

THE CHAPTER OF YORK

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

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Administrative and reference details (continued)

STAFF

Chapter Steward*	David Colthup CBE MA (from 9 January 2023)
Chief Finance Officer*	Jo Clarkson FCA
Director of Works & Precinct*	Alex McCallion FRICS
Director 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 Officer David Colthup CBE MA
Dean 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)

* Members of Chapter's Senior Executive Team

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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. Buttress 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.

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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 CO₂ 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 Province 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.

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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.



1. 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 steps** 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

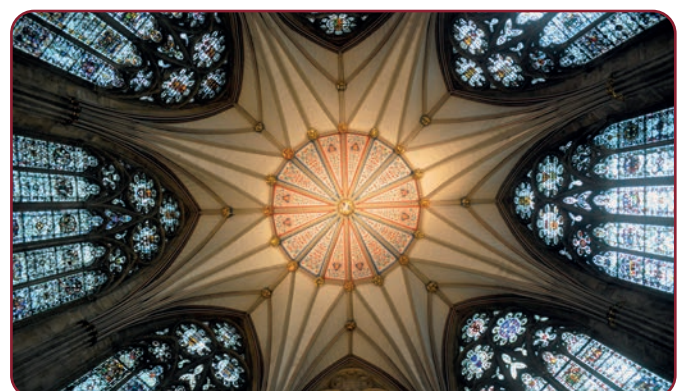
Governance, Decision Making, Processes, Technology enablement - How can our organisation operate optimally and enable a culture of innovation and collaboration?

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 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.

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 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.



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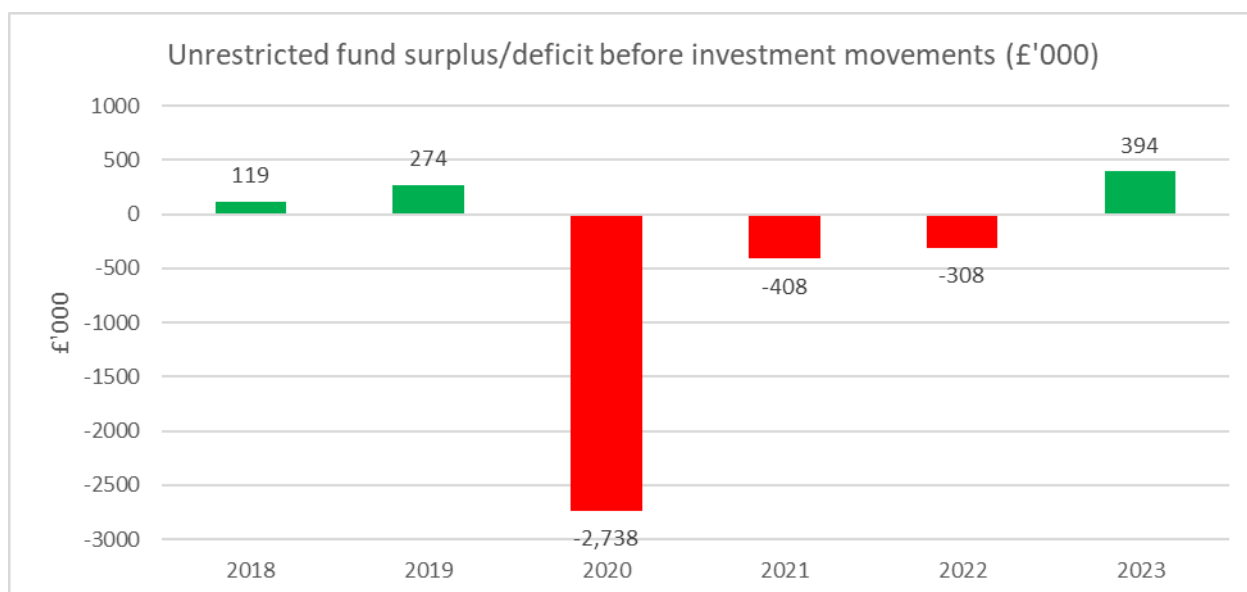
2023 Financial Review

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

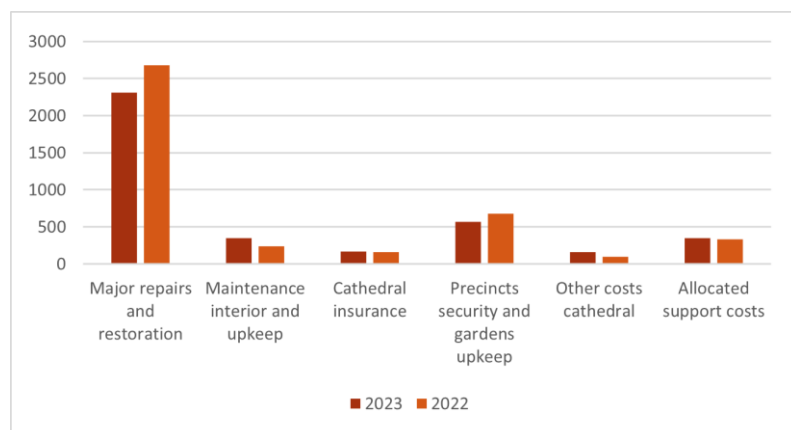
The Chapter accounts for the year ended 31 December 2023 show a net surplus of £2,701,000 (2022: deficit of £329,000), before taking account of gains or losses on the valuation of investments. Most of this surplus (£2,567,000) lies within the restricted fund, being largely the funding gratefully received 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.



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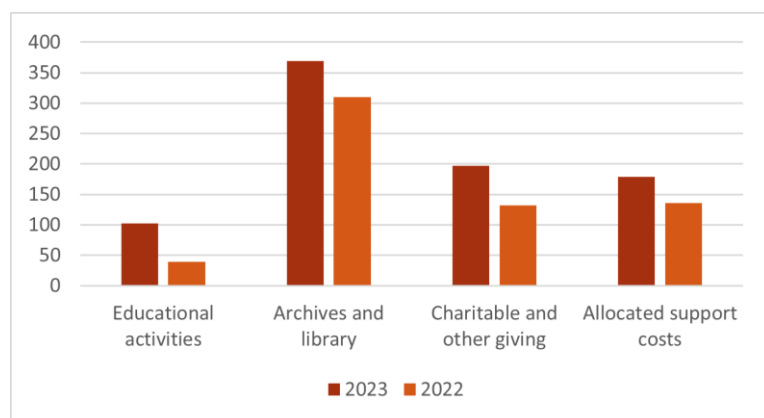
Cathedral and Precincts Upkeep



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.

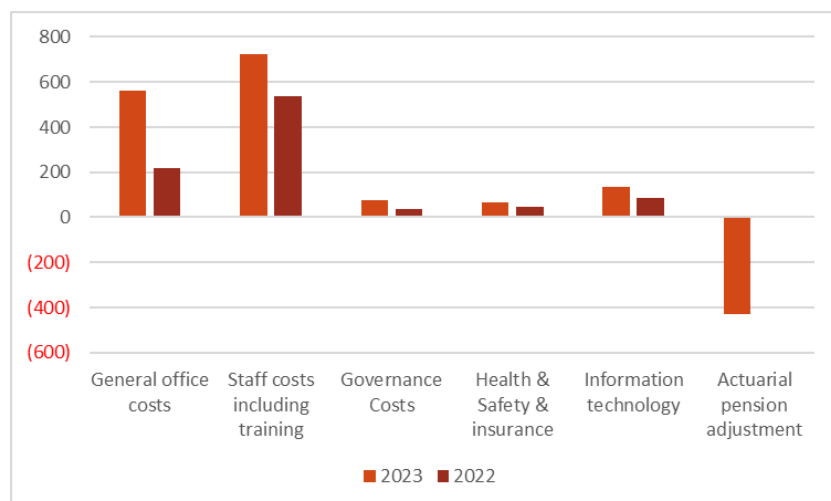
Education and Outreach



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

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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 14th 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.

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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.

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Structure, Governance and Management

Constitution and Statutes

The Cathedral is an ecclesiastical corporation, governed by the Constitution and Statutes for the Cathedral and Metropolitan 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;
 - (c) 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.

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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 Metropolitan 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 CHAPTER OF YORK

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.

THE CHAPTER OF YORK

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

THE CHAPTER OF YORK
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

	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
Borrowings excluding overdrafts	(2,083)	500	-	(1,583)
	2,259	(1,906)	-	353

THE CHAPTER OF YORK

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.

THE CHAPTER OF YORK

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.

THE CHAPTER OF YORK

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.

THE CHAPTER OF YORK

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
The average number of employees (full time equivalents) was:		
Chapter	129	121
York Minster Enterprises Limited	9	9
	<hr/> 138	<hr/> 130
	<hr/> <hr/>	<hr/> <hr/>

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

THE CHAPTER OF YORK
NOTES TO THE ACCOUNTS - 31 DECEMBER 2023
3. INCOME (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	Total 2022 £'000
Investments:										
Investment property income	-	-	-	952	952	-	-	-	831	831
Investment income	147	96	34	248	525	193	94	17	287	591
	147	96	34	1,200	1,477	193	94	17	1,118	1,422
Other income:										
Other income	15	-	-	-	15	45	-	-	-	45
Allocation of endowment income	1,282	(96)	14	(1,200)	-	1,194	(94)	18	(1,118)	-
	1,297	(96)	14	(1,200)	15	1,239	(94)	18	(1,118)	45
Total income	9,142	-	3,711	-	12,853	7,243	-	2,495	-	9,738

4. EXPENDITURE
Expenditure on raising funds:

Facilities for visitors	1,659	-	29	-	1,688	1,218	-	209	-	1,427
Shop expenditure	1,049	-	-	-	1,049	925	-	-	-	925
Investment property expenses	74	-	-	198	272	167	-	-	296	463
Investment management fees	17	18	14	44	93	22	18	14	45	99
Defined benefit scheme deficit interest and expenses	-	-	-	-	-	13	-	-	-	13
Allocated support costs	431	-	-	-	431	381	-	-	-	381
	3,230	18	43	242	3,533	2,726	18	223	341	3,308

THE CHAPTER OF YORK
NOTES TO THE ACCOUNTS - 31 DECEMBER 2023

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
Charitable activities –										
Education and outreach:										
Educational activities	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 raising funds £'000	Charitable activities £'000	2023 £'000	Cost of raising funds £'000	Charitable activities £'000	2022 £'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 pension	(181)	(250)	(431)	-	-	-
	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.

THE CHAPTER OF YORK
NOTES TO THE ACCOUNTS - 31 DECEMBER 2023
6. INVESTMENT FIXED ASSETS
Chapter and consolidated

	Unrestricted funds £'000	Designated Funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Property – at valuation					
At 1 January 2023	2,050	-	-	16,905	18,955
Additions	1,698	-	-	1,017	2,715
Transfers from non-investment property	-	-	-	776	776
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.

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

THE CHAPTER OF YORK
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	-	-	9,246	9,246
Additions	1,599	-	686	2,285
Transfer to investment property	-	-	(776)	(776)
Net movement in value	-	-	-	-
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 £'000	2022 £'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

THE CHAPTER OF YORK
NOTES TO THE ACCOUNTS - 31 DECEMBER 2023
7. NON-INVESTMENT FIXED ASSETS (continued)

	Unrestricted funds	Restricted funds	Total funds
	£'000	£'000	£'000
Consolidated - Equipment and plant			
At 1 January 2023	2,262	1,493	3,755
Additions	232	-	232
Transfers	(122)	-	(122)
Disposals	-	-	-
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 funds	Restricted funds	Total funds
	£'000	£'000	£'000
Chapter - Landscaping			
At 1 January 2023	-	-	-
Additions	123	-	123
Transfers	122	-	122
Disposals	-	-	-
At 31 December 2023	245	-	245
Depreciation			
At 1 January 2023	-	-	-
Charge for the year	24	-	24
On disposals	-	-	-
At 31 December 2023	24	-	24
Net book value			
At 31 December 2023	221	-	221
At 31 December 2022	-	-	-

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

THE CHAPTER OF YORK

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

THE CHAPTER OF YORK

NOTES TO THE ACCOUNTS - 31 DECEMBER 2023

10. DEBTORS

	Chapter	Consolidated	Chapter	Consolidated
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Trade debtors	55	55	118	118
Other debtors	295	295	325	325
Prepayments and accrued income	2,729	2,758	1,688	1,718
Amounts due from subsidiary undertakings	571	-	540	-
Tax recoverable	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	66	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%.

THE CHAPTER OF YORK
NOTES TO THE ACCOUNTS - 31 DECEMBER 2023
12. DEFINED BENEFIT SCHEME LIABILITY, LOANS AND PROVISIONS

	Chapter 2023 £'000	Consolidated 2023 £'000	Chapter 2022 £'000	Consolidated 2022 £'000
Liabilities due after one year				
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%.

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

THE CHAPTER OF YORK
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 to date	January 2021 to 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 £'000	2022 £'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	-	-

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

