	1,289	2,094	(2,256)	4,661	<u> </u>
LIABILITIES DUE WITHIN ONE Y	FΔR	3,334	1,203	2,034	(2,230)	4,001	3,303
Creditors	11	(2,577)	_	(299)	_	(2,876)	(2,279)
		( )-		<b>\</b> /		( ) /	( ) - /
NET CURRENT ASSETS		957	1,289	1,795	(2,256)	1,785	3,310
TOTAL ASSETS LESS		<del></del>			<del></del>		
CURRENT LIABILITIES		10,235	6,516	3,119	35,818	55,688	52,472
COMMENT EIABIETTES		10,233	0,310	3,113	33,010	33,000	32,472
LIABILITIES DUE AFTER ONE							
Defined benefit scheme liability	12	-	-	-	-	-	-
Loans due after one year	12	(1,083)	-	-	-	(1,083)	(1,583)
TOTAL NET ASSETS		9,152	6,516	3,119	35,818	54,605	50,889
THE FUNDS OF THE CATHEDRAL							
Unrestricted general fund		9,152	-	-	-	9,152	8,793
Unrestricted designated fund		-	6,516	-	-	6,516	4,607
Restricted fabric fund		-	-	837	-	837	782
Restricted other funds		-	-	2,282	-	2,282	1,347
Endowment funds		-	-	-	35,818	35,818	35,360
Total Cathedral funds	17	9,152	6,516	3,119	35,818	54,605	50,88 <u>9</u>

The financial statements were approved by the Chapter on 27 June 2024 and signed on their behalf by

Dominic Barrington

Signer ID: Z8K2ARQ8IO...

The Very Revd Dominic Barrington Dean

Alan Dunsmore Canon Treasurer





# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities:			
Cash generated from operations	1	856 ———	(588)
Net cash inflow from operating activities		856	(588)
Investing activities: Purchase of tangible fixed assets Purchase of assets accrued for		(2,671) 772	(1,148)
		(1,899)	(1,148)
Rents received net of costs Investment income received net of costs Proceeds from sale of property, plant and	equipment	682 433	368 493
Purchase of investments Proceeds from sale of investments		(10,140) 8,320	(8,116) 8,644
Net cash used in investing activities		$(\overline{2,604})$	241
Financing activities: Cash inflows from new borrowing Interest paid Repayment of borrowings		(158) (500)	(104) (417)
Net cash used in financing activities		(658)	(521)
Change in cash and cash equivalents in th	e year	(2,406)	(868)
Cash and cash equivalents at the beginning	g of the reporting year	4,342	5,210
Cash and cash equivalents at the end of the	he reporting year	1,936	4,342
1 Decemblishing of not income to not a	ach flass fram anavating activities	<del></del>	
1. Reconciliation of net income to net or	ash flow from operating activities	2023 £'000	2022 £'000
Net (expenditure)/income in the year Adjustments for:		3,706	(2,232)
Depreciation charges Pension scheme contributions paid		202	175 (118)
Interest paid Pension scheme deficit provision		158	13 (102)
Income from property and investments Property and investment management of Profit on disposal of property, plant and		(1,477) 364	(1,422) 561
Loss/(profit) on the revaluation of fixed a (Increase)/decrease in stocks	assets	(1,005) 9	1,903 (25)
(Increase)/decrease in debtors Increase/(decrease) in creditors		(952) (149)	(479) 1,138
Net cash generated by (used in) operati	ing activities	856	(588)
		<del></del>	<del></del>



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

## 2. Total cash and cash equivalents

Cash and cash equivalents and net debt comprise the following balances:

	At 1 January	Cash flows	Other non- cash changes	At 31 December
	£'000	£'000	£'000	£'000
Cash at bank and in hand	3,343	(1,853)	-	1,490
Cash held with investment managers for reinvestment	634	(188)	-	446
Cash held on reserve by investment managers	365	(365)	-	-
Total cash and cash equivalents	4,342	(2,406)	-	1,936

Included within cash held with investment managers for reinvestment, £220,471 (2022: £273,500) relates to the endowment fund, which is unavailable for use until it is applied to the income fund.

# 3. Analysis of changes in net debt

Cash at bank and in hand Cash held with investment managers for reinvestment Cash held on reserve by investment managers	At 1 January £'000 3,343 634 365	£'000 (1,853) (188) (365)	Other non- cash changes £'000 - - -	At 31 December £'000 1,490 446
Total cash and cash equivalents	4,342	(2,406)	-	1,936
Borrowings excluding overdrafts	(2,083)	500	-	(1,583)
	2,259	(1,906)	-	353



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

#### 1. ACCOUNTING POLICIES

## **Basis of preparation**

These accounts have been prepared under the historical cost convention as modified by the revaluation of investments and investment property, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Chapter constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling, which is the functional currency of the cathedral, and rounded to the nearest thousand pounds.

#### **Basis of consolidation**

The group financial statements consolidate the accounts of the Chapter of York and its subsidiary undertaking, York Minster Enterprises Limited. Transactions between group entities are eliminated on consolidation. No Statement of Financial Activities (SOFA) is presented for the Chapter of York alone as permitted by the Regulations.

In addition, the cathedral is connected with various entities that do not meet the criteria for consolidation. Further details are provided in note 15.

## **Going concern**

The Chapter has considered whether the use of the going concern basis of preparation is appropriate. In doing this they have considered whether there are any material uncertainties which would prevent the cathedral's ability to continue as a going concern. Budgeting and cash flow forecasting has been undertaken for the period to 31 December 2023 which shows that the Chapter has sufficient cash and reserves to enable it to continue for this period and beyond. Forecasting and cash flow is being reviewed and monitored on a regular basis giving assurance to Chapter that the Cathedral remains a going concern for at least the next 12 months from the approval of the accounts.

#### Income

All income, including legacies, is included in the SOFA when the Chapter is legally entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy.

For donations to be recognised, Chapter will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of Chapter and it is probable that they will be fulfilled.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 1. ACCOUNTING POLICIES (continued)

## Income (continued)

For legacies, entitlement is the earliest of Chapter being notified of an impending distribution or the legacy being received. At this point the income is recognised. On occasion legacies will be notified to Chapter however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Since 1 April 2002 assets given for use by the Chapter are recognised as income when receivable at an estimate of their open market value. Prior to the adoption of this policy, no value was attributed to donated assets.

## **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure on repairs, restoration and maintenance of the Cathedral is charged as incurred. Expenditure on Investment property is charged against revenue unless the work results directly in a substantial increase in the value of the property and also an increase in rental income when it is capitalised. Irrecoverable VAT has been added to the item of expenditure giving rise to it.

## Allocation of support costs

Support costs are those functions that assist the work of the cathedral but do not directly undertake either charitable or fundraising activities. The Accounting and Reporting Regulations require allocation of the support costs to those activities which they directly support. In the case of shared costs, these have been allocated in proportion to either the numbers of staff involved, their time or salary costs; whichever is most applicable to that category of expenditure. Audit and legal fees are allocated to governance costs which are included within support costs.

#### Cathedral

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



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 1. ACCOUNTING POLICIES (continued)

## **Heritage Assets**

Heritage assets held by the Chapter are of historical or artistic importance and are held and maintained principally for their contribution to knowledge and culture or held to advance preservation or conservation objectives. Heritage assets include the cathedral and items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011.

The Chapter considers that the cost of obtaining a valuation of the historic heritage assets in its care would be disproportionate when compared with the benefit derived by the users of the accounts. No value is attributed to items included in the Cathedral Inventory as, being of architectural, archaeological, artistic or historic interest; they are for Cathedral use and cannot be measured at a monetary value with sufficient reliability.

With effect from 1 January 2019, any additional Heritage Assets acquired are brought into the accounts at an independently determined valuation, and a record of movements maintained. Acquisitions of Heritage Assets are largely by donation.

The Heritage Assets are deemed to have indeterminate lives and the Chapter do not therefore consider it appropriate to charge depreciation on acquisitions. Expenditure which is required to preserve or prevent deterioration of the Heritage Assets is recognised in the Statement of Financial Activities when it is incurred.

#### **Investment properties**

The Cathedral Accounting Regulations require an independent formal professional valuation of investment properties to be carried out at least every five years with material movements between valuations being included in the accounts. Each year the properties are reviewed to ensure that the value is not significantly different from the last formal valuation.

The investment properties were valued at 31 December 2022 by Sanderson Weatherall LLP, Chartered Surveyors. Investment properties are included at fair value at the reporting date, depreciation is not provided on investment property.

## **Tangible Fixed Assets and Depreciation**

Non-investment properties, which are occupied by clergy and lay employees of the Cathedral, the offices, library, school and Stoneyard are included at historical cost.

On transition to Cathedrals regulations 2015 the previous professional revaluation, undertaken by Carter Jonas in 2012 has been used as the deemed cost on the non-investment properties, as permitted by section 7.3.4 of the regulations. Depreciation is calculated by reference to unexpired lives and estimated residual values based on current prices. For those properties whose unexpired life is estimated at more than 50 years, an annual impairment review is carried out.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 1. ACCOUNTING POLICIES (continued)

## **Tangible Fixed Assets and Depreciation (continued)**

Since 1 January 2013, tangible fixed assets, other than property, costing more than £5,000 on acquisition (1 April 2002 to December 2012 - £2,000) are capitalised and included at cost, including any incidental expenses of acquisition. These assets are depreciated to write off the cost over their expected useful lives at the following rates:

Computer and telephone equipment 3 years
All other equipment and plant 5 years
Landscape Enhancements 10 Years

The Chapter consider that the properties need not be depreciated due to the policy of maintaining these assets to such a standard that they retain a high residual value and the property is unlikely to suffer obsolescence therefore any element of depreciation would be immaterial.

#### Stock

Stock is valued at the lower of cost and net realisable value after allowance for obsolete and slow moving items. Cost includes all costs of purchase.

#### **Listed Investments**

The funds managed by Rathbone Investment Management Limited have been valued at the last traded price. The holdings in the CCLA Investment Fund are valued at the mid-market price. The valuation of holdings in the CCLA Property Fund is based on the net asset value of a share. Realised and unrealised gains or losses are shown on the SOFA and allocated to the relevant fund.

## Total return approach to investments

The Chapter of York passed a resolution on 14 September 2017 to adopt a total return policy in respect of personally endowed funds. This approach allows any increase in the value of an investment to be used as income. The decision was taken to ensure that Chapter invests in a way that has appropriate regard to the furtherance of its aims both now and in the future.

Chapter identified the relevant fund and apportioned it into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). Chapter used their best endeavour to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

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

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



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 1. ACCOUNTING POLICIES (continued)

#### **Fund Accounting**

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

Chapter has adopted a total return approach to investments, the permanently endowed funds are invested to produce an investment return without regard to whether that return is in the form of income or capital appreciation.

Gains and losses on the sale of properties and investments and changes in the value of properties and investments, together with any related costs, are transferred to the Endowment Fund which has been designated as a separate fund not available for allocation as part of the surplus for the year.

Chapter may, however, determine which part of the unapplied total return may be applied for the purposes of the Cathedral and which part should be available for accumulation as part of investments.

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

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Chapter. Designated funds are funds set aside by the Chapter out of the unrestricted common fund for specific purposes or projects.

## **Pensions**

The Chapter participates in four contributory pension schemes for employees: the Church of England Funded Pension Scheme, the Church of England Defined Benefit Scheme (based on final salary, and which has been closed to new members as from 31 March 2002), the Church of England Pension Builder Scheme and the Teachers' Pension Defined Benefit Scheme. Contributions are paid to approved funds and are charged as expenditure in the year in which they accrue.

Chapter also participates in the Church of England Funded Pensions Scheme, on behalf of one member of the clergy.

These four contributory pension schemes are multi-employer pension schemes whereby it is not possible to attribute the schemes assets and liabilities to specific employers.

Further details are provided in Note 14.

## Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Chapter makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

The following judgments have had the most significant effect on amounts recognised in the financial statements:



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 1. ACCOUNTING POLICIES (continued)

## Critical accounting estimates and areas of judgement (continued)

## Non-investment fixed assets

Tangible fixed assets are depreciated to their residual value over their useful life. The useful life is based on the management's estimate of the period that the assets will generate revenue and will be reviewed annually for continued appropriateness. For non-investment properties the residual value is based on the management's assessment of current prices. The carrying values will be tested for impairment when there is an indication that the value of an asset might be impaired.

#### **Investment property**

Investment properties are subject to an external professional valuation every 5 years. Between the external valuations the management assess whether there have been any material changes to the valuation.

## Total return

On passing the resolution to adopt a total return policy in 2017, Chapter identified the relevant fund and apportioned it into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). Chapter used their best endeavour to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

## **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when Chapter is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 2. **EMPLOYEES**

2023	2022
129	121
9	9
138	130
	129 9

As at 31 December 2023, there were 198 full and part time employees, including Church Commissioner funded clergy (202 at 31 December 2022).



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 2. **EMPLOYEES (continued)**

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

·	Clergy £'000	Lay £'000	2023 Total £'000	Clergy £'000	Lay £'000	2022 Total £'000
Salaries and stipends Employer's National Insurance costs Employer's pension costs	143 14	4,138 360	4,281 374	134 14	3,632 339	3,766 353
(including DBS deficit)	29	377	406	39	323	362
_	186	4,875	5,061	187	4,294	4,481

There was one employee (2022: one) whose earnings were within the range £60,000 to £70,000 and one employee (2022: nil) whose earnings were within the range £70,000 to £80,000 and one employee (2022: nil) whose earnings were within the range £90,000 to £100,000. Employer pension contributions of £13,015 (2022: £6,444) were paid in the year in respect of these employees.

Included within staff costs are payments to members of Chapter under the Cathedrals Measure 2021 and the Cathedral constitution. The remuneration of, and pension provision for, clerical members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, Archbishops' Council, and the Church of England Pensions Board. No supplement to these scales are paid. These payments are set out below.

Dancion

		rension	
	Stipend	Contributions	Total
	£	£	£
The Very Reverend D J Barrington	39,477	6,699	46,176
The Revd Canon M D Smith	3,624	885	4,509
The Revd Canon V Johnson	30,816	7,127	37,943
The Revd Canon M McLean	30,816	7,127	37,943
The Revd Canon T Goode	9,866	-	9,866

The Lay Canons Worsley, Tembey, Dunsmore, Collier, Ali, Poole and Britton received no remuneration for their voluntary work. The Dean and Residentiary Canons receive stipends in accordance with the scales laid down by the Church Commissioners, the Archbishops Council and the Church of England Pensions Board. In addition, in line with a number of other cathedrals, Residentiary Canons may receive augmentation payments in respect of their responsibilities.

Four (2022: four) members of Chapter were reimbursed a total of £5,525 (2022: £1,935) in respect of travel and subsistence whilst carrying out the business of the Chapter.

Chapter owned properties were occupied by employees for parts of the year at a market rent. The total rent received during the year in respect of these was £30,600 (2022: £33,300).



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 3. **INCOME**

Note	Unr. Fund £'000	Des. Fund £'000	Rest. Fund £'000	End Fund £'000	Total 2023 £'000	Unr. Fund £'000	Des. Fund £'000	Rest. Fund £'000	End. Fund £'000	Total 2022 £'000
<b>Donations and legacies:</b> Congregational collections and giving	181	-	-	-	181	150	-	-	-	150
Donations Tax recoverable under Gift	109	-	81	-	190	98	-	71	-	169
Aid on voluntary donations	21	-	-	-	21	23	-	-	-	23
Income from Friends and local Trusts	-	-	30	-	30	-	-	48	-	48
Legacies	73	-	59	-	132	-	-	-	-	-
	384	-	170	-	554	271	-	119	-	390
<b>Grants:</b> Church Commissioners	-	-	132		- 132			136	-	136
York Minster Fund Other revenue and capital grants	- -	-	3,151 210		- 3,151 - 210	5	- ; -	2,091 114	-	2,091 119
		-	3,493		- 3,493	5	; -	2,341	-	2,346
Charitable activities: Facility and other fees	281	-	-		- 281	88	3 -	-	-	88
	281	-	-		- 281	88	-	-	-	88
Other trading activities:										
Charges to visitors	4,84		-	-	- 4,849			-	-	3,599
Gift aid on entrance charges		L9	-	-	- 419	279		-	-	279
Shop income Other activities	1,53 22		-		- 1,537 - 228	1,337 232		-	-	1,337 232
	7,03	33	-		- 7,033	5,447	-	-	-	5,447



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

1 831 7 591
3 1,422
- 45 ) -
) 45
- 9,738
- 1,427
- 925
463
5 99
- 13
45

**43 242 3,533** 2,726 18

223 341 3,308

3,230

18



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 4. **EXPENDITURE (continued)**

	Note	Unr. Fund £'000	Des. Fund £'000	Rest. Fund £'000	End Fund £'000	Total 2023 £'000	Unr. Fund £'000	Des. Fund £'000	Rest. Fund £'000	End. Fund £'000	2022
Charitable activities -											
Ministry:											
Clergy stipends and working expenses		88	_	132	_	220	119	_	136	_	255
Clergy housing costs		179	_	-	_	179	325	_	-	_	325
Clergy support costs		75	-	-	-	75	98	-	-	_	98
Services, music &		1,155	-	50	-	1,205	1,083	-	31	-	1,114
congregational costs											
Allocated support costs		194	-	-	-	194	158	-	-	-	158
	_	1,691	-	182	-	1,873	1,783	-	167	-	1,950
Charitable activities – Cathedral and precincts upkeep:											
Major repairs and											
restoration		1,507	-	804	-	2,311	1,403	- 1	L,282	-	2,685
Maintenance and interior upkeep		348	-	-	-	348	242	-	-	-	242
Cathedral insurance		169	-	-	-	169	157	-	-	-	157
Precincts, security and gardens upkeep		519	-	48	-	567	203	-	476	-	679
Other costs		162	-	-	-	162	95	-	-	-	95
Allocated support costs		336	-	-	-	336	333	-	-	-	333
	_	3,041	-	852	-	3,893	2,433	- 1	1,758	-	4,191



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

	Note	Unr. Fund £'000	Des. Fund £'000		End Fund £'000	Total 2023 £'000	Unr. Fund £'000	Des. Fund £'000	Fund	End. Fund £'000	2022
Charitable activities – Education and outreach:											
<b>Educational activities</b>		45	-	58	-	103	30	-	9	-	39
Archives and library		360	-	9	-	369	311	-	-	-	311
Charitable and other giving		197	-	-	-	197	132	-	-	-	132
Allocated support costs		184	-	-	-	184	136	-	-	-	136
		786	-	67	-	853	609	-	9	-	618
Total expenditure	8,	,748	18	1,144	242	10,152	7,551	18	2,157	341	10,067

# 5. **GOVERNANCE AND SUPPORT COSTS**

	Cost of	Charitable		Cost of	Charitable	
	raising	activities		raising	activities	
	funds		2023	funds		2022
	£'000	£'000	£'000	£'000	£'000	£'000
Governance costs	29	47	76	22	34	56
Staff costs	276	442	718	180	322	502
Information technology	54	78	132	45	67	112
Training and recruitment	2	5	7	16	24	40
Insurance	20	27	47	12	17	29
Health and safety	13	19	32	8	11	19
General office costs	218	346	564	98	152	250
Actuarial adjustment to	(181)	(250)	(431)	-	-	-
pension						
	431	714	1,145	381	627	1,008

Support costs, stated after audit fees charged of £25,000 (2022: £23,000), are allocated on the basis of headcount of staff engaged in each activity.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 6. INVESTMENT FIXED ASSETS Chapter and consolidated

Property – at valuation	Unrestricted funds £'000	Designated Funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
At 1 January 2023	2,050	-	-	16,905	18,955
Additions	1,698	-	-	1,017	2,715
Transfers from non-investment	-	-	-	776	776
property					
Net movement in market value	-	-	-	454	454
-					
At 31 December 2023	3,748	-	-	19,152	22,900

The investment properties were valued at 31 December 2022 by Sanderson Weatherall LLP, Chartered Surveyors. The Cathedral Accounting Regulations require the investment properties to be carried at fair value at the reporting date.

There are total additions to investment property in 2023 of £2,715,000 (2022: £174,000). The additions of £1,698,000 (2022: £174,000) to unrestricted property are in respect of further capitalised work carried out on Church House, 10-14 Ogleforth during the course of 2023. The additions of £1,017,000 (2022: nil) is in respect of the capitalised work to completion of the conversion of 2 Deangate from the former School Hall to the Refectory restaurant which opened to the public in April 2023. The £776,000 (2022: £290,000) transfer from non-investment property is comprised of £626,000 in respect of 5 Minster Yard moving from own use property to investment property, having been prepared for let on rental market in early 2024, and £150,000 in respect of 2A College Street also moving from own use property to investment property, having been converted for use as a holiday let from early 2024. These were revalued as a result of the transfer and the gain in value across the properties was £454,000.

An independent formal professional valuation of the full portfolio is carried out at least every five years with material movements between valuations being included in the accounts. Each year the properties are reviewed to ensure that the value is not significantly different from the last formal valuation. The valuation at 31 December 2022 resulted in an uplift in property value of £1,604,000 across unrestricted and endowed investment properties. The next professional valuation is due to take place in the year ended 31 December 2027.

Listed Investments at valuation Consolidated accounts	Unrestricted	Designated	Restricted	Endowment	Total
	funds	Funds	funds	funds	funds
	£'000	£'000	£'000	£'000	£'000
At 1 January 2023 Additions Proceeds from disposals Net movement in market value Transfers between funds	5,543	3,984	1,421	9,692	20,640
	1,743	1,298	463	3,921	7,425
	(2,379)	(1,772)	(632)	(4,093)	(8,876)
	146	118	42	246	552
At 31 December 2023	5,053	3,628	1,294	9,766	19,741



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 6. INVESTMENT FIXED ASSETS (continued) Chapter and consolidated

	2023	2022
	£'000	£'000
Analysed as follows:		
UK equities	5,009	9,316
Property/other assets	879	684
Overseas equities	10,750	8,199
Fixed interest	2,657	1,441
Cash held for reinvestment	446	635
Cash held on reserve	-	365
	19,741	20,640

The historic cost of the investments in 2023 was £18,918,000 (2022: £18,807,000).

There is an additional £1 investment in the entity balance sheet in respect of its wholly owned subsidiary, York Minster Enterprises Limited.

	2023	2022
	£'000	£'000
Total net gain/(loss) on investment:		
Investment property revaluation	454	1,604
Investment disposal and revaluation	551	(3,507)
Realised and unrealised gains/(losses) on investments	1,005	(1,903)



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

### 7. NON-INVESTMENT FIXED ASSETS

Chapter and consolidated	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Property At 1 January 2023 Additions Transfer to investment property Net movement in value	- 1,599 - -	- - - -	9,246 686 (776) -	9,246 2,285 (776)
At 31 December 2023	1,599	-	9,156	10,755

All non-investment properties are freehold re-stated in 2015, (in line with the revised cathedrals regulations 2015) to be carried at deemed historic cost except for 8-10 Minster Yard. They were valued at existing use value as at 31 December 2012 by Carter Jonas, Chartered Surveyors and this value has been used as deemed cost. 8-10 Minster Yard was valued at existing use value at 31 December 2022 by Sanderson Weatherall LLP at £495,000 resulting in a £225,000 decrease in non-investment property value.

Depreciation has not been charged on non-investment property, due to the high residual value based on current prices any potential depreciation would be immaterial. There is a policy and practice of regular maintenance of these properties and the property is unlikely to suffer obsolescence.

The £2,285,000 (2022: £950,000) of additions in 2023 are in respect of the redevelopment of the existing Stoneyard facilities at 4 Deangate to become the Tech hub of the new Heritage Centre of Excellence facilities plus the initial work on the Heritage Quad location. These two locations will be separately valued on completion of the work in 2024. The £776,000 (2022: £290,000) transfer from non-investment property is comprised of £626,000 in respect of 5 Minster Yard moving from own use property to investment property, having been prepared for let on rental market in early 2024, and £150,000 in respect of 2A College Street also moving from own use property to investment property, having been converted for use as a holiday let from early 2024.

	2023	2022
	£'000	£'000
These properties are designated as follows:		
Clergy housing	5,375	6,151
Administration	620	620
Stoneyard	3,560	1,275
Staff housing	400	400
Library	800	800
	10,755	9,246



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 7. NON-INVESTMENT FIXED ASSETS (continued)

NON-INVESTIMENT TIXED ASSETS (continued)	Unrestricted	Restricted	Total
	funds	funds	funds
	£'000	£'000	£'000
Consolidated - Equipment and plant	2 262	1 402	2 755
At 1 January 2023 Additions	2,262 232	1,493	3,755 232
Transfers		-	
	(122)	-	(122)
Disposals		<u> </u>	
At 31 December 2023	2,372	1,493	3,865
Depreciation			
At 1 January 2023	1,939	1,493	3,432
Charge for the year	177	-	177
On disposals		-	
At 31 December 2022	2,116	1,493	3,609
Net book value			
At 31 December 2023	256	-	256
At 31 December 2022	-		
	323		323
	Unrestricted	Restricted	Total
	Unrestricted funds	Restricted funds	Total funds
Chapter - Landscaping	funds	funds	funds
Chapter - Landscaping At 1 January 2023	funds	funds	funds
	funds	funds	funds
At 1 January 2023	funds £'000	funds	funds £'000
At 1 January 2023 Additions	funds £'000 - 123	funds	funds £'000
At 1 January 2023 Additions Transfers	funds £'000 - 123	funds	funds £'000
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation	funds £'000 - 123 122 	funds	funds £'000 - 123 122
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023	funds £'000 - 123 122 	funds	funds £'000 - 123 122
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023 Charge for the year	funds £'000 - 123 122 	funds	funds £'000 - 123 122
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023	funds £'000 - 123 122 - - <b>245</b>	funds	funds £'000 - 123 122 - - 245
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023 Charge for the year	funds £'000 - 123 122 - - <b>245</b>	funds	funds £'000 - 123 122 - - 245
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023 Charge for the year On disposals  At 31 December 2023  Net book value	funds £'000	funds	funds £'000 - 123 122 - - 245
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023 Charge for the year On disposals  At 31 December 2023	funds £'000	funds	funds £'000 - 123 122 - - 245
At 1 January 2023 Additions Transfers Disposals  At 31 December 2023  Depreciation At 1 January 2023 Charge for the year On disposals  At 31 December 2023  Net book value	funds £'000	funds	funds £'000 - 123 122 - - 245 - 24

The transfer relates to landscaping in development at 2022 year end moved to correct asset category in 2023.



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

#### 8. HERITAGE ASSETS

As stated in the accounting policies, no value has been placed on the cathedral building and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011.

The Care of Cathedrals Measure 2011 requires cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the cathedral church. Primarily this consists of the cathedrals collection of 300,000 objects, from textiles to silver, books to archaeology. In the course of 2023, one item was added to the inventory which met the definition of a heritage asset at a cost of £30,000 – this being the purchase at auction of a Use of York book with significant relevant to the collection of the Chapter of York. The purchase was funded with restricted grant income and therefore has been treated as a restricted asset.

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Heritage Assets At 1 January 2023 Additions	- -	- 30	- 30
Disposals		-	-
At 31 December 2023	-	30	30
<b>Depreciation</b> At 1 January 2023	-	-	-
Charge for the year On disposals	-	-	- -
At 31 December 2023	-	-	-
Net book value At 31 December 2023	-	30	30
At 31 December 2022		-	

## 9. **STOCKS**

	Chapter	Consolidated	Chapter	Consolidated
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Goods for resale	-	134	-	141
Consumables	-	-	2	2
_				
	-	134	2	143
_				



## **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 10. **DEBTORS**

	Chapter	Consolidated	Chapter	Consolidated
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Trade debtors Other debtors Prepayments and accrued income Amounts due from subsidiary undertakings Tax recoverable	55	55	118	118
	295	295	325	325
	2,729	2,758	1,688	1,718
	571	-	540	-
	36	36	31	31
	3,686	3,144	2,702	2,192

#### 11. CREDITORS

	Chapter	Consolidated	Chapter	Consolidated
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Trade creditors	1,212	1,246	632	644
Other creditors	66	1,240	440	441
Accruals	1,113	1,122	584	590
Deferred income	22	22	3	3
Loans repayable within one year	500	500	500	500
Pension scheme creditors	-	-	-	-
Taxes and social security	(34)	15	120	170
	2,879	2,971	2,279	2,348

Deferred income as at 31 December 2023 and 31 December 2022 relates to deferred rent income.

The amount of loans due within one year of £500,000 is in respect of a Coronavirus Business Interruption Loan drawn down in February 2021. The first year of the loan required no repayments and the interest was covered by a Government-provided Business Interruption Payment. Capital repayments of £41,667 a month commenced in March 2022 and the loan will be repaid by February 2027. The interest rate applicable to this loan is Bank of England Base Rate plus 3.99%.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 12. DEFINED BENEFIT SCHEME LIABILITY, LOANS AND PROVISIONS

Liabilities due after one year	Chapter	Consolidated	Chapter	Consolidated
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Church of England Funded Pension Scheme	-	-	-	-
Church Workers Pension Fund 'DBS' deficit	-	-	-	-
Loans repayable after one year	1,083	1,083	1,583	1,583
	1,083	1,083	1,583	1,583

The latest valuations of the pension schemes are detailed in Note 14 to the financial statements.

The last Church of England funded pension scheme (CEFPS) valuation was carried out as at 31 December 2021. At the 31 December 2021 valuation, the scheme was found to be in surplus and therefore deficit contributions ceased with effect from 1 January 2023. The deficit recovery liability outstanding at 31 December 2023 is therefore £nil (2022: £nil) with £nil (2022: £nil) of these liabilities due within one year.

A valuation of the Church Workers Pension Fund DBS is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. Chapter ceased to make contributions to this scheme from 1 January 2019 and the 2019 actuarial valuation has been prepared on this basis. Due to the improvements in the projected funding position of the Fund, the Church of England Pensions Board agreed that deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2023. Therefore the balance sheet liability as at 31 December 2023 is £nil (2022: £nil). £nil (2022: £nil) of this liability is due within one year.

The £1,083,000 of loans repayable after one year is the balance of the Coronavirus Business Interruption Loan of £2,500,000 drawn down in February 2021 less the amount due within one year and repayments to date. The total balance will be repaid by February 2027. The interest rate applicable to this loan is Bank of England Base Rate plus 3.99%.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

#### 13. CONTINGENT ASSETS, LIABILITIES AND FUTURE COMMITMENTS

## **Commitments and contingent liabilities**

## **Heritage Centre of Excellence**

As at 31 December 2023 there is a capital commitment in respect of the development of 4 Deangate (the Works Department) and the former Deanery garages as the Technology Hub and Heritage Quad respectively, components of the Heritage Centre of Excellence campus. Chapter engaged contractors for the works during 2023 and the project was work in progress at the balance sheet date. Total expenditure on work to end of 2023 was £1,971,000 and outstanding capital commitments on the contracts to complete the works were £6,796,000 (all cost including irrecoverable VAT). All capital costs of this development are funded by York Minster Fund.

## **Church House Apartments**

As at 31 December 2023 there is a capital commitment in respect of the conversion of 10-14 Ogleforth, previously Chapter's administrative offices, into residential apartments for letting. Chapter engaged contractors for the works during 2023 and the project was work in progress at the balance sheet date. Total expenditure on the work through to the end of 2023 was £1,641,000 and outstanding capital commitments on the contracts to complete the works were £237,000 (including irrecoverable VAT).

## **Commitments under operating leases**

The Chapter's commitments to make payments under operating leases can be analysed between the years in which the commitments expire as follows:

	2023 £'000	2022 £'000
Expiry		
Under one year	3	3
Two to five years	8	8
_	11	11



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

#### 14. **PENSIONS**

The Chapter of York participates in the Church Workers Pension Fund (CWPF) for lay staff and the Church of England Funded Pension scheme (CEFPS) on behalf of the clergy.

The CWPF has two sections, a section known as the Defined Benefits Scheme ("DBS"), and the Pension Builder Scheme which has two subsections: a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The CWPF Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers. On 1 January 2019, other than deficit funding, contributions to the DBS section of the Fund ceased and all active members were transferred to the Pension Builder section. At 31 December 2023, the Chapter had no (2022: no) active members, 24 (2022: 30) deferred pensioner members and 94 active pensioner members (2022: 93) in the DBS section of the Fund.

#### **Defined Benefits Scheme section of the CWPF**

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries. This Scheme was closed to new members with effect from 31 March 2002 and contributions to this scheme ceased with effect from 1 January 2019.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single Trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable towards benefits and expenses accrued in that year (2023: £nil, 2022: £nil), in addition to this any impact of deficit contributions (see below) are also paid, giving total payments of £nil for 2023 (2022: £111,698).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 14. **PENSIONS (continued)**

The next actuarial valuation is due at 31 December 2022. The calculations for this are under way.

Following the 2019 valuation, the Chapter of York entered into an agreement with the Church Workers Pension Fund to pay deficit payments of £111,698 and expenses of £10,800 per year for 2.58 years from 1 April 2021 in respect of the shortfall in the Employer sub-pool. Due to the improvements in the projected funding position of the Fund, the Church of England Pensions Board agreed that deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2022. A liability has been recognised at earlier dates.

The scheme was determined as being in surplus in 2023 and the Church of Englands Pensions Board have accelerated their plan to complete the buyout of the scheme assets and liabilities. As a result of this, the Chapter of York section of the scheme was calculated to have a useable surplus of £431,000 as at the end of 2023 and this was recognised as an actuarial adjustment in these accounts. The surplus will be released against employer pension contribution amounts over the course of 2024.

The movement in the provision is set out below:

	2023 £'000	2022 £'000
Balance sheet liability at 1 January	-	201
Deficit contribution paid	-	(112)
Interest cost (recognised in SoFA)	-	2
Remaining change to the balance sheet liability*(recognised in SoFA)	-	(91)
Balance sheet liability at 31 December	-	-

<sup>\*</sup> Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

Where relevant, this liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December	December	December
	2023	2022	2021
<b>-</b>		0.000/	4.000/
Discount rate	N/A	0.00%	1.30%

The legal structure of the scheme is such that if another employer fails, the employer could become responsible for paying a share of that employer's pension liabilities.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 14. **PENSIONS (continued)**

The above scheme was replaced with a Defined Contribution Scheme, which is also part of the Church Workers Pension Fund. Although called a Defined Contribution Scheme (DCS), it is not a true DCS as it operates on a "with profits deferred annuity basis" which comes under the "hybrid" pension scheme. The deferred annuity basis means that the scheme has an element of defined benefit and the advice is that it should be treated as such.

Following the introduction of Auto enrolment, effective from the 1 July 2014 for the Chapter of York, the members of the DCS and new members were enrolled into the Church of England Pension Builder Scheme (PBS) within the Church Workers Pension Fund.

## **Church of England Pension Builder Scheme section of CWPF**

The Pension Builder Scheme (PB 2014) section of CWPF for lay staff is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of this employer and the other participating employers.

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic (a deferred annuity section) and Pension Builder 2014 (a cash balance section), both of which are classed as multi-employer defined benefit schemes.

**Pension Builder Classic** provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

**Pension Builder 2014** is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

At 31 December 2023, the Chapter of York had no active members (2022: none), 18 (2022: 20) deferred members and 36 (2022: 39) pensioners in the Pension Builder Classic section and 168 (2022: 175) active members and 104 (2022: 103) deferred members in the Pension Builder 2014 section. Chapter contributes at a rate of 9.5% of basic salary and the employees are required to contribute 3%.

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 Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2023: £383,590, 2022: £322,912).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

The legal structure of the scheme is such that if another employer fails, Chapter could become responsible for paying a share of that employer's pension liabilities.

## **Church of England Funded Pension Scheme (CEFPS)**

The Chapter of York also participates in the Church of England Funded Pensions Scheme, a defined benefit pension scheme, on behalf of the clergy. There are two (2022: two) members of the scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

Each participating employer 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 FRS102 and it is not possible to attribute the Scheme's assets and liabilities to specific employers. The CEFPS is therefore treated as defined contribution scheme for accounting purposes. The pensions costs charged to the SoFA in the year of £7,898 (2022: £18,570) are contributions payable towards benefits and expenses accrued in that year. Including the impact of deficit contributions (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £nil (2022: £27,930).

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 from 2013 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%).



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 14. **PENSIONS (continued)**

## **Church of England Funded Pension Scheme (CEFPS) (continued)**

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

% of pensionable stipends	31 December 2022	January 2021 to
	to date	December 2022
Deficit repair contributions	nil	7.1%

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022. After that date deficit repair contributions were reduced to nil. For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. 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 2023 and over 2022 is set out in the table below.

	2023	2022
	£'000	£'000
Balance sheet liability at 1 January	-	4
Deficit contribution paid	-	(2)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability* (recognised in SoFA)	-	(2)
Balance sheet liability at 31 December	-	

<sup>\*</sup>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.

	December	December	December
	2023	2022	2021
Discount rate Price inflation Increase to total pensionable payroll	n/a	n/a	0.0% pa
	n/a	n/a	n/a
	n/a	n/a	-1.5% pa

The legal structure of the scheme is such that if another Responsible Body fails, the Chapter of York could become responsible for paying a share of that Responsible Body's pension liabilities.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 15. ASSOCIATED ENTITIES AND RELATED PARTIES

## **Controlled by the Chapter**

York Minster Enterprises Limited, a wholly owned subsidiary, undertakes trading activities on behalf of the Chapter and transfers profits back to the Chapter through Gift Aid, under the Deed of Covenant dated 27<sup>th</sup> March 1998.

St William's College Trust is a registered charity, administered by the Chapter of York as sole Trustee. The management of the charity is carried out by a committee comprising members of the Chapter of York and officers employed by the Chapter. St William's College Enterprises Limited is the wholly owned trading subsidiary of St William's College Trust. The Chapter invoiced the Trust for services provided during the year to the value of £109,782 (2022: £109,782). The Chapter paid rents to the value of £10,320 (2022: £888), in respect of spaces occupied by departments of the Chapter to St William's College under licence to occupy and fees to the value of £nil (2022: £nil) in respect of hire of venue space to St William's College Enterprises Limited. Included in debtors is an amount of £5,476 (2022: £74,227) settled shortly following the year end and £nil of creditors (2022: £nil) relating to St William's College and St William's College Enterprises Limited. The charitable objects of St William's College Trust are not concurrent with the purposes of the Chapter of York and their results are therefore not consolidated.

## Not controlled by the Chapter

The Friends of York Minster: income received in the year amounted to £29,989 (2022: £48,419). York Minster Fund: income received in the year amounted to £3,152,215 (2022: £2,090,700). Whilst both these charities give substantial support to York Minster the powers of both of these charities as regards distribution of income are discretionary.

## The York Glaziers' Trust

This charity has a close relationship with the Chapter which is one of the principal clients and which also has the power to nominate one half of the trustees. A partnership agreement was entered into in July 2017 setting out the arrangements for working together to safeguard and sustain the highest standard for the maintenance, restoration and conservation of historic stained glass at the cathedral.

There is no direct financial exchange between partners in relation to the agreement, contract works are paid upon receipt of monthly invoices for agreed work done. Work carried out by the Trust in the year ended 31 December 2022 for the Chapter amounted to £364,987 (2022: £515,864).

Goods purchased from the Trust by York Minster Enterprises Limited amounted to £nil (2022: £nil). The Chapter invoiced the Trust £14,772 for services provided in the year (2022: £13,171). As at 31 December 2023 amounts totalling £4,930 (2022: £4,725) are shown as owing from the Trust to Chapter and amounts totalling £Nil (2022: £12,626) shown as owing to the Trust by Chapter.

## St Peter's School

Chapter has the right to appoint one Governor to the Board of Governors of St Peter's School, where the Choristers are educated. The person appointed may be, but need not be, a member of Chapter. In 2023 the appointed individual was The Revd Canon Dr V L Johnson, Canon Precentor.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 16. **AGENCY ARRANGEMENTS**

During the year the Chapter received income of £423,545 (2022: £1,033,916), where the Chapter acted as agent for the Cathedral Workshop Fellowship. As a result, none of this income is included in turnover. The payments made by the Chapter in relation to this during the year were £658,201 (2022: £883,030). The Cathedral Workshop Fellowship was established in the course of 2023 as an independent charity (registered charity number 1199959) and therefore the balance of funds held was transferred from Chapter to their bank account on 1<sup>st</sup> August 2023 at the start of their most recent financial year. The balance transferred at this point was £175,804. As at the year-end a balance of nil (2022: £164,350) is therefore now present within Other Creditors on the Balance Sheet.



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 17. **STATEMENT OF FUNDS**

STATEMENT OF FUNDS					
Current year movement:					
	At 1	Income	Expenditure	Gains on	At 31 Dec
	Jan			investments	2023
	2023			/ transfers	
Consolidated funds	£'000	£'000	£'000	£'000	£'000
Endowment					
General	34,488	-	(238)	676	34,926
Fabric	102	-	(1)	3	104
School – Milner White	189	-	(1)	5	193
Pattison fund	29	-	-	1	30
Richardson fund	103	-	-	3	106
Development Music	325	-	(1)	9	333
Eric Rothwell	124	-	(1)	3	126
	35,360	-	(242)	700	35,818
Restricted					
Fabric fund	773	858	(815)	21	837
School	758	16	(2)	15	787
Hore Pension	175	3	(2)	3	179
Church Commissioners	-	131	(131)	_	-
Development office	19	_	-	_	19
Bigelow	125	3	_	3	131
Minster Community Outreach	6	_	_	_	6
Collections & Archive Fund	-	49	(9)	_	40
Music	_	54	(29)	_	25
Minster School Parents	4	_	-	_	4
Association	-				-
Cathedral Sustainability Fund	-	76	(76)	-	-
Learning STEMS trails funding	10	-	(10)	-	-
Centre of Excellence Development	254	2,450	(35)	(1,599)	1,070
Other	5	71	(35)	(20)	21
	2,129	3,711	(1,144)	(1,577)	3,119
Unrestricted					
Common fund	8,815	9,142	(8,748)	(45)	9,164
Designated – fabric	2,558	-	(11)	250	2,797
Designated – chorister fees	343	-	-	31	374
Designated – other strategic projects	1,706	-	(7)	1,646	3,345
	13,422	9,142	(8,766)	1,882	15,680
Total funds	50,911	12,853	(10,152)	1,005	54,617



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 17. STATEMENT OF FUNDS (continued)

Prior year movement:

Total funds	53,143	9,738	(10,067)	(1,903)	50,911
	14,895	7,243	(7,569)	(1,147)	13,422
Designated – other strategic projects	2,000	-	(7)	(287)	1,706
Designated – chorister fees	343	-	-	-	343
Designated – fabric	3,000	-	(11)	(431)	2,558
Common fund	9,552	7,243	(7,551)	(429)	8,815
Unrestricted					
	2,130	2,495	(2,157)	(339)	2,129
Other		255	(225)	(25)	5
Centre of Excellence Development	-	748	(436)	(58)	254
AllChurches Hope Beyond	7	-	(7)	<del>-</del>	-
Learning STEMS trails funding	-	10	-	-	10
Cathedral Sustainability Fund	-	38	(38)	-	-
Minster School Parents Association	4	-	-	-	4
Collections & Archive Fund	-	9	(9)	-	-
Minster Community Outreach	6	-	-	-	6
Bigelow	139	2	-	(16)	125
Development office	19	-	-	-	19
Church Commissioners	-	136	(136)	-	-
Hore Pension	193	2	(2)	(18)	175
School	844	18	(12)	(92)	758
Fabric fund	918	1,277	(1,292)	(130)	773
Restricted					
	36,118	-	(341)	(417)	35,360
Life Notified	143		(1)	(10)	124
Eric Rothwell	377 143	-	(2) (1)	(50) (18)	325 124
Richardson fund Development Music	119 377	-	- /2\	(16)	103 325
Pattison fund	29	-	-	- (4.6)	29
School – Milner White	219	-	(1)	(29)	189
Fabric	118	-	(1)	(15)	102
General	35,113	-	(336)	(289)	34,488
Endowment					
Consolidated funds	£'000	£'000	£'000	£'000	£'000
	2022			/ transfers	2022
	At 1 Jan	Incoming	Outgoing	Gains on investments	At 31 Dec 2022
	۸+ 1				A+ 21 Doc
Prior year movement:		Moyomo	nt in resourc	05	



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Chapter funds**

The total consolidated funds held are £54,617,000 (2022: £50,911,000) the individual entity funds held by the Chapter are £54,605,000 (2022: £50,889,000), these exclude £16,000 of York Minster Enterprises Limited reserves (2022: £22,000) which are included within the consolidated unrestricted total funds above.

## **Endowment funds**

The endowment funds represent those funds, which must remain invested or continue to be used by the Chapter. A resolution was passed by Chapter on 14 September 2017 that a policy of total return approach to permanently endowed funds be adopted, as allowed under The Church of England (Miscellaneous Provisions) Measure 2014 which received Royal Assent on 14<sup>th</sup> May 2014. The Chapter agreed that the base value of the endowment should be the 1996 historic book value of permanently endowed funds uplifted by inflation. The base value of the endowment, trust for investment, was established to be £1,303,000 at the time the resolution was passed.

The unapplied total return at the date of adoption was £30,320,000. Only the income generated by the permanently endowed assets in the year has been allocated to restricted and unrestricted income, this has been allocated through the other income line of the SoFA.

	Trust for Investment £'000	Unapplied Total Return £'000	2023 Total £'000
Total relevant fund at 1 January 2023:	1,676	33,684	35,360
Movements in the year:			
Allocation to Capital	67	(67)	-
Investment return: dividends & interest	-	248	248
Investment return: property rental income	-	952	952
Investment return: realised & unrealised gains	-	700	700
Less: investment management costs	-	(44)	(44)
Less: Allocation for Cathedral purposes	-	(198)	(198)
Total before application of income	1,743	35,275	37,018
Unapplied total return allocated to income in the year	-	(1,200)	(1,200)
Total relevant fund at 31 December 2023	1,743	34,075	35,818

In addition to the £1,200,000 (2022: £1,118,000) investment income allocated from endowment and made available for application for the purposes of the Cathedral, Chapter has determined that £198,000 (2022: £296,000) of the total unapplied return is available for allocation for the purposes of the Cathedral.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Endowment funds (continued)**

This allocation to the Cathedral was to enable continuing essential repairs and refurbishment to endowed investment properties, carried out in 2023, and has been disclosed as a payment from the endowment fund. Chapter consider that this is a prudent distribution of the available endowment funds. The remaining unapplied total return at 31 December 2023 amounting to £33,620,000 (2022: £33,684,000) should be allocated for accumulation as part of investments.

	Trust for	Unapplied	2022
	Investment	Total Return	Total
	£'000	£'000	£'000
Total relevant fund at 1 January 2022:	1,517	34,601	36,118
Movements in the year:			
Allocation to Capital	159	(159)	-
Investment return: dividends & interest	-	287	287
Investment return: property rental income	-	831	831
Investment return: realised & unrealised gains	-	(417)	(417)
Less: investment management costs	-	(45)	(45)
Less: Allocation for Cathedral purposes	-	(296)	(296)
Total before application of income	1,676	34,802	36,478
Unapplied total return allocated to income in the year	-	(1,118)	(1,118)
Total relevant fund at 31 December 2022	1,676	33,684	35,360

Both the general and fabric endowment funds represents single gifts where the capital should remain invested and the income spent on general Chapter expenditure and the fabric respectively.

The Milner – White fund originated in 1955 when the original gift of capital was made by the then Dean, Eric Milner-White. The income from the fund is to be used for the general purposes of the school so long as the school is under the full and unrestricted control of The Chapter of York. If the school is discontinued or ceases to be under the control of The Chapter of York then the income is to be used for the general purposes of such one or more other Church of England choir schools as the Dean and Residentiary Canons of York shall determine, with a preference to a choir school in the Province of York.

The Pattison Endowment fund represents a donation in the form of accumulation units in The Equities Investment Fund for Charities. This is to be held as Endowment until 1 March 2050 when it becomes unrestricted.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Endowment funds (continued)**

The Richardson fund represents a single gift of £66,000 in 2009, the capital should remain invested and the income spent on fabric.

The Development Music fund represents gifts of £167,000 in 2006, £17,000 in 2007, and £40,000 from the Friends of Cathedral Music in 2018. The capital should remain invested and the income spent on music, the income from the element received from Friends of Cathedral Music gift of £40,000 is restricted to support boy choristers.

The Eric Rothwell fund represents a single legacy where the capital of £100,000, gifted in 2015, should remain invested and the income applied for the maintenance of standards of choral music in the Cathedral.

#### **Restricted funds**

#### **Fabric fund**

The fabric fund comprises all revenues from property or capital sums given, granted or bequeathed to the Chapter expressly for the maintenance, repair or restoration of the Minster. In 2023 the following amounts were among those received,

- £646,000 grant income from York Minster Fund towards the South Quire Aisle fabric project, twenty year glass protection project, research & development projects and apprenticeship funding;
- £79,000 Cathedral Workshop Fellowship funding grant towards costs of stonemason apprenticeship training and employment costs.
- £59,000 legacy directed specifically towards costs of restoration of the cathedral.
- £22,000 from Benefact Trust towards fabric restoration costs.
- £21,000 income transfer from the fabric and Richardson endowment funds for fabric work.

## **School funds**

The School funds represent funds which are held by Chapter and restricted for school use.

The Duncombe fund is restricted for use by the school. Dean Duncombe died in 1880 and a memorial fund was started, which was used to attract choristers. Part of this original fund was given to help with the running and development of the school.

The Noble fund is restricted for musical instruments for use by the pupils at the school. Broadhurst, Brown, and Hollings Music funds are restricted for boy choristers and the income from these funds is currently used to fund bursary requests and musical education. The Fox fund is restricted for school use and has been set aside to fund girls and non-chorister bursary applications. Milner-White is an endowed fund with the income being restricted for school use.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Restricted Funds (continued)**

Subsequent to the school's closure in 2020, the restrictions on these funds were reviewed to enable their application to chorister and musical education under the new arrangements with St Peter's School, York. This review led to an application to the Charity Commission to combine into a single fund for this purpose and this was agreed, to take effect from February 2024.

The movement within these restricted school funds is shown below:

	Movement in resources				
	At 1	Incoming	Outgoing	Gains on	At 31 Dec
	Jan			investments	2023
	2023			/ transfers	
	£'000	£'000	£'000	£'000	£'000
Restricted school funds					
Duncombe	28	4	-	-	32
Noble	45	1	-	-	46
Broadhurst	33	-	-	-	33
GP Brown Chorister	58	1	-	-	59
Hollings Music	304	5	(1)	5	313
Fox	285	5	(1)	6	295
Milner White endowed	5	-	-	4	9
	758	16	(2)	15	787

## **Hore Pension fund**

The Hore Pension fund concerns pension provisions for former Songmen.

#### **Church Commissioners fund**

The Church Commissioners fund represents the Section 21 grant made towards the stipend and other costs of a dean and two residentiary canons of the cathedral. An application to use the surplus in 2022 for the salary costs of a Minor Canon was approved by the Church Commissioners.

## **Development office fund**

The development office funds represent monies raised by the development office to be spent in accordance with the purposes specified by the donor.

## **Bigelow fund**

The Bigelow fund relates to fabric.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Restricted Funds (continued)**

## **Minster Community Outreach fund**

This fund represents money raised by the Minster Community in previous years towards community outreach by the learning team, £6,000 is carried forward for future use.

#### Music

This fund represents grants and gifts given towards the music activities of Chapter. In the year £54,000 was received. This included £29,000 towards costs of the Minster Choir Tour to the Netherlands in May 2023. The remaining £25,000 was received from the National Schools Singing Programme to facilitate the establishment of an outreach singing programme with local schools by Chapter. This work commenced in 2024, therefore these funds were held by Chapter at the end of 2023.

#### **Collections and Archive Fund**

£50,000 of Collections and Archives funding has been received during the year. £9,000 of this was from the Friends of York Minster and spent on projects conserving the Torre manuscripts and fabric rolls in the Collection. £30,000 of this was funding from various sources to enable the purchase at auction of a Use of York book for the Chapter Collections. £10,000 was a grant towards costs of administering the Francis Jackson archive which has been donated to the Chapter.

#### **Minster School Parent's Association**

At the time of the closure of the school in July 2020, the Minster School Parent's Association held £4,000 in a separate bank account. It was agreed with the officers that this account would be closed and the balance transferred to Chapter to be held as a restricted fund for the purposes of an event to celebrate and commemorate the school at such a time as Covid restrictions will allow.

## **Learning STEM trails**

£10,000 of funds was received from Scientists in Congregations in 2022 towards the development of cathedral trails on STEM curriculum topics. These trails were developed in the course of 2023 and the funds were utilised accordingly.

## **Cathedral Sustainability Fund**

The Chapter of York received funding in year of £77,000 towards staff costs for key roles supporting income generation from the Church Commissioners' Cathedral Sustainability Fund in the course of 2023.

## **Centre of Excellence Development**

Funding of £2,450,000 has been received from York Minster Fund in the course of 2023 towards ongoing costs of development of the Centre of Excellence. This includes £1.6m of the build costs with this element of the project commencing in summer 2023 and continuing through into 2024.



#### **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

## 17. STATEMENT OF FUNDS (continued)

## **Restricted Funds (continued)**

#### Other restricted funds

Other restricted funds represent the following restricted donations received, and endowed income transferred in the year. These have largely been fully expensed in the year:

- £21,000 from Friends of York Minster towards costs of the redevelopment of the College Green park space, this included a contribution to the cost of the stone bench installed and also water fountain provision.
- £10,000 from Benefact Trust towards costs of hosting the Royal Maundy in April 2023
- £28,000 from York Minster Fund towards Old Palace development project costs of which £12,250 has been spent in 2023
- £8,700 endowed income from development music fund for music; and
- £3,300 endowed income from Eric Rothwell endowment fund for music.

#### **Unrestricted funds**

The Common fund comprises all other revenues, which shall be expended upon the general purposes of the Minster.

The Designated fabric fund of £2,796,000 represents funds designated out of the Common fund for long term major fabric maintenance of the Minster. Due to there being a net unrestricted surplus of £395,000 (2022: deficit of £308,000), £178,000 (2022: £nil), was designated in the period under the standard designation mechanism employed by Chapter.

The chorister fee designated fund exists to fulfil contractual requirements of the agreement with St Peter's School to educate the York Minster choristers. The balance on this fund was increased to £374,000 at 31 December 2023 (2022: £343,000) in accordance with Chapter's commitments to this contract.

A further designated fund has been created to set aside funds for other costs of Minster mission and activities, agreed by Chapter in November 2021. In the year funds of £1,599,000 in respect of grants towards the development of the Centre of Excellence have been transferred here from restricted funds. With this transfer and investment movements during the course of 2023, the balance on this fund at  $31^{st}$  December 2023 was £3,345,000 (2022: £1,706,000).



# **NOTES TO THE ACCOUNTS - 31 DECEMBER 2023**

# 18. **AUDITOR'S REMUNERATION**

AODITORS REMORERATION	2023 £'000	2022 £'000
For audit services For other services	<b>25</b> -	23

# 19. **POST BALANCE SHEET EVENTS**

There have been no events requiring disclosure between the balance sheet date and the date of approval of the accounts.