



ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2022

Blackburn Cathedral Chapter

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Legal and Administrative Information

Full Name:	The Cathedral Church of Saint Mary the Virgin, Blackburn
Address:	Cathedral Office Cathedral Close Blackburn BB1 5AA
The Chapter:	Chair: The Dean of Blackburn, The Very Revd. P Howell-Jones Residentiary Canons: Vice Dean, Canon Dr R Pailing (Resigned September 2022) Canon G O'Neill Bishop P North (Resigned August 2022) Canon J Lawrence (Appointed December 2022) Appointed by the College of Canons: Canon A S Sage (Resigned August 2022) Canon D Gascoigne (Appointed August 2022) Bishop's Appointees: Mrs. M McClintock Mr. K Roberts Representative of the Bishop's Council: Lady E Alton Canon A S Horsfall Appointees of the Cathedral Community: Mr. P Mason
Chapter Clerk	Mr. S Jones (Resigned April 2022) Mr. C N Jones (Appointed January 2021, Resigned December 2022) Mr. I White (Appointed February 2023)
Chief Financial Officer	Mr. C N Jones BSc (Hons) BFP FCA (Resigned December 2022)
Chief Operating Officer:	Mr. Ian White (Appointed February 2023)
Director of Music:	Mr. J Robinson
Minutes Secretary:	Mrs. P Rowe
Finance Committee:	Mr. J Wood (Chair) The Very Revd. P Howell-Jones Mr. D Kay Mrs. M Wood Mr. S Adams Mr. K Roberts

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Fabric Advisory
Committee:

Mr. R Prest (Chair)
Canon P Cavanagh (Retire June 2023)
Canon R McCullough (Resigned October 2022)
Prof A Ballantyne (Retired before 2022)
Mr. A Croston
Mr. M Millward (Resigned April 2022)
Mrs. E Birkett (Appointed October 2022)
Mr. C. O Flaherty (Appointed October 2022)
Mr. I. Wilson (Appointed October 2022)

Cathedral Architect:

Mr. J Sanderson (Resigned September 2022)

Ms. L Priestman (Appointed September 2022)
Shaw & Jagger Architects
1 Candale Park
Beckwith Head Road
Harrogate
North Yorkshire
HG3 1RY

Cathedral Archaeologist:

Mr. G Keevill

Bankers:

National Westminster Bank plc
PO Box No. 33
35 King William Street
Blackburn
BB1 7DL

Auditors:

Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London
EC4R 1AG

Investment Manager:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

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Chapter's Report

STRUCTURE, GOVERNANCE AND MANAGEMENT

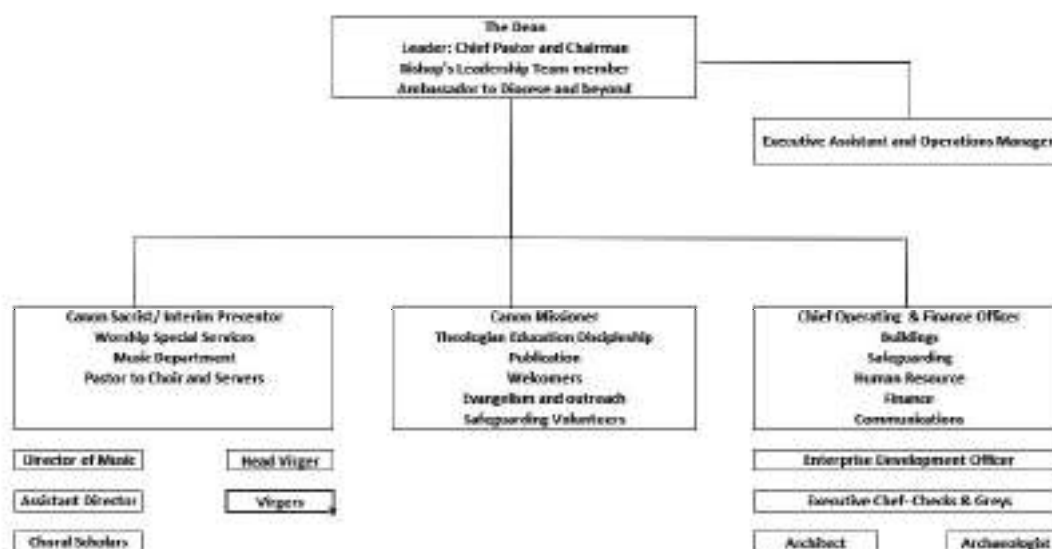
Governing Statute

The Constitution and Statutes of the Cathedral Church of St Mary the Virgin, Blackburn, which came into effect on 20 May 2018.

The Cathedral's Role within the Diocese

The Cathedral is the Seat of the Bishop, supporting him in his mission and ministry in the Diocese and beyond, and offering welcome and hospitality at diocesan services and other events to all the parishes of the Diocese.

The Cathedral's Organisational Structure



The Chapter

The management of the Cathedral is executed by the Cathedral Chapter. The Chapter is responsible for the oversight and administration of Cathedral affairs, specifically the ordering of worship and the promotion of the Cathedral's mission; the management, repair and maintenance of its properties; the preparation of an annual budget, an annual report and audited accounts; keeping under review the Constitution and Statutes of the Cathedral; and keeping the Cathedral Council informed of planned developments. The Bishop as Visitor is kept informed of developments by the Chapter.

Details of the members of Chapter, the Executives and the Minute Secretary that served during the year and subsequent to the year-end are noted as part of the legal and administrative information.

The Council

The Cathedral Council's function is to further and support the work of the Cathedral, to review and advise on the work of the Chapter, especially in terms of its direction and mission, the annual report and any other such matters which the Chapter wishes to submit to the Council.

Blackburn Cathedral Chapter

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For the year ended 31 December 2022

Chapter's Report (cont'd)

The members of the Council, and the bodies they represent are:

Canon A Pratt	Chair
The Bishop of Blackburn	
The Dean of Blackburn	Cathedral Chapter
Mrs. J Eatwell	Cathedral Lay Employee
Canon F Green	College of Canons
Mr. E Haythornwhite	Cathedral Congregation
Mrs. L Hicks	Cathedral Congregation
Canon A Holliday	College of Canons
Councillor S Liddle	Blackburn with Darwen Borough Council
Professor I Marshall	Churches Together in Lancashire
Mrs. M McClintock	Cathedral Chapter
Canon Dr R Pailing	Cathedral Chapter (Resigned September 2022)
Mr. D Peat CBE	Bishop's Appointee
Mr. R Prest	Fabric Advisory Committee
Councillor J Rear	Lancashire County Council
Mr. A Reid MBE	Bishop's Appointee
Mr. B Rowe	Bishop's Appointee (Resigned May 2022)
Mr. R Smith	Cathedral Congregation (Resigned September 2022)
Mrs. J Venn	Bishop's Appointee

The College of Canons

The College of Canons consists of:

The Dean

The Bishops Suffragan

The Archdeacons

The Residentiary Canons

The Honorary Lay and Ecumenical Canons

Blackburn Cathedral Developments

This company has been established to handle the acquisition and development of property on behalf of the Chapter. Its sole member is the Cathedral.

Blackburn Cathedral Enterprises Limited

This company has been established to handle the trading and commercial activities on behalf of Chapter and is 100% owned by the Cathedral.

Blackburn Cathedral Trust (the 'Appeal')

This company was incorporated on 15 October 2009, is limited by guarantee and is a registered charity. The company was established to administer and run the general appeal on behalf of the Cathedral. The company operates under a separate trust but is wholly for the benefit of the Cathedral.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Chapter's Report (cont'd)

Relationship with other organisations

The Cathedral works closely with:

The Church Commissioners

The Association of English Cathedrals

The Bishop and Diocesan officials

Blackburn with Darwen Borough Council

Lancashire County Council

The Homes and Community Authority

Representatives of other Christian denominations and Faith groups

Induction and Training of New Members of Chapter

New members meet with the Dean for a general briefing about the role of the Chapter and the key issues that it is currently, and in the future, to deal with. Training is offered by The Association of English Cathedrals (AEC).

Changes in Appointments

The following changes in appointments occurred during the year and subsequent to the year-end:

Mr. I White	Chapter Clerk and Chief Operating Officer - (Appointed February 2023)
Mr. M Millward	Fabric Advisory Committee - (Resigned April 2022)
Mr. C N Jones	Chapter Clerk and Chief Operational Officer - (Resigned December 2022)
Mr. S Jones	Chapter Clerk - (Resigned April 2022)
Mr. J Addy	Virger - (redundancy October 2022)
Rev. J Lawrence	Canon Missioner (Appointed December 2022)
Canon Dr R Pailing	Canon Missioner (Resigned September 2022)
Canon D Gascoigne	College of Canons (Appointed August 2022)
Canon A S Sage	College of Canons (Resigned August 2022)
Bishop P North	Residentiary Canon (Resigned August 2022)
Mr. J Sanderson	Chapter Architect (Resigned September 2022)
Ms. L Priestman	Chapter Architect (Appointed September 2022)

Investment Powers

Under the Cathedrals Measure 1999, 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 the trustees may invest under the general power 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 and its ancillary buildings.

Risk Management

Risk assessments are the responsibility of the Chapter and are built into its annual schedule of business.

Volunteers

The lifeblood of any cathedral is the dedicated service of the many volunteers across many areas of cathedral life. Here at Blackburn Cathedral, we are blessed with an amazing group of friends and other members of our Welcoming Team gathered from across the Diocese who tirelessly staff the Welcome Desk. We are very grateful also to our Cathedral Wardens, servers, stewards, singers, flower arrangers, bell ringers, Sunday School assistants and Pastoral Care Team who visit the sick and housebound.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Chapter's Report (cont'd)

OUR VISION

During 2019 we launched our Cathedral Strategic Plan, celebrating almost 1500 years of Christian worship on this site. It is a story of faith lived out in the lives of Lancashire people who have chosen to put Jesus at the heart of their community.

Our purpose is clear: in telling the story of Jesus Christ, we seek to help people encounter God through worship and service to the community.

Our key areas of focus reflect our commitment to the Diocesan 2026 Vision of making disciples, being witnesses and growing leaders.

Being Witnesses of Jesus Christ

- Mission and Engagement
- Welcome and Hospitality
- Buildings and Heritage

Making Disciples of Jesus Christ

- Worship and Prayer
- Finance and Stewardship

Growing Leaders for Jesus Christ

- Our Bishop and Diocese
- Growth in Faith

We continue to work at both being a healthy congregation and at being a resource for other churches.

The work with children and young people remains a high priority within the Cathedral's mission through its choirs; the music outreach programme; curriculum-related school visits; a growing Sunday School and preparation for Confirmation and Holy Communion. We continue to see growth in the number of school visits to the Cathedral and a closer working relationship with the Diocesan Board of Education.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The year proved to be one of change and transition for the Cathedral, with welcome shoots of growth and fresh development for the future. We deeply thank the Dean for his strength of purpose in leading the Cathedral through challenging times and were glad he was able to take an extended period of absence in the summer.

WORSHIP AND SERVICE

We joined in the national celebration of the Platinum Jubilee of H.M. Queen Elizabeth II with a service of thanksgiving on 29 May, including a march past and an address by Bishop Julian Henderson on the significance of the National Anthem. On 18 September we returned to offer up our thanks once again, but this time for the completion of Her Majesty's life of service up to the time of her death on 8 September, with Bishop Philip North vividly recounting her lifelong dedication to the nation.

These were just two of the special services during the year. We began with the Accession Day Choral Evensong on 6 February and continued with the visit of Archbishop Stephen Cottrell on 29 May, a 40 Year Celebration of Ministry for Revd. Canon Gary O'Neill on 10 July with an address by Archbishop John Sentamu, and the final service for our own Bishop Julian Henderson on 16 July.

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Chapter's Report (cont'd)

The year was rounded off with two BBC 1 nationally televised services, first for Christmas Eve with a traditional Eucharist and again on Christmas Day, using more contemporary setting. Large numbers of congratulatory messages were received from across the world to the choir, and the creativity and energy that the two services generated will continue into the future.

These occasions marked an unusually exciting and developmental year in the life of the Music Department under the directorship of Mr. John Robinson. Organ Scholar Miss Samantha Poh left to become Assistant Organist at Christ Church Cathedral New Zealand and the new position of Organist in Residence was launched in September 2022. Thus, Mr. John Hosking is responsible not just for organ playing but for building the profile of the organ, through concerts, recordings, streaming and other initiatives. The Chapter supported Mr. Robinson's proposal that, following steps in that direction taken during the year, the boy and girl choristers should be mixed from the beginning of 2023.

The junior choral scholar scheme was successfully launched in September, with four ex-choristers as the first recipients. They bring a fresh and youthful sound to the Cathedral Choir and the Youth Choir, with the latter not only singing at the Sunday 9.00 a.m. service under the direction of Ms. Helen Davies, but also acting as ambassadors for the Cathedral in the Diocese. St Paul's Voices, the voluntary choir, has been taken under Mr. Hosking's wing, with the Director of Music as accompanist.

The launch of the Lantern Music Trust took place at the Christmas Spectacular, with Dr John Bertalot as Honorary President. This was the first step towards an organisation designed to endow the complete costs of music at the Cathedral, paving the way for future generations to become part of Blackburn's rightly renowned musical reputation.

The Cathedral organ is reported to be in serviceable shape, although both short- and medium-term maintenance work has been identified in order to uphold its standards. The Cathedral has moved its care back to its original builders, J.W. Walker, who bring a high level of expertise to a complicated and unusual instrument. The initiative to record the organ for Hauptwerk, thus making the digital files of every note available for downloading, has resulted in significant international interest in the instrument.

An important innovation, with Bishop Philip as sponsor and supported by £1.4 million of National Church funding, has been provided for the launch of Choir Church, a national project which has now been adopted here in Lancashire. Church-planting has been taking place in Church of England primary schools across the Diocese, using the power of fine music in liturgy, and with Dr Rebekah Okpoti warmly welcomed as Choir Church Coordinator.

Other special occasions included the day-long Festival of Faith in Daily Life on 19 March with a keynote speech by Lord Alton, the launch of the Queen's Jubilee Tapestries by the Lord Lieutenant and his deputies on 1 June, and the concert spectacular on 10 December to launch the Lantern Music Trust.

The ringers have enjoyed a full year. The 70th anniversary of Queen Elizabeth's accession in February, the thanksgiving service for her Platinum Jubilee in May, the celebration of her life on 9 September and her funeral on 19 September were all marked with special peals, as was the proclamation of the accession of King Charles III on 11 September. Bishop Julian's farewell service on 16 July was celebrated with a quarter peal on the back eight bells, and bells were rung for three weddings during the year. While there were problems with attendance at Sunday services and Thursday practices, all of the learners remained with the tower, and ringers from Oswaldtwistle and St Silas also helped out on a reciprocal basis.

Blackburn Cathedral Chapter

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For the year ended 31 December 2022

Chapter's Report (cont'd)

GOVERNANCE AND FINANCE

The Chapter met on ten occasions, with input by the Finance Committee and the Safeguarding Management Group, and with Ms. Carol Fletcher of the Church Commissioners in attendance on most occasions.

A settlement agreement with the Revd. Andrew Hindley was concluded by deed on 28 February and an agreed statement read out by the Dean to the congregation on 10 April. The Bishop of Blackburn commissioned a lesson to be learned review, and interviews were conducted with key people over the summer. The findings from the review are still awaited.

Mr. Stuart Jones resigned his position as Chapter Clerk and was replaced by Mr. Colin Jones. Mr. Jones left his post as Chief Finance and Operational Officer in December.

The Revd. Canon Andrew Sage retired from his post at St Stephen's in Blackpool to a residential post on the other side of the Pennines, and hence left the College of Canons and the Chapter. His expertise, particularly on Diocesan housing, will be much missed. Bishop Philip North also left the Chapter on 31 August, and subsequently became the Acting Diocesan Bishop. A Chapter dinner was held for them both, at which grateful thanks for their wisdom and much-valued contributions were offered. Thanks were also expressed to the Revd. Canon Andrew Horsfall for his service as a residentiary canon. The College of Canons vacancy on the Chapter has been filled by Canon David Gascoigne.

The Revd. Canon Dr Rowena Pailing resigned from her post as Canon Missioner in September in order to take up a senior position with a national charity and was warmly thanked for her important contributions to the missional development of the Cathedral and to its safeguarding. The Revd. James Lawrence, who continues his doctoral study with the University of Oxford and following a residency in New York, succeeded to the post of Canon Missioner and his installation took place on 11 December.

The Cathedrals Measure 2021 was the subject of an informal away day in July. The Dean and some members of the Chapter also attended the Cathedrals Strategic Leadership Event in Manchester at the beginning of November, in preparation for the Cathedral to begin its work on its transition to the new measure in line with the agreed timetable.

Mr. James Sanderson resigned his post as Cathedral Architect in September after more than twenty years in post, a period dominated by the development and completion of Clergy Court. Ms. Louise Priestman was appointed and gave a presentation to the Chapter on her initial perceptions of the Cathedral's fabric and setting. While the Cathedral is fortunate to be in good condition overall, the Chapter agreed that a quinquennial review should be commissioned a year early to assess needs and opportunities for the institution's estate.

The Chapter continued its watchful scrutiny of the Cathedral's financial position throughout the year. The successful tenancy of the Crypt by the NHS vaccination service came to an end in September, concluding with a planned programme to reinstate the area the staff had occupied. A scheme to lease out Church House was being actively negotiated during the year, but without a final outcome.

Much effort went into the Cathedral restaurant, Checks and Greys, to make it commercially viable and build up its business in the face of challenging economic times. The Chapter was greatly encouraged by the energetic approach of Ms. Sian Goggins, appointed as Enterprise Development Officer in September. She at once carried out a wholesale review of the business, including menu revision, staffing, and advertising. Additional event income was explored and revised financial targets, agreed with the Chapter, were exceeded. A large number of Christmas lunches took place and a Christmas market in the Crypt on 3 December was a welcome innovation.

Blackburn Cathedral Chapter

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For the year ended 31 December 2022

Chapter's Report (cont'd)

The Cathedral Safeguarding Management Group continued to meet regularly. Its structure and role were reconsidered early in the year, resulting in continuation of its hybrid nature as both strategic and operational. The group agreed to align its terms of reference more closely with the Diocesan Safeguarding Advisory Panel and to recruit an independent chair, to which Ms. Carolyn Johnson was warmly welcomed in December. The group received and incorporated updates from the National Safeguarding Team and worked closely with the Diocese, including on the adoption of the survivor care strategy and a potential service level agreement between Cathedral and Diocese. The Cathedral is also part of the IICSA pilot, with access to new policy developments as they arise. An important change is a shift away from having due regard to safeguarding measures endorsed by the House of Bishops and towards a Safeguarding Code of Practice.

The Chapter is deeply grateful to the many people who contribute so fully and generously to the Cathedral's life and mission, and on whom the institution is able to rely for their unfailing devotion and support.

FINANCIAL REVIEW

The results for the year are shown in the Consolidated Statement of Financial Activities. During the year there were net unrestricted incoming resources of £4,365 (2021: £19,028). The total unrestricted funds were £961,740 (2021: £917,693).

The restricted funds showed net outgoing resources of £72,928 (2021: £32,179) with income largely consisting of grants from the Church Commissioners. With investment gains and transfers between funds total restricted funds were £318,555 (2021: £477,030).

Endowment funds show net incoming resources of £Nil (2021: £Nil) as no further income was received in relation to Cathedral Court. At 31 December 2022, endowment funds totalled £2,167,907 (2021: £2,182,145).

Losses recognised on the revaluation of investments across all funds amounted to £60,103 (2021: Gain £64,205).

The net cash inflow from operating activities was £147,212 (2021: outflow £17,395). Cash reserves at the year-end were £354,749 (2021: £174,810). The Cathedral had net liabilities of £76,912 (2021: £30,686) because of amounts earmarked for the settlement of the final balance that is owed to the main contractor for Cathedral Court. Plans are under way to improve the cash flow position of the Cathedral as part of the continuing financial improvement process.

Going Concern

The Church Commissioners paid all 2022 grants in full in April 2022, with payment of the 2023 full year grant being made in January 2023.

In consideration of all of the above, Chapter do not consider there to be a material uncertainty relating to going concern in particular due to having general funds of £732,581 (2021: £688,534), including investments of £204,702 (2021: £228,249) in the general fund that can be drawn down if required, to support operations.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Chapter's Report (cont'd)

Five-year summary of key figures

	2018	2019	2020	2021	2022
	£	£	£	£	£
Incoming resources:					
Unrestricted	339,964	441,601	756,369	611,922	643,000
Total	1,089,822	1,002,058	1,277,938	1,327,682	979,074
Net movement in funds including gains and losses before transfers:					
Unrestricted	(97,846)	(18,874)	171,118	44,465	(19,182)
Total	(114,157)	300,380	191,439	115,771	(128,666)
Funds carried forward					
Unrestricted – General funds	426,516	486,743	672,958	917,693	961,740
Total	3,570,038	3,269,658	3,461,097	3,576,868	3,448,202

Reserves Policy

Determining the level of free reserves and designated reserves the Cathedral needs to hold is an important part of Chapter's financial management and forward financial planning. Reserves levels that are too high may tie up money unnecessarily and limit the amount spent on charitable activities, reducing the potential benefit the Cathedral can provide. Reserve levels that are too low not only could impact the Cathedral's long-term solvency, but also the Cathedral could face difficulty in meeting its day-to-day expenditure commitments. Chapter's aim is to build all its funds, including its reserves held in unrestricted funds, to levels sufficient to address the Cathedral's long-term sustainability and perpetual need to maintain and preserve the Cathedral's heritage and fabric.

This aim is set in the context of the Cathedral's stated vision and priorities. This means establishing sufficient funds to develop and grow the Cathedral of the future, alongside retaining sufficient readily accessible reserves to meet the financial liabilities inherent in running and maintaining an historic Cathedral, as well as other Cathedral properties. The Cathedral's reserves not only need to cover short-term financial volatility and ongoing financial liabilities, but also act as a funding source for specific projects or development activity that is considered likely to generate long-term strategic and financial benefit.

The nature of the Cathedral's long-term financial commitments and its related income profile means it invests part of both its unrestricted and restricted funds to generate a financial return, in essence holding income as quasi-capital. Chapter is confident this is in the Cathedral's best interests.

Chapter have considered an appropriate level of unrestricted reserves in the short term as at 31 December 2022 to be at least £450,000. This is based on an estimate of ongoing unrestricted expenditure for a minimum one-year period. The current value of the unrestricted general funds as at 31 December 2022 is £732,581 with an additional £229,159 in designated funds relating to the Cathedral and Cathedral Court fixtures and fittings.

Investment Policy

During 2019, Chapter transferred investment funds from St James' Place to CCLA. Chapter's policy is to hold these funds to generate income and long-term capital growth.

Any investment funds held by Chapter that may be required in the foreseeable future are held in UK Bank Deposit funds with immediate access to the capital.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Chapter's Report (cont'd)

Total Return on Investment Property

	£	
Rents receivable	39,513	
No major expenditure has been incurred during the year in respect of the existing investment property.		

Total Return on Investments

	Equities £	Variable £	Total £
Gross income from investments:			
Investment funds	16,663	-	16,663
UK Bank Cash Deposits	-	86	86
Gain on investment revaluation	17,982	-	17,982
	<u>34,648</u>	<u>86</u>	<u>34,734</u>
	=====	=====	=====

Forecast of cost of maintaining and conserving the Cathedral and its Precincts

A quinquennial survey was undertaken during 2019 by Mr. James Sanderson, the Cathedral Architect, and a report presented to Chapter. What is clear from the report is that the general fabric of the Cathedral building is in a good state of repair. As part of the report a priority rating has been given for each action identified and we are pleased that there are no category 'A' actions required. There are seven category 'B' actions required but nothing of significance. Chapter will endeavor to work through identified actions during the next five years.

Public Benefit

The Chapter confirms that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance and have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

PLANS FOR FUTURE PERIODS

Within the next twelve months, the Chapter plans are as follows:

- To set in place a delivery structure for the Strategic Plan 2019-2024
- To agree an amended financial recovery plan and set in place a strategy for delivery
- To work closely with Blackburn Cathedral Trust to develop income streams to enable us to maintain and expand our highly successful community programmes including the music outreach programme and community cohesion work. We will continue to deliver a first-class music offering which includes concerts, events, excellent musical education for both the children and young people in our choirs and our choral and organ scholars
- To develop new areas of income through Blackburn Cathedral Enterprises Ltd
- To continue to review options for the future use of Church House and Crypt development.

On behalf of the Chapter:

Peter Howell-Jones

The Very Revd. P Howell-Jones

Dean of Blackburn

Date: 14 July 2023

Blackburn Cathedral Chapter

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For the year ended 31 December 2022

Report of the Fabric Advisory Committee

The Committee met four times during 2022, a difficult year in terms of personnel with the unexpected departure of the Cathedral's Architect, James Sanderson, which took effect as from August.

It has been a privilege to work with James throughout the last 20 years – his lasting achievement, of course, is the delivery of Clergy Court but it's also right to reaffirm that during his term of appointment much grant funded restoration work has also been completed on the older Cathedral fabric which is in fine condition generally.

In September, we welcomed the newly appointed Cathedral Architect, Louise Priestman, a respected Heritage/Conservation Architect with other Cathedral/Ecclesiastical appointments as a member of the practice of Shaw & Jagger.

It was gratifying to record how many architects applied for the position at Blackburn.

Also, during 2022, two longstanding and valued members of FAC retired, Mike Millward and Revd. Peter Cavanagh. I'd like to place on record my personal thanks for their help and support over many years.

We welcome a range of new committee members – Emma Birkett with valuable experience in regeneration projects, Chris O'Flaherty from Central Lancashire University with specialism in building conservation and adaptation, Ivan Wilson, a local Architect and respected Conservation Design Consultant and Kate Shuttleworth, an experienced Conservation Building Cost Consultant.

In terms of the Cathedral fabric, slow but steady progress is being made on the rectification of defects throughout Clergy Court with the expectation that external render repairs will be completed during hopefully drier/milder weather in early to mid-2023.

The committee has also been consulted on a number of localised issues which are being investigated further including concerns over the electrical lighting circuits, the stability of pinnacles on the Corona and damp penetration in the vicinity of the Columbarium.

Sadly, the income stream from the National Health Service has finished, following the relocation of the Vaccination centre from the Crypt. However, the remedial works in the Crypt have left it in a much better state of presentation. A number of detailed proposals for its use are likely to come forward over the next year or so, and the use of the space in the Crypt can be adjusted to address urgent safeguarding issues for young choristers.

After a period of bedding in the new Choir arrangements appear to be generally acceptable and an improvement and the success in attracting the BBC for a number of services over the Festive period in late 2022 has firmly put Blackburn Cathedral on the map – live streaming will continue to be a feature and will require further enhancement in terms of camera positions, wiring and lighting.

Richard Prest
Fabric Advisory Committee Chair

Blackburn Cathedral Chapter

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Statement of the Responsibilities of the Chapter

The Chapter is responsible under requirements laid down by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999 for:

- a) Preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities, and funds at the end of each financial year of the Cathedral and its connected entities.
- b) Stating that they have complied in all material respects with the regulations on the subject prepared by the Association of English Cathedrals or describing which recommendations have not been complied with and giving reasons for the non-compliance.
- c) Selecting suitable accounting policies and then applying them consistently.
- d) Making judgements and estimates that are reasonable and prudent.
- e) Keeping proper accounting records from which, the financial position of the Cathedral can be ascertained with reasonable accuracy at any time.
- f) Safeguarding the assets of the Cathedral and taking reasonable steps for the prevention of fraud and other irregularities.

Blackburn Cathedral Chapter

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For the year ended 31 December 2022

Independent Auditors' Report

To the members of Chapter of Blackburn Cathedral

Opinion

We have audited the financial statements of Blackburn Cathedral for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Chapter Balance Sheets, the Consolidated Statement of Cashflows, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the Cathedral's affairs as at 31 December 2022 and of the group's new movement in funds for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members of the Chapter, use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members of the Chapter with respect to going concern are described in the relevant sections of this report.

Other information

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

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

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Independent Auditors' Report Continued

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 we report to you if, in our opinion:

- sufficient accounting records have not been kept by the Chapter;
- the Cathedral's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the member of the Chapter for the financial statements

As explained more fully in the responsibilities statement set out on page 12, the members of the 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of the Chapter are responsible for assessing the group's and the Cathedral'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 they either intend to liquidate the group or the Cathedral or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Chapter and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

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

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Independent Auditors' Report Continued

To the members of Chapter of Blackburn Cathedral

Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.

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

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

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

Use of our report

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



Haysmacintyre LLP
Statutory Auditors

Date: 21 July 2023

10 Queen Street Place
London, EC4R 1AG

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Consolidated Statement of Financial Activities

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:	2					
(i) Donations and legacies		133,540	10,565	-	144,105	146,312
(ii) Grants in support of mission		69,887	314,622	-	384,509	820,052
(iii) Charges and fees arising in the course of mission		106,967	110	-	107,077	190,890
(iv) Trading and fundraising		165,351	5,802	-	171,153	86,473
(v) Investments		164,349	4,975	-	169,324	65,294
(vi) Other income		2,906	-	-	2,906	18,661
Total income		643,000	336,074	-	979,074	1,327,682
Expenditure on:	3					
(i) Raising funds		434	-	-	434	674
(ii) Ministry		55,135	323,450	-	378,585	572,841
(iii) Cathedral and precincts upkeep		198,609	56,003	-	254,612	230,748
(iv) Education and outreach		-	15,033	-	15,033	12,994
(v) Community, parish, and congregation		9,374	4,285	-	13,659	8,588
(vi) Other expenditure		375,083	10,231	-	385,314	450,271
Total expenditure		638,635	409,002	-	1,047,637	1,276,116
Net incoming/(outgoing) resources before investment gains		4,365	(72,928)	-	(68,563)	51,566
Gains/(Losses) on investments and Property revaluations	11	(23,547)	(22,318)	(14,238)	(60,103)	64,205
Net income/(expenditure)		(19,182)	(95,246)	(14,238)	(128,666)	115,771
Gross transfers between funds	20, 21	63,229	(63,229)	-	-	-
Net movement in funds		44,047	(158,475)	(14,238)	(128,666)	115,771
Reconciliation of funds:						
Total funds brought forward		917,693	477,030	2,182,145	3,576,868	3,461,097
Total funds carried forward		961,740	318,555	2,167,907	3,448,202	3,576,868

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Consolidated Balance Sheet at 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 £
Investment assets						
Property	10	-	-	483,400	483,400	483,400
Investments	11	204,702	167,279	110,220	482,201	542,304
		<u>204,702</u>	<u>167,279</u>	<u>593,620</u>	<u>965,601</u>	<u>1,025,704</u>
Tangible fixed assets						
Property	13	-	-	3,050,600	3,050,600	3,050,600
Equipment and plant	14	176,913	-	-	176,913	229,675
		<u>176,913</u>	<u>-</u>	<u>3,050,600</u>	<u>3,227,513</u>	<u>3,280,275</u>
Total fixed assets		381,615	167,279	3,644,220	4,193,114	4,305,979
Current assets						
Stocks	15	36,506	-	-	36,506	11,372
Debtors	16	105,584	8,127	-	113,711	619,692
Cash at bank and in hand		679,923	145,369	(470,543)	354,749	174,810
		<u>822,013</u>	<u>153,496</u>	<u>(470,543)</u>	<u>504,966</u>	<u>805,874</u>
Liabilities due within one year						
Creditors	17	(241,888)	(2,220)	(337,770)	(581,878)	(775,188)
Net current assets/(liabilities)		580,125	151,276	(808,313)	(76,912)	30,686
Total assets less current liabilities		961,740	318,555	2,835,907	4,116,202	4,336,665
Liabilities due after more than one year,						
Loans from third parties	18	-	-	(668,000)	(668,000)	(759,797)
Total net assets		961,740	318,555	2,167,907	3,448,202	3,576,868
Funds						
Endowment funds	19	-	-	2,167,907	2,167,907	2,182,145
Restricted funds	20	-	318,555	-	318,555	477,030
Unrestricted funds	21					
General funds		732,581	-	-	732,581	688,534
Designated funds		229,159	-	-	229,159	229,159
Total Cathedral funds		961,740	318,555	2,167,907	3,448,202	3,576,868

Revaluation reserve included above

362,990

362,990

The financial statements were approved by Chapter and authorised for issue on 14 July 2023.

The Very Revd. P Howell-Jones
Dean
Peter Howell-Jones

Mr. D Gascoigne
David P Gascoigne
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Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Chapter Balance Sheet at 31 December 2022

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2022 £	Total funds 2021 £
Fixed assets						
Investment assets						
Property	10	-	-	483,400	483,400	483,400
Investments	11	204,702	167,279	110,220	482,201	542,304
		<u>204,702</u>	<u>167,279</u>	<u>593,620</u>	<u>965,601</u>	<u>1,025,704</u>
Tangible fixed assets						
Property	13	-	-	3,050,600	3,050,600	3,050,600
Equipment and plant	14	176,901	-	-	176,901	229,159
		<u>176,901</u>	<u>-</u>	<u>3,050,600</u>	<u>3,227,501</u>	<u>3,279,759</u>
Total fixed assets		381,603	167,279	3,644,220	4,193,102	4,305,463
Current assets						
Stocks	15	3,315	-	-	3,315	7,262
Debtors	16	138,338	8,127	-	146,465	119,087
Cash at bank and in hand		494,310	145,369	(422,912)	216,767	221,038
		<u>635,963</u>	<u>153,496</u>	<u>(422,912)</u>	<u>366,547</u>	<u>347,387</u>
Liabilities due within one year						
Creditors	17	(171,226)	(2,220)	(357,401)	(530,847)	(445,220)
Net current assets/(liabilities)		464,737	151,276	(780,313)	(164,300)	(97,833)
Total assets less current liabilities		846,340	318,555	2,863,907	4,028,802	4,207,630
Liabilities due after more than one year						
Loans from third parties	18	-	-	(668,000)	(668,000)	(759,797)
Total net assets		846,340	318,555	2,195,907	3,360,802	3,447,833
Funds						
Endowment funds	19	-	-	2,195,907	2,195,907	2,210,145
Restricted funds	20	-	318,555	-	318,555	457,847
Unrestricted funds	21					
General funds		617,181	-	-	617,181	550,682
Designated funds		229,159	-	-	229,159	229,159
Total Cathedral funds		846,340	318,555	2,195,907	3,360,802	3,447,833

Revaluation reserve included above

362,990

362,990

The financial statements were approved by Chapter and authorised for issue on 14 July 2023.

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Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Consolidated Statement of Cashflows

	Note	£	2022 £	£	2021 £
Reconciliation from net income to net cashflow from operating activities:					
Net outgoing resources before investment gains for the year			(68,563)		51,566
Adjustments for:					
Income from property			(58,140)		(43,005)
Investment income	5		(15,078)		(15,271)
Interest and similar charges	3		39,632		20,994
Depreciation			54,527		54,553
(Increase) in stock			(25,134)		(2,465)
Decrease/(Increase) in debtors			505,981		(284,605)
(Decrease)/Increase in creditors			(286,013)		200,838
			<hr/>		<hr/>
Net cash inflow/(outflow) from operating activities			147,212		(17,395)
Cashflows (used in)/from investing activities					
Purchase of fixed assets		(1,765)		(33,663)	
Rents received		58,140		43,005	
Investment income received	5	15,078		15,252	
Interest received	5	906		19	
			<hr/>	<hr/>	
Net cash from investing activities			72,359		24,613
Cashflows used in financing activities					
Interest paid		(39,632)		(20,994)	
			<hr/>	<hr/>	
Net cash used in financing activities			(39,632)		(20,994)
			<hr/>		<hr/>
Change in cash and cash equivalents in the year			179,939		(13,776)
Cash and cash equivalents at the beginning of the year			174,810		188,586
			<hr/>		<hr/>
Cash and cash equivalents at the end of the year			354,749		174,810
			=====		=====
Analysis of cash and cash equivalents					
Cash in hand			354,749		174,810
			<hr/>		<hr/>
Total cash and cash equivalents			354,749		174,810
			=====		=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts

1. Accounting policies

1.1. Basis of preparation of financial statements

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

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of property and investments. The consolidated financial statements incorporate all assets and liabilities and income and expenditure of Blackburn Cathedral Developments, as per that company's unaudited financial statements.

The consolidated financial statements have been prepared on a going concern basis.

The Chapter do not consider there to be a material uncertainty relating to going concern in particular due to having general funds of £732,581 (2021: £688,534), including investments of £204,702 (2021: £228,249) in the general fund that can be drawn down if required, to support operations.

1.2. Funds

Funds are split between endowment, restricted and unrestricted funds. Movements on these funds are summarized in Notes 19, 20 and 21.

Endowment funds are those where there is no power to convert the capital to income.

Restricted funds are funds subject to specific conditions imposed by the donor or by specific terms of a trust deed or other legal measure.

1.3. Property and investments

Investment property and Investments are included in the financial statements at market value. Realised and unrealised gains and losses are reported in the Consolidated Statement of Financial Activities.

1.4. Non-Investment property and Equipment and plant

Property for Cathedral use is included at latest valuation and, after considering the residual value, is depreciated at 2% straight line over its expected useful life. The Cathedral Court is not depreciated as the residual value in 50 years is expected to be at least that of its current market value as the Chapter will be running a strict capital maintenance programme on the property.

Property in the course of construction was included at cost and no depreciation has been charged. The cost has been transferred to the appropriate asset categories upon the completion of the project.

Equipment and plant are included at cost and are depreciated at 10% or 20% straight line over their expected useful lives. The Chapter has adopted a capitalisation limit of £1,000 per separately identifiable asset.

1.5. Stock

Stocks are valued at the lower of cost and net realizable value, after making due allowance for slow moving items.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

1. Accounting policies (cont'd)

1.6 Incoming resources

Donations, legacies, and grants are included in the financial statements on a receivable basis when there is entitlement to the funds, the receipt is probable, and the amount can be measured reliably. A debtor is included for Gift Aid reclaimable

1.7 Grants receivable

Grants receivable which are subject to conditions or restrictions are credited to the restricted fund in the Consolidated Statement of Financial Activities, depending on the category of expenditure incurred to which they relate as soon as they are received or become receivable. The related expenditure incurred is charged to the restricted fund in the Consolidated Statement of Financial Activities as appropriate.

If a grant has been received or is receivable and either the related expenditure has not been incurred or the conditions of the grant have not been satisfied, then the grant is carried forward in restricted funds in the balance sheet. If expenditure has been incurred prior to the receipt of the related grant, but with other conditions satisfied, then the grant receivable is credited to the Consolidated Statement of Financial Activities and carried forward as a debtor in the balance sheet.

1.8 Costs of raising funds

Costs of raising funds comprises costs of attracting voluntary income and costs of trading for fundraising purposes.

1.9 Expenditure on mission

Expenditure on mission comprise costs of the Cathedral's ministry, upkeep of the Cathedral fabric and precincts, education and outreach, and community, parish, and congregation costs.

1.10. Support costs

Support costs are allocated to expense categories on the basis of the direct costs incurred in that expense category.

1.11. Repairs

Repairs, restoration, and maintenance are written off as incurred within Cathedral and precincts upkeep.

1.12. Pensions

The Chapter contributes to a pension scheme for the clergy staff administered by the Church of England Pension Scheme. This scheme operates as an occupational pension scheme and contributions, at a rate determined having regard to actuarial advice, are paid into a separate fund in the trusteeship of the Church of England Pensions Board. Benefits arising from pensionable service are provided from that fund. The contributions to the fund by the Cathedral are charged to the Consolidated Statement of Financial Activities as incurred, as the scheme is a multi-employer scheme, and it is not possible to identify the assets and liabilities relating to the Cathedral. These contributions are funded by a grant from The Church of England Church Commissioners.

The Chapter also contributes to personal pension schemes for selected employees, these costs are charged to the Consolidated Statement of Financial Activities as incurred.

From 1 January 2016 Chapter operated an auto-enrolment pension scheme, in addition to those previously mentioned, for all eligible employees. The costs of this scheme are charged to the Consolidated Statement of Financial Activities as incurred.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

1. Accounting policies (cont'd)

1.13. Third party and non-cash receipts and payments

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

1.14. Taxation

The Cathedral Chapter is a statutory exempt charity under the Charities Act 2011 and, as such, is entitled to claim exemption from the charge to tax on income and capital gains as stated in section 258 TCGA 1992. Accordingly, with the exception of Value Added Tax and Employer's National Insurance, no liability to taxation arises.

Income is shown net of value added tax. Input value added tax is reclaimable on a percentage basis subject to partial exemption rules. All irrecoverable value added tax is included under the appropriate classification of expenditure, irrecoverable VAT on fixed asset purchases is capitalised within the cost of the asset.

1.15. Donated assets and services

As stated in the Annual Report, the Cathedral very much appreciates the donation of time and services by Friends and other volunteers. It has not proved possible, however, to provide a monetary valuation on these services to incorporate the same into these accounts.

1.16. Heritage Assets

The Cathedral holds a number of heritage assets with historic and artistic value. The nature and scale of the collection and inventory belonging to the Chapter of Blackburn include:

- The Medieval Pax
- Blackburn Cathedral Archives
- Blackburn Cathedral wall monuments
- Blackburn Cathedral 20th Century Art works
- Mark Jalland's 'The Healing of the Nations'
- The Whalley Seals and Misericords
- Other artefacts, including the Saxon Hammer and ancient manuscripts

The Cathedral's policy for the acquisition, preservation, management, and disposal of heritage assets is described in Section 24(1) of the Care of Cathedrals Measure 2011.

Note 12 of these financial statements gives further details regarding the age and history of the Cathedral, together with the insured value of the Cathedral buildings and its content.

The Cathedral inventory comprises of purchased and donated items over several centuries and these are retained by the Cathedral for religious, architectural, archaeological, artistic, and historic interest.

Valuation of the Cathedral Inventory is not deemed necessary for the day-to-day operation of the Cathedral. The quantity of items and the diverse nature of the collection would make valuation prohibitively expensive compared with the additional benefits derived by the Cathedral and users of the financial statements. As a result, no value is reported for these assets in the Balance Sheet.

Expenditure which is required to preserve or prevent further deterioration of individual items, is recognised in the Statement of Financial Activities when it is incurred.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

2. Income and endowments

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £
(i) Donations and legacies				
Congregational collections and giving	60,603	-	-	60,603
Donations and fundraising appeals	53,506	10,565	-	64,071
Tax recoverable under Gift Aid	19,431	-	-	19,431
	<u>133,540</u>	<u>10,565</u>	<u>-</u>	<u>144,105</u>
(ii) Grants in support of mission				
Church Commissioners' grants	-	273,651	-	273,651
Other revenue and capital grants	69,887	40,971	-	110,858
	<u>69,887</u>	<u>314,622</u>	<u>-</u>	<u>384,509</u>
(iii) Charges and fees arising in the course of mission				
Facility and other fees	73,248	-	-	73,248
Educational visits	3,986	110	-	4,096
Income from Blackburn Cathedral Trust	5,250	-	-	5,250
Other income	24,483	-	-	24,483
	<u>106,967</u>	<u>110</u>	<u>-</u>	<u>107,077</u>
(iv) Trading and fundraising activities				
Friends of Blackburn Cathedral Music	-	5,802	-	5,802
Gross income of shop and refectory	165,351	-	-	165,351
	<u>165,351</u>	<u>5,802</u>	<u>-</u>	<u>171,153</u>
(v) Investments				
Income from investment property	146,916	-	-	146,916
Car park income	6,700	-	-	6,700
Income from other investments	10,733	4,975	-	15,708
	<u>164,349</u>	<u>4,975</u>	<u>-</u>	<u>169,324</u>
(vi) Other income				
Other income	2,906	-	-	2,906
	<u>2,906</u>	<u>-</u>	<u>-</u>	<u>2,906</u>
	<u>643,000</u>	<u>336,074</u>	<u>-</u>	<u>979,074</u>
	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

2. Income and endowments (cont'd)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Restated 2021 £
(i) Donations and legacies				
Congregational collections and giving	74,804	-	-	74,804
Donations and fundraising appeals	40,012	3,362	250	43,624
Tax recoverable under Gift Aid	21,291	-	-	21,291
Income from Blackburn Cathedral Trust	-	4,500	-	4,500
Legacies	2,093	-	-	2,093
	<u>138,200</u>	<u>7,862</u>	<u>250</u>	<u>146,312</u>
(ii) Grants in support of mission				
Church Commissioners' grants	-	553,253	-	553,253
Heritage Lottery Fund	-	57,542	-	57,542
Other revenue and capital grants	25,000	71,982	-	96,982
Job retention scheme grants	101,509	10,766	-	112,275
	<u>126,509</u>	<u>693,543</u>	<u>-</u>	<u>820,052</u>
(iii) Charges and fees arising in the course of mission				
Facility and other fees	189,330	-	-	189,330
Educational visits	-	1,560	-	1,560
	<u>189,330</u>	<u>1,560</u>	<u>-</u>	<u>190,890</u>
(iv) Trading and fundraising activities				
Votive candles	1,865	-	-	1,865
Friends of Blackburn Cathedral Music	-	7,383	-	7,383
Gross income of shop and refectory	77,225	-	-	77,225
	<u>79,090</u>	<u>7,383</u>	<u>-</u>	<u>86,473</u>
(v) Investments				
Income from investment property	43,005	-	-	43,005
Car park income	7,017	-	-	7,017
Income from other investments	10,460	4,812	-	15,272
	<u>60,482</u>	<u>4,812</u>	<u>-</u>	<u>65,294</u>
(vi) Other income				
Other income	18,311	350	-	18,661
	<u>18,311</u>	<u>350</u>	<u>-</u>	<u>18,661</u>
	<u>611,922</u>	<u>715,510</u>	<u>250</u>	<u>1,327,682</u>
	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

3. Expenditure on:

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £
(i) Raising funds				
Votive candles	434	-	-	434
	<u>434</u>	<u>-</u>	<u>-</u>	<u>434</u>
(ii) Ministry				
Clergy stipends and working expenses	19,235	270,091	-	289,326
Services, music and congregational costs	10,154	2,469	-	12,623
Support costs	25,746	50,890	-	76,636
	<u>55,135</u>	<u>323,450</u>	<u>-</u>	<u>378,585</u>
(iii) Cathedral and precincts upkeep				
Major repairs and restoration	-	40,158	-	40,158
Maintenance and interior upkeep	3,140	15,495	-	18,635
Cathedral insurance	40,783	-	-	40,783
Support costs	154,686	350	-	155,036
	<u>198,609</u>	<u>56,003</u>	<u>-</u>	<u>254,612</u>
(iv) Education and outreach				
Education officer	-	15,033	-	15,033
	<u>-</u>	<u>15,033</u>	<u>-</u>	<u>15,033</u>
(v) Community, parish and congregation				
Music outreach project	190	4,285	-	4,475
Other costs	3,053	-	-	3,053
Support costs	6,131	-	-	6,131
	<u>9,374</u>	<u>4,285</u>	<u>-</u>	<u>13,659</u>
(vi) Other expenditure				
Interest and similar charges payable	40,011	-	-	40,011
Support costs	335,072	10,231	-	345,303
	<u>375,083</u>	<u>10,231</u>	<u>-</u>	<u>385,314</u>
	<u>638,635</u>	<u>409,002</u>	<u>-</u>	<u>1,047,637</u>
	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

3. Expenditure on:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Restated 2021 £
(i) Raising funds				
Votive candles	674	-	-	674
	<u>674</u>	<u>-</u>	<u>-</u>	<u>674</u>
(ii) Ministry				
Clergy stipends and working expenses	9,096	245,965	-	255,061
Services, music and congregational costs	2,797	278,210	-	281,007
Support costs	10,269	26,504	-	36,773
	<u>22,162</u>	<u>550,679</u>	<u>-</u>	<u>572,841</u>
(iii) Cathedral and precincts upkeep				
Major repairs and restoration	-	92,426	-	92,426
Maintenance and interior upkeep	-	25,848	-	25,848
Cathedral insurance	38,442	-	-	38,442
Support costs	74,032	-	-	74,032
	<u>112,474</u>	<u>118,274</u>	<u>-</u>	<u>230,748</u>
(iv) Education and outreach				
Education officer	-	12,994	-	12,994
	<u>-</u>	<u>12,994</u>	<u>-</u>	<u>12,994</u>
(v) Community, parish and congregation				
Music outreach project	777	-	-	777
Other costs	1,745	-	-	1,745
Support costs	6,066	-	-	6,066
	<u>8,588</u>	<u>-</u>	<u>-</u>	<u>8,588</u>
(vi) Other expenditure				
Interest and similar charges payable	20,995	-	-	20,995
Support costs	412,577	16,699	-	429,276
	<u>433,572</u>	<u>16,699</u>	<u>-</u>	<u>450,271</u>
	<u>577,470</u>	<u>698,646</u>	<u>-</u>	<u>1,276,116</u>
	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

4. Support costs

Support costs are allocated to expenditure as follows:

	Direct costs	Support costs	2022 Total	Direct costs	Support costs	2021 Total
	£	£	£	£	£	£
Raising funds	434	-	434	674	-	674
Ministry	301,949	76,636	378,585	536,068	36,773	572,841
Cathedral & precincts upkeep	99,576	155,036	254,612	156,716	74,032	230,748
Education and outreach	15,033	-	15,033	12,994	-	12,994
Community, parish & congregation	7,528	6,131	13,659	2,522	6,066	8,588
Other expenditure on mission	40,011	345,303	385,314	20,995	429,276	450,271
	<u>464,531</u>	<u>583,106</u>	<u>1,047,637</u>	<u>729,969</u>	<u>546,147</u>	<u>1,276,116</u>
	=====	=====	=====	=====	=====	=====

The support costs are made up as follows:

	Unrestricted funds	Restricted funds	2022 Total	Unrestricted funds	Restricted funds	2021 Total
	£	£	£	£	£	£
Administration and finance	358,562	61,471	420,033	161,862	40,400	202,262
Personnel and training	163,073	-	163,073	341,082	2,803	343,885
	<u>521,635</u>	<u>61,471</u>	<u>583,106</u>	<u>502,944</u>	<u>43,203</u>	<u>546,147</u>
	=====	=====	=====	=====	=====	=====

5. Investment income

	Equities	Fixed interest	Variable interest	2022 Total
	£	£	£	£
Dividends receivable	15,708	-	-	15,708
Interest receivable	-	-	906	906
	<u>15,708</u>	<u>-</u>	<u>906</u>	<u>16,614</u>
	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

5. Investment income (cont'd)

	Equities	Fixed interest	Variable interest	2021 Total
	£	£	£	£
Dividends receivable	15,253	-	-	15,253
Interest receivable	-	-	19	19
	<u>15,253</u>	<u>-</u>	<u>19</u>	<u>15,272</u>
	=====	=====	=====	=====

6. Shop and refectory

	Shop	Cathedral catering	2022 Total	Shop	Cathedral catering	2021 Total
	£	£	£	£	£	£
Gross income	2,482	161,365	163,847	-	77,225	77,225
	<u>2,482</u>	<u>161,365</u>	<u>163,847</u>	<u>-</u>	<u>77,225</u>	<u>77,225</u>
Opening stock	-	4,110	4,110	1,020	-	1,020
Purchases	-	60,984	60,984	-	28,033	28,033
	<u>-</u>	<u>65,094</u>	<u>65,094</u>	<u>1,020</u>	<u>28,033</u>	<u>29,053</u>
Closing stock	-	(5,191)	(5,191)	-	(4,110)	(4,110)
	<u>-</u>	<u>59,903</u>	<u>59,903</u>	<u>1,020</u>	<u>23,923</u>	<u>24,943</u>
Gross costs	-	90,923	90,923	-	129,724	129,724
Salaries	-	38,308	38,308	-	18,570	18,570
Administrative expenses	-	189,134	189,134	1,020	172,217	173,237
	<u>-</u>	<u>189,134</u>	<u>189,134</u>	<u>1,020</u>	<u>172,217</u>	<u>173,237</u>
Other income	-	4,193	4,193	-	101,509	101,509
Net (deficit)/surplus	<u>2,482</u>	<u>(23,576)</u>	<u>(21,094)</u>	<u>(1,020)</u>	<u>6,517</u>	<u>5,497</u>
	=====	=====	=====	=====	=====	=====

7. Staff costs

The average number of paid employees during the year was as follows:

	2022 Number	2021 Number
Clerical - full time	2	3
Lay - full time	9	11
Lay - part time	13	17
	<u>24</u>	<u>31</u>
	=====	=====
Part time employees equivalent FTE's	<u>4</u>	<u>6</u>
	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

7. Staff costs (cont'd)

	2022	2021
	£	£
Salaries and stipends	453,438	459,276
Redundancy and Severance payments	20,617	2,082
Employer's national insurance	38,799	34,151
Employer's contributions to defined contribution pension schemes	11,016	8,897
Operating costs of defined benefit pension schemes	29,173	37,593
	<u>553,043</u>	<u>541,999</u>
	=====	=====

There are no employees receiving remuneration in excess of £60,000 per annum.

The Church Commissioners funded £29,173 (2021: £37,593) of pension contributions for members of Chapter. The Cathedral also contributed £11,016 (2021: £8,897) into money purchase pension arrangements for employees.

8. Chapter costs (key management personnel)

Four members of Chapter are remunerated for their services as authorised by the Cathedrals Measure 1999 and the Cathedral constitution, the remuneration (including pension contributions are paid in accordance with scales laid down annually by the Church Commissioners and the Church of England Pensions Board).

The four members received emoluments during the year as follows:

	2022	2021
	£	£
Stipends		
The Very Revd. P Howell-Jones	37,954	37,670
Revd. Canon Dr R Pailing	20,800	27,889
Revd. Canon A D Hindley	-	10,377
Revd. Canon G O'Neill	45,675	45,000
Revd. Canon J Lawrence	-	-
	<u>104,429</u>	<u>120,936</u>
	=====	=====
Employer's pension contributions		
The Very Revd. P Howell-Jones	11,677	12,539
Revd. Canon Dr R Pailing	6,944	10,031
Revd. Canon A D Hindley	-	4,991
Revd. Canon G O'Neill	9,341	10,031
Revd. Canon J Lawrence	1,211	-
	<u>29,173</u>	<u>37,592</u>
	=====	=====
Employer's national insurance	11,113	11,644
	<u>144,715</u>	<u>170,172</u>
	=====	=====

In addition, these members received reimbursed expenses of £2,997 (2021: £2,836).

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

9. Auditors' remuneration

	2022	2021
	£	£
Audit	18,509	14,500
Non-audit services	4,440	-
	<u>22,949</u>	<u>14,500</u>
	=====	=====

10. Investment property

Consolidated and Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Valuation	-	-	483,400	483,400	483,400
	<u>-</u>	<u>-</u>	<u>483,400</u>	<u>483,400</u>	<u>483,400</u>
At 31 December 2022	-	-	483,400	483,400	483,400
	=====	=====	=====	=====	=====

Church House was valued as at 31 December 2022 by the Chairman of the Fabric Advisory Committee.

11. Investments

Consolidated and Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Market value at 1-1-22	228,249	189,597	124,458	542,304	478,099
Net increase/(decrease) on revaluation	(23,547)	(22,318)	(14,238)	(60,103)	64,205
	<u>204,702</u>	<u>167,279</u>	<u>110,220</u>	<u>482,201</u>	<u>542,304</u>
	=====	=====	=====	=====	=====
	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
CCLA Investment funds	204,702	167,279	107,112	479,093	539,196
UK listed	-	-	3,108	3,108	3,108
	<u>204,702</u>	<u>167,279</u>	<u>110,220</u>	<u>482,201</u>	<u>542,304</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

12. Cathedral building and Inventory

In accordance with the guidelines for Accounting and Reporting Regulations for English Anglican Cathedrals, the Cathedral building, and Inventory are not included in the financial statements.

The building dates from 1824 and was extended in the twentieth century. Cathedral Court was added in 2016.

The Cathedral building and its contents have an insured value of £27,100,000 (2021: £27,100,000).

13. Non-Investment Property

Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Net book value at 1-1-22	-	-	3,050,600	3,050,600	3,050,600
Revaluation of properties	-	-	-	-	-
	-----	-----	-----	-----	-----
Net book value at 31-12-22	-	-	3,050,600	3,050,600	3,050,600
	=====	=====	=====	=====	=====

Non-investment freehold properties are held and used as follows:

	2022 Total £	2021 Total £
For Cathedral activities	971,600	971,600
For clergy and staff housing	2,079,000	2,079,000
	-----	-----
	3,050,600	3,050,600
	=====	=====

Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Net book value at 1-1-22	-	-	3,050,600	3,050,600	3,050,600
Revaluation of properties	-	-	-	-	-
	-----	-----	-----	-----	-----
Net book value at 31-12-22	-	-	3,050,600	3,050,600	3,050,600
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

13. Non-Investment Property (cont'd)

Non-investment freehold properties are held and used as follows:

	2022 Total £	2021 Total £
Currently vacant	255,000	255,000
For Cathedral activities	716,600	716,600
For clergy and staff housing	2,079,000	2,079,000
	<u>3,050,600</u>	<u>3,050,600</u>
	=====	=====

The Cathedral Court project was completed in 2017 and funded from various sources including the sale of endowed property and Government grants. The sale of the property would therefore require the permission of the Church Commissioners hence the Chapter have treated the whole property as endowed. Part of the property is leased to tenants and this element is included within investment property. Chapter have elected to reflect the property at market value in accordance with the Cathedral Measure and as such the property was valued by Mr. R Prest, Chairman of the Fabric Advisory Committee at 31 December 2018 on an open market basis.

On completion of the project the existing Cathedral offices (within Church House) were vacated and remain vacant, and the Chapter are still considering the future use of the whole property for rental purposes. This property was also valued by Mr. R Prest, Chairman of the Fabric Advisory Committee at 31 December 2018 on an open market basis.

14. Equipment and plant

Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Net book value at 1-1-22	229,676	-	-	229,676	250,566
Additions	1,764	-	-	1,764	33,663
Depreciation for the year	(54,527)	-	-	(54,527)	(54,553)
	<u>176,913</u>	<u>-</u>	<u>-</u>	<u>176,913</u>	<u>229,676</u>
	=====	=====	=====	=====	=====
Cost	554,313	-	-	554,313	554,071
Depreciation	(377,400)	-	-	(377,400)	(324,395)
	<u>176,913</u>	<u>-</u>	<u>-</u>	<u>176,913</u>	<u>229,676</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

14. Equipment and plant (cont'd)

Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Net book value at 1-1-22	229,160	-	-	229,160	249,548
Additions	1,764	-	-	1,764	33,663
Depreciation for the year	(54,023)	-	-	(54,023)	(54,051)
	-----	-----	-----	-----	-----
Net book value at 31-12-22	176,901	-	-	176,901	229,160
	=====	=====	=====	=====	=====
Cost	554,313	-	-	554,313	552,551
Depreciation	(377,412)	-	-	(377,412)	(323,391)
	-----	-----	-----	-----	-----
Net book value at 31-12-22	176,901	-	-	176,901	229,160
	=====	=====	=====	=====	=====

15. Stocks

Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Goods for sale in shop and catering	36,506	-	-	36,506	11,372
	-----	-----	-----	-----	-----
	36,506	-	-	36,506	11,372
	=====	=====	=====	=====	=====

Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Goods for sale in shop and catering	3,315	-	-	3,315	7,262
	-----	-----	-----	-----	-----
	3,315	-	-	3,315	7,262
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

16. Debtors

Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Accounts receivable	30,366	-	-	30,366	14,824
Income tax refunds	1,774	-	-	1,774	27,811
Prepayments	43,447	-	-	43,447	118,542
Other debtors	29,997	8,127	-	38,124	458,515
	<u>105,584</u>	<u>8,127</u>	<u>-</u>	<u>113,711</u>	<u>619,692</u>
	=====	=====	=====	=====	=====

Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Accounts receivable	23,376	-	-	23,376	14,578
Amounts due from group					
Companies	59,751	-	-	59,751	55,135
Income tax refunds	1,774	-	-	1,774	1,995
Prepayments	39,530	-	-	39,530	39,017
Other debtors	13,907	8,127	-	22,034	8,362
	<u>138,338</u>	<u>8,127</u>	<u>-</u>	<u>146,465</u>	<u>119,087</u>
	=====	=====	=====	=====	=====

17. Creditors

Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Accounts payable	141,758	-	-	141,758	129,224
Tax and social security	27,591	-	-	27,591	170,063
Accruals and deferred income	68,848	-	245,973	314,821	475,901
Other Creditors	3,691	2,220	-	5,911	-
Loans from Church			91,797	91,797	
	<u>241,888</u>	<u>2,220</u>	<u>337,770</u>	<u>581,878</u>	<u>775,188</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

17. Creditors (cont'd)

Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Accounts payable	86,342	-	-	86,342	75,167
Amounts due to group companies	-	-	203,843	203,843	199,112
Tax and social security	16,415	-	-	16,415	11,756
Accruals and deferred income	64,776	-	61,761	126,537	159,185
Other Creditors	3,693	2,220	-	5,913	-
Loans from Church Commissioners	-	-	91,797	91,797	-
	<u>171,226</u>	<u>2,220</u>	<u>357,401</u>	<u>530,847</u>	<u>445,220</u>
	=====	=====	=====	=====	=====

Amounts due to Blackburn Cathedral Developments relate to amounts owed from Chapter for the final settlement reached with the main contractor. The balance is shown as due less than one year due to no formal agreement being in place between Blackburn Cathedral Developments and Blackburn Cathedral Chapter for the repayment of these amounts.

The Church Commissioners value linked loan is repayable in July 2023, together with the entitlement of the Church Commissioners to 22.5% of the proceeds from the sale of the underlying property, the property having been disposed of in 2016 to facilitate the funding of the Cathedral Court. The sum repayable to the Church Commissioners will be the redemption sum as at the point of sale of the underlying property plus RPI from that time until the date of redemption. Interest is charged on the loan at 6.84% per annum.

18. Creditors due after more than one year

Consolidated and Chapter

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total £	2021 Total £
Loans from Church Commissioners	-	-	-	-	91,797
Other loans	-	-	250,000	250,000	250,000
Loans from Diocesan Board of Finance	-	-	418,000	418,000	418,000
	<u>-</u>	<u>-</u>	<u>668,000</u>	<u>668,000</u>	<u>759,797</u>
	=====	=====	=====	=====	=====
Loan maturity analysis					
Between one and two years	-	-	250,000	250,000	341,797
Between two and five years	-	-	418,000	418,000	418,000
	<u>-</u>	<u>-</u>	<u>668,000</u>	<u>668,000</u>	<u>759,797</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

18. Creditors due after more than one year (cont'd)

The Diocesan Board of Finance loan of £418,000 is repayable over a maximum period of 10 years from July 2014. Interest is charged on the loan at 0.5% above the rate charged by CCLA.

19. Endowment funds

Consolidated

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
Property Funds					
- Property fund	2,038,002	-	-	-	2,038,002
Property Maintenance Funds					
- H C Haworth fund	79,971	-	-	(8,498)	71,473
Choral Funds					
- The Chadwick Memorial fund	481	-	-	-	481
- Choristers' endowment fund	31,853	-	-	(3,794)	28,059
General Purposes Funds					
- St Paul's School fund	1,560	-	-	(183)	1,377
- General Purposes fund	30,278	-	-	(1,763)	28,515
	<u>2,182,145</u>	<u>-</u>	<u>-</u>	<u>(14,238)</u>	<u>2,167,907</u>
	=====	=====	=====	=====	=====

Chapter

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
Property fund	2,066,002	-	-	-	2,066,002
Property Maintenance Funds					
- H C Haworth fund	79,971	-	-	(8,498)	71,473
Choral Funds					
- The Chadwick Memorial fund	481	-	-	-	481
- Choristers' endowment fund	31,853	-	-	(3,794)	28,059
General Purposes Funds					
- St Paul's School fund	1,560	-	-	(183)	1,377
- General Purposes fund	30,278	-	-	(1,763)	28,515
	<u>2,210,145</u>	<u>-</u>	<u>-</u>	<u>(14,238)</u>	<u>2,195,907</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

2021 Endowment Funds

Consolidated	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
Property Funds					
- Property fund	2,038,002	-	-	-	2,038,002
- Property Maintenance Funds					
- H C Haworth fund	70,929	-	-	9,042	79,971
Choral Funds					
- The Chadwick Memorial fund	481	-	-	-	481
- Choristers' endowment fund	27,816	-	-	4,037	31,853
General Purposes Funds					
- St Paul's School fund	1,365	-	-	195	1,560
- General Purposes fund	28,154	250	109	1,765	30,278
	<u>2,166,747</u> =====	<u>250</u> =====	<u>109</u> =====	<u>15,039</u> =====	<u>2,182,145</u> =====
Chapter	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
Property Funds					
- Property fund	2,066,002	-	-	-	2,066,002
- Property Maintenance Funds					
- H C Haworth fund	70,929	-	-	9,042	79,971
Choral Funds					
- The Chadwick Memorial fund	481	-	-	-	481
- Choristers' endowment fund	27,816	-	-	4,037	31,853
General Purposes Funds					
- St Paul's School fund	1,365	-	-	195	1,560
- General Purposes fund	28,154	250	109	1,765	30,278
	<u>2,194,747</u> =====	<u>250</u> =====	<u>109</u> =====	<u>15,039</u> =====	<u>2,210,145</u> =====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

20. Restricted funds

Consolidated

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
Property Funds					
- Columbarium fund	350	-	(350)	-	-
- 'The Journey' fund	6,429	-	-	(6,429)	-
- WW1 memorial fund	8,313	-	-	(8,313)	-
- Duchy of Lancaster	8,436	-	-	(8,436)	-
Property Maintenance Funds					
- Repair fund	188,360	3,715	(16,425)	(16,667)	158,983
- Building fund	320	-	(320)	-	-
- Heritage lottery fund	-	-	-	-	-
- Culture Recovery fund	2,032	2,456	(4,488)	-	-
- Clergy house fund	32,803	-	(32,803)	-	-
Choral Funds					
- J Smethurst fund	175	-	(175)	-	-
- Walmsley Legacy	4,000	-	(4000)	-	-
General Funds					
- Vestments fund	1,905	47	-	(212)	1,740
- FOBCM fund	31,099	6,866	(20,131)	-	17,834
- Music Outreach Project	109	-	(109)	-	-
- Thornber Music fund	61,284	12,353	(1,066)	(4,730)	67,841
- Blackburn Cathedral Trust	-	-	-	-	-
- Jackson legacy fund	7,085	158	(6,534)	(709)	-
- The Education Officer fund	18,345	-	-	(18,345)	-
- D Barker Memorial bench fund	1,120	-	-	(1,120)	-
- M Emery memorial fund	1,403	-	-	(1,403)	-
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	96,398	310,479	(322,601)	(19,183)	65,093
	<u>477,030</u>	<u>336,074</u>	<u>(409,002)</u>	<u>(85,547)</u>	<u>318,555</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

Restricted funds (cont'd)

Chapter	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
Property Funds					
- Columbarium fund	350	-	(350)	-	-
- 'The Journey' fund	6,429	-	-	(6,429)	-
- WW1 memorial fund	8,313	-	-	(8,313)	-
- Duchy of Lancaster	8,436	-	-	(8,436)	-
Property Maintenance Funds					
- Repair fund	188,360	3,715	(16,425)	(16,667)	158,983
- Building fund	320	-	(320)	-	-
- Heritage lottery fund	-	-	-	-	-
- Culture Recovery fund	2,032	2,456	(4,488)	-	-
- Clergy house fund	32,803	-	(32,803)	-	-
Choral Funds					
- J Smethurst fund	175	-	(175)	-	-
- Walmsley Legacy	4,000	-	(4,000)	-	-
General Funds					
- Vestments fund	1,905	47	-	(212)	1,740
- FOBCM fund	31,099	6,866	(20,131)	-	17,834
- Music Outreach Project	109	-	(109)	-	-
- Thornber Music fund	61,284	12,353	(1,066)	(4,730)	67,841
- Jackson legacy fund	7,085	158	(6,534)	(709)	-
- The Education Officer fund	18,345	-	-	(18,345)	-
- D Barker Memorial bench fund	1,120	-	-	(1,120)	-
- M Emery memorial fund	1,403	-	-	(1,403)	-
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	77,215	310,479	(322,601)	-	65,093
	<u>457,847</u> =====	<u>336,074</u> =====	<u>(409,002)</u> =====	<u>(66,364)</u> =====	<u>318,555</u> =====

The Thornber Music Fund and the FOBCM are being applied towards various musical objectives, including the promotion and performance of music to the highest attainable standard.

The Walmsley Legacy was provided in memory of Keith and Barbara Walmsley, to be used for Chorister education.

The Margaret Kay Gift is to be used for items contributing to the adornment of Blackburn Cathedral, particularly furniture. As part of this work a refurbishment of the Bromsgrove Guild War Memorial has been undertaken.

Other restricted funds principally represent the grant received from the Church Commissioners which funds stipends and salaries.

The Repair Fund will be used for repairs to the cathedral building and fabrics, including some related professional fees.

The Vestments Fund will be used for the repair and replacement of clergy vestments.

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

Restricted funds (cont'd)

2021 Restricted Fund

Consolidated

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
Property Funds					
- Columbarium fund	-	350	-	-	350
- 'The Journey' fund	6,429	-	-	-	6,429
- WW1 memorial fund	8,313	-	-	-	8,313
- Duchy of Lancaster	8,436	-	-	-	8,436
Property Maintenance Funds					
- Repair fund	167,046	3,593	-	17,721	188,360
- Building fund	320	-	-	-	320
- Culture Recovery fund	6,706	93,011	(77,019)	(20,666)	2,032
- Clergy house fund	32,803	-	-	-	32,803
Choral Funds					
- J Smethurst fund	175	-	-	-	175
- Walmsley Legacy	4,000	-	-	-	4,000
General Funds					
- Vestments fund	1,634	46	-	225	1,905
- FOBCM fund	27,833	7,383	(4,117)	-	31,099
- Music Outreach Project	504	-	(395)	-	109
- Thornber Music fund	55,235	1,020	-	5,029	61,284
- Jackson legacy fund	6,178	153	-	754	7,085
- The Education Officer fund	14,255	17,084	(12,994)	-	18,345
- D Barker Memorial bench fund	1,120	-	-	-	1,120
- M Emery memorial fund	1,403	-	-	-	1,403
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	22,390	592,870	(588,806)	69,944	96,398
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	371,844	715,510	(683,331)	73,007	477,030
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

Restricted funds (cont'd)

2021 Restricted Fund

Chapter

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
Property Funds					
- Columbarium fund	-	350	-	-	350
- 'The Journey' fund	6,429	-	-	-	6,429
- WW1 memorial fund	8,313	-	-	-	8,313
- Duchy of Lancaster	8,436	-	-	-	8,436
Property Maintenance Funds					
- Repair fund	167,046	3,593	-	17,721	188,360
- Building fund	320	-	-	-	320
- Culture Recovery fund	6,706	93,011	(77,019)	(20,666)	2,032
- Clergy house fund	32,803	-	-	-	32,803
Choral Funds					
- J Smethurst fund	175	-	-	-	175
- Walmsley Legacy	4,000	-	-	-	4,000
General Funds					
- Vestments fund	1,634	46	-	225	1,905
- FOBCM fund	27,833	7,383	(4,117)	-	31,099
- Music Outreach Project	504	-	(395)	-	109
- Thornber Music fund	55,235	1,020	-	5,029	61,284
- Jackson legacy fund	6,178	153	-	754	7,085
- The Education Officer fund	14,255	17,084	(12,994)	-	18,345
fund	1,120	-	-	-	1,120
- M Emery memorial fund	1,403	-	-	-	1,403
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	(18,034)	592,870	(588,806)	91,185	77,215
	<u>331,420</u>	<u>715,510</u>	<u>(683,331)</u>	<u>94,248</u>	<u>457,847</u>
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Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

21. Unrestricted funds

Consolidated

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
General funds	688,533	643,000	(638,256)	39,304	732,581
Designated funds					
- Fixed asset funds	229,159	-	-	-	229,159
	<u>917,692</u>	<u>643,000</u>	<u>(638,256)</u>	<u>39,304</u>	<u>961,740</u>
	=====	=====	=====	=====	=====

Chapter

	At 1 January 2022 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2022 £
General funds	550,682	472,960	(426,580)	20,119	617,181
Designated funds					
- Fixed asset funds	229,159	-	-	-	229,159
	<u>779,841</u>	<u>472,960</u>	<u>(426,580)</u>	<u>20,119</u>	<u>846,340</u>
	=====	=====	=====	=====	=====

2021 Unrestricted funds

Consolidated

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
General funds	672,958	611,922	(538,843)	(57,504)	688,533
Designated funds					
- Fixed asset funds	249,548	-	(54,052)	33,663	229,159
	<u>922,506</u>	<u>611,922</u>	<u>(592,895)</u>	<u>(23,841)</u>	<u>917,692</u>
	=====	=====	=====	=====	=====

Chapter

	At 1 January 2021 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2021 £
General funds	456,182	438,633	(355,293)	11,160	550,682
Designated funds					
- Fixed asset funds	249,548	-	(20,389)	-	229,159
	<u>705,730</u>	<u>438,633</u>	<u>(375,682)</u>	<u>11,160</u>	<u>779,841</u>
	=====	=====	=====	=====	=====

Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2022

Notes to the Accounts (cont'd)

22. Pension schemes

The Chapter also contributes to defined contribution stakeholder pension schemes for selected employees in addition to those disclosed in Note 8. The contributions for the year totaled £8,489 (2021: £5,285) and there were no contributions outstanding at the year end.

23. Related entities

Blackburn Cathedral Developments, a company limited by guarantee, is controlled by the Chapter. The results and balance sheet of the company are consolidated in these accounts. The company made a deficit of £20,540 (2021: £102,903) during the year, and had net assets of £176,558 (2021: £197,097) at 31 December 2022. The accounts of the company include income from the Cathedral of £2,000 (2021: £20,904). Included within creditors on the Chapter's own balance sheet is £263,948 (2021: £308,160) owed to Blackburn Cathedral Developments. Blackburn Cathedral Developments made purchases of £nil (2021: £6,000) from a company connected to a member of the Cathedral Chapter.

Blackburn Cathedral Enterprises Limited is a company limited by shares and is controlled by the Chapter. The results and balance sheet of the company are consolidated in these accounts. The company made a deficit of £21,904 (2021: surplus of £5,497) during the year, and had net liabilities of £58,397 (2021: £37,303) at 31 December 2022. The accounts of the company include income from the Cathedral of £163,847 (2021: £7,012). Included within debtors on the Chapter's own balance sheet is £59,750 (2021: £51,165) owed from Blackburn Cathedral Enterprises Limited.

The Chapter also paid £2,525 to a company connected to a member of the Cathedral Chapter for accountancy services.

The Friends of Blackburn Cathedral and Blackburn Cathedral Trust operate independently of the Chapter but are wholly for the benefit of the Cathedral. Income receivable from these entities in the financial statements.

	The Friends of Blackburn Cathedral		Blackburn Cathedral Trust	
	2021	2022	2021	2022
	£	£	£	£
Gross income	2,505	7,210	40,141	38,883
Net income before				
payments to Cathedral	307	7,210	25,532	44,188
Paid to Cathedral	25,250	6,534	17,524	79,230
Gross assets	162,465	156,198	151,965	151,986
Net assets	158,615	159,290	148,388	150,526
Amounts owed (to)/from				
Blackburn Cathedral				
Chapter	-	-	(1,125)	-

The financial statements of the Friends of Blackburn Cathedral, from which these figures are extracted, are unaudited but did receive an independent examination. The examiner found no matters to which he wished to draw attention.

The financial statements of the Blackburn Cathedral Trust, from which these figures are extracted are unaudited but did receive an independent examination in 2022. The examiner found no matters to which they wished to draw attention. The 2022 figures are extracted from draft accounts yet to be subject to Independent Examination.