



# ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

**For the year ended 31 December 2023**

Blackburn Cathedral Chapter

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

## Legal and Administrative Information

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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:  
Canon G O'Neill (Resigned December 2023)  
Canon J Lawrence

Appointed by the College of Canons  
Canon DP Gascoigne FCA

Bishop's Appointees:  
Mrs. M McClintock  
Mr. K Roberts FCA

Representative of the Bishop's Council:  
Lady E Alton  
Canon A S Horsfall

Appointees of the Cathedral Community:  
Mr. P Mason (Resigned July 2023)

Chapter Clerk Mr. I White (Appointed February 2023)

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. K Roberts FCA  
Mr. D. Gascoigne FCA

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

## Legal and Administrative Information (continued)

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Fabric Advisory  
Committee:

Mr. R Prest (Chair. Resigned October 2023)  
Canon P Cavanagh (Retired June 2023)  
Mr. A Croston (Resigned October 2023)  
Mrs. E Birkett (Appointed Chair October 2023)  
Mr. C. O Flaherty  
Mr. I. Wilson

Cathedral Architect:

Ms. L Priestman  
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

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

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# Blackburn Cathedral Chapter

Annual Report

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## Chapter's Report

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

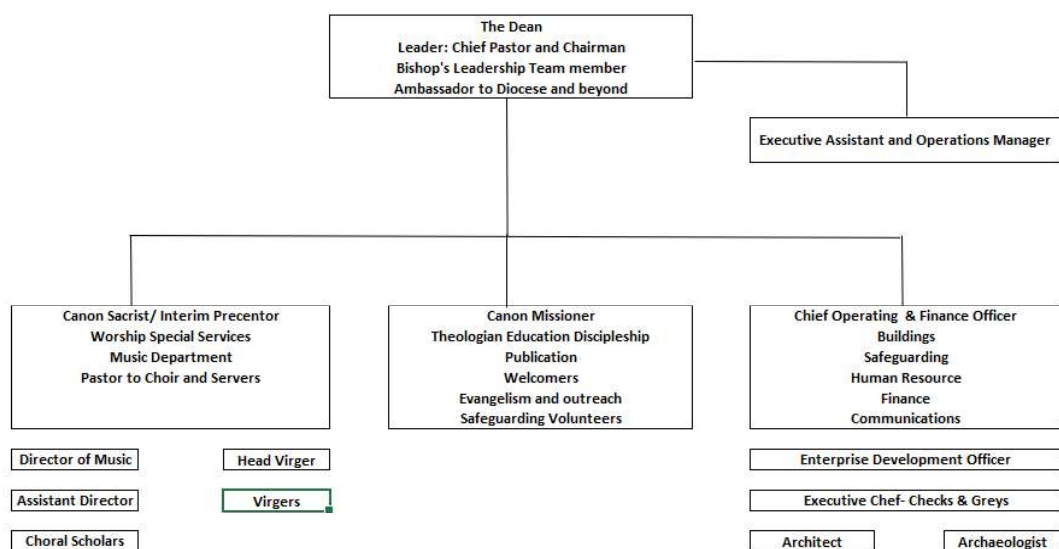
#### Governing Statute

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 Executive 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

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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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	Congregation Member
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 MBE	Cathedral Chapter
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 Council was formally dissolved in November 2023 in accordance with implementation of the new Cathedrals Measure.

### **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 2023

## Chapter's Report (cont'd)

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### **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

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).

### **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 and Pastoral Care Team who visit the sick and housebound.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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### OUR VISION

The Cathedral's Strategic Plan 2019-2024 celebrates 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; music outreach activity; curriculum-related school visits; 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

A sense of change and renewal at the Cathedral brought new vitality to the fulfilment of its vision during 2023. We gratefully thank the Dean for his energy and determination to lead the Cathedral towards a strong future that will include registration with the Charity Commission and the Cathedral's centenary.

### WORSHIP AND SERVICE

The year began with the proclamation of Bishop Philip North as our 10<sup>th</sup> Diocesan bishop, and his installation took place with all due ceremony at a Eucharist of the Holy Spirit on 24 June. He has stated that he is committed to continuing the growth of the church in Lancashire, to the church being an ever-stronger voice for justice, and to placing children and young people at the heart of all that we do. A procession of young mini bishops during his installation, wearing individual paper mitres, was a lively symbol of this third objective.



# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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Other special services included the Coronation Choral Evensong held on the Fifth Sunday of Easter and the day after the Coronation of HM The King, and a choral evensong on the Fifth Sunday after Trinity that was dedicated to Lord Shuttleworth. He and Lady Shuttleworth have been magnificent supporters of the Cathedral throughout his long Lord Lieutenancy.

The flower arrangers continue to enhance the beauty of the Cathedral and receive many words of encouragement by congregation members and visitors. They are grateful for the donations they receive and for the discount by a local florist for displays that contribute to the Cathedral's offering of praise to God.

In the Canon Missioner's first full year in post, the development of the Cathedral congregations' discipleship has been a priority, with home bible study groups held throughout the year and two study courses in the autumn. Revd Canon James Lawrence also designed a sermon series for the clergy team on the Epistle to the Romans, chapters 5-8, and himself preached at parishes in Burnley and Accrington. There were three baptisms and five confirmations. A Refugee Week conference was hosted in the Crypt, and the Cathedral co-hosted a "Re-imagining living well" conference with the town at Ewood Park football ground, with Bishop James Newcombe of Carlisle as a speaker.

One important aspiration faltered. Canon Lawrence had proposed that Church House be investigated as the location for a Community Centre that would serve the needs of the town and become a hub for social action in Blackburn. He garnered widespread support for this idea from local charities and local government, and thirty volunteers spent a summer's day cleaning and clearing the building in preparation. Unfortunately, Church House presented structural problems that proved insurmountable, and the project stalled.

Other initiatives fared better. The Cathedral worked with a local company, R52 at Burnley, to develop the crucially important web site for a 2024 launch, alongside new interpretative signage designed to inform visitors better while provoking discussion about the Christian faith. Another highlight was the development of a Christian chaplaincy at Blackburn College for the first time in years, in partnership with St Luke's at Blackburn. A Contemporary Carol service was held at the campus in December.

The Music Department continues to grow from strength to strength under its Director, Mr John Robinson. The Revd Canon Gary O'Neill stepped down from his role as Interim Precentor in the autumn, giving an opportunity to put on record his achievements in many areas of the Cathedral's musical life. These include the choir's mixed top line with a broader and more demanding repertoire, a strong back row, changes in the positioning of liturgical furnishings to make music-making easier and less stressful, and successful live-streamed services. With his help, the Lantern Music Trust also got off the ground as a significant legacy for a future that looks bright with the appointment at the end of the year of Revd Dr Jenny Gaffin as permanent Canon Precentor. Canon O'Neill also led work on the Liturgical Plan, "Gathering Round the Table". The final report detailed all the liturgical arrangements during the life of the Cathedral and made recommendations about how they might work in the future, with a particular emphasis on the Sanctuary. The report was approved as work in progress by the Chapter in September.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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The new music administrator, Ms Abigail Birch-Price, has brought both a Cambridge music degree and an MA in arts management. She is enthusiastic about women composers and organised events around International Women's Day from a tiny budget, as well as increasing the audiences at major music events through her use of social media. The junior choral scholars are increasingly assured, with one of them about to leave to read for a degree in music. The Cathedral youth choir continues to thrive under Ms Helen Davies, with new singers joining alongside ex-choristers. St Paul's Voices, the voluntary choir, has grown under the kind guidance of the organist in residence, Mr John Hosking, with people travelling significant distances to be involved. Dr John Bertalot continues to produce *Music and More*, the envy of the music world, and he has welcomed the revolution in streaming with open arms. Overall, the Director of Music finds joy in directing music in a situation where it is supported so keenly and so expertly.

The Ringing Master, Mr Ray Hutchings, was pleased to welcome new recruits to the tower. Three existing learners all scored quarter peals, and there were regular visitors from St Silas and Oswaldtwistle. A Cambridge S Major was rung for the Candlemas Eucharist and as a celebration of the life of Mr John Halliwell, former chorister and Ringing Master from 1957 to 1967, while a Plain Bob Major marked Mothering Sunday and the memory of Mrs Jean Barnes. There was open ringing for the Coronation in May and Steadman Doubles for the installation of Bishop Philip in June. These are just a few of the highlights of a year in which there was ringing on 45 Sundays, with well-supported Thursday practices.

The Education Department maintains a focus that reflects its important place within the missional life of the Cathedral. Visits are made from every educational level and age group. Mrs Sian Howell-Jones is in touch with Mr Iain Parkes, the new Diocesan Head of Education, and through him to the advisors. A contact has been made with a second mosque, and the floor was shared with a Jewish colleague from Manchester at a Blackburn primary school panel. The total number of visits and visitors has remained steady, while income has almost doubled. Feedback is strongly positive; for example, gratitude from one visit recalled the warm welcome and ideal introduction that led to an excellent trail, and to "tangible generosity in terms of the resources invested and the kind volunteers who staffed the activities".

### **GOVERNANCE AND FINANCE**

A key task for the Chapter throughout the year was to undertake the work necessary for the Cathedral to fulfil the Charity Commission provisions for the purposes of the Cathedrals Measure 2021, and to become the sole governing body of the institution. This endeavour included intensive discussion of the template constitution and statutes provided for the Chapter's consideration, with valuable guidance and facilitation from Mr David Bilton of Newcastle Cathedral, followed by a re-consideration of major policy documents and the establishment of a new committee structure. The Council held its final meeting on 16 November, at the conclusion of which its chairman signed a document that laid it down, and the full and final submission for Charity Commission registration was completed by the end of the year.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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The Chapter was delighted to welcome Mr Ian White in February as the new Chief Operating Officer and Chapter Clerk. Not only has he set high standards of effectiveness and efficiency across all areas of Cathedral operations and governance, but he is also welcomed as a world-class singer in the choir, with a passion for choral music that he passes on to younger singers.

Other staffing changes included the resignation of Mr Mark Pickering, a well-known face to many as the Head Virger for over twenty years. External advertisement and interview led to the appointment of Mr Alex Barnes as his successor.

Mr White's arrival allowed various initiatives to move forward with renewed energy. He facilitated the Chapter's away day on 5 July that was spent in an examination of the Cathedral's strategic vision in the context of its approaching centenary in 2026. Every facet of the Cathedral's mission and operations came under scrutiny, with a consequential Strategy Plan for 2024-27, discussed and approved by the Chapter, that sets the agenda across all the areas of its business. The Church Commissioners agreed to fund a campaign manager to work up the funding and support for the centenary, an appointment that was approved by the end of the year. The Cathedral and the Diocese were able to share their approaches to a centenary that marks the foundation of both Diocese and Cathedral, with the intention that the events for this special occasion will be jointly agreed and synchronised.

The report of the Lessons Learned Review, commissioned by Bishop Julian Henderson, was issued in October 2022. Procedural issues delayed consideration of its findings but following a meeting at Bishop's House with Bishop Philip North on 5 October, the Chapter was able to discuss its findings and make a response, jointly with Bishop Philip, that was approved for publication. The statement apologises unreservedly for the pain and distress of failures in safeguarding practices across Blackburn Diocese and at Blackburn Cathedral over an extended period, and makes recommendations about: (1) commitment to robust whistleblowing; (2) strengthening of Chapter governance structures, policies and procedures; (3) cultural change towards more effective and efficient safeguarding; (4) contributions towards work within the Church of England leading improved national policies; and (5) investment in partnerships with relevant statutory and other organisations. The statement concludes by a renewed commitment to the Seven Principles of Public Life and to making the Cathedral a safer place for all and the joyful proclamation of the good news about Jesus Christ. The full text is on the web site.

Ms Carolyn Johnson took on the independent chairing of the Cathedral Safeguarding Management Group, with Ms Jenny Price continuing as Cathedral Safeguarding Officer. Ms Catherine Smith, the new Diocesan Safeguarding Adviser and a member, with the Dean, of the Diocesan Safeguarding Advisory Panel, was welcomed. Items on the group's agenda, besides the Lessons Learned Review, have included the development of national safeguarding standards, the updating and completion of the contract for Cathedral Safeguarding Advisers, and the drafting of a Low-Level Concerns policy. Because part of the group's work included the national Independent Inquiry into Child Sexual Abuse, it explored the impact of Recommendation 8, about the strengthening of Cathedral Safeguarding Advisers to become officers, independently supervised by a member of the National Safeguarding Team. The group also looked at Recommendation 1, that proposes the Church of England should continue its programme of independent safeguarding audits. The Cathedral's last audit was in 2019 and preparation of a Safeguarding Strategy Plan for the next audit in 2025 has already begun.

# Blackburn Cathedral Chapter

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For the year ended 31 December 2023

## Chapter's Report (cont'd)

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The Cathedral's Finance Committee held regular meetings throughout the year with reports to the Council that enabled careful discussions of key issues to take place. Because some long-standing debts have been discharged, the level of interest payments has shown a welcome decline, and while the generation of income remains as a major issue, the institution's finances are stable and no longer prone to unwelcome surprises. Checks and Grays achieved a full year of bookings by external organisation for the first time, a milestone that together with internal event income gave additional confidence and provides a base line for further growth. Overall café revenue increased, and challenging budgets were reached, with ongoing efforts to increase profitability further. Funding was secured for an outdoor courtyard development that includes a canopied area, bicycle racks and a small playground, giving back to the community as well as drawing in more customers.

The Friends of Blackburn Cathedral held six meetings, including an annual general meeting in July that concluded with a choral evensong. At the October Council meeting Bishop Philip was presented with a copy of a 1695 map by Robert Marsden of the area covered by the Diocese, and on Advent Sunday the Friends hosted a reception for all the congregation who attended. The Friends donated over £27,000 to the Cathedral during the year, including further funding for the restoration of 'Healing of the Nation', streaming equipment and improvement of the public announcement sound and loop system, the purchase of banqueting tables and chairs for use in the Crypt, and donations to the flower arrangers. A display board that will show all the Friends' donations from 2012 onwards is being organised.

Considerable progress was made during the year on the Cathedral's fabric, and the Chapter was pleased to welcome Ms Emma Birkett in October to chair the Fabric Advisory Committee. Ms Louise Priestman, Cathedral Architect, undertook a thorough quinquennial inspection of the main Cathedral and Crypt, leaving Church House and Cathedral Court still to follow. She has been working with Purcell and John Turner Construction to resolve the remaining defects in Cathedral Court. Church House remains empty, with attempts to find tenants hampered by rental market conditions and the need to upgrade the premises. Works undertaken during the year included biocide treatment to improve the safety of the ledger stone paving in the Garth, steps taken to manage the damp and water ingress in the Columbarium, clearance of long-accumulated rubbish to allow better assessment of fabric condition and future opportunities, and study by a part-time voluntary archivist of the Cathedral's records and their condition.

The Chapter made an on-site visit to the area of the Crypt known as the Builders' Yard and plans for its future use as a flexible space for entertainments, events and exhibitions have been drawn up. CBG Lighting Perceptions made proposals for improved internal and safer LED lighting that were signed off in principle by the Chapter, subject to funding. A specialist inspection of the Corona resulted in some immediate pointing repairs to the pinnacles and a recognition that a fuller programme will be needed over the next five years. The Cathedral achieved Eco Church Bronze status in September, and a sharp increase in energy prices has necessitated an overhaul of the Cathedral's management systems to improve efficiency. At the end of the year the Chapter welcomed the financial support by the local council for the installation of a Changing Places facility.

The Cathedral is thus poised for a programme of forthcoming works that will bring the Crypt more fully into the life of the institution, complete a liturgical re-ordering that includes improved lighting and sound, and bring the Cathedral to a high standard of renewal and repair for a sustainable future.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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### FINANCIAL REVIEW

The results for the year are shown in the Consolidated Statement of Financial Activities. During the year there was net unrestricted income, including gains on investments, of £8,575 (2022: £4,365). The total unrestricted funds were £1,070,315 (2022: £961,740).

The restricted funds showed net income, including gains on investments, of £632,851 (2022: net expenditure of £72,928) with income largely consisting of grants from the Church Commissioners. With transfers between funds total restricted funds were £533,406 (2022: £318,555).

The endowment funds showed net income, including losses on investments, of £649,904 (2022: £Nil). At 31 December 2023, endowment funds totalled £3,135,811 (2022: £2,167,907).

Losses recognised on the revaluation of investments across all funds amounted to £1,828 (2022: £60,103).

The net cash outflow from operating activities was £161,371 (2022: inflow £147,212). Cash reserves at the year-end were £478,542 (2022: £354,749).

### Going Concern

The Church Commissioners paid all 2023 grants in full in April 2023, with payment of the 2024 full year grant being made in January 2024.

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 £934,348 (2022: £732,581), including investments of £222,064 (2022: £204,702) in the general fund that can be drawn down if required, to support operations.

### Five-year summary of key figures

	2019	2020	2021	2022	2023
	£	£	£	£	£
Income:					
Unrestricted	441,601	756,369	611,922	643,000	762,089
Total	1,002,058	1,277,938	1,327,682	979,074	2,477,599
Net movement in funds including gains and losses before transfers:					
Unrestricted	(18,874)	171,118	44,465	(55,736)	8,575
Total	300,380	191,439	115,771	(128,666)	1,291,330
Funds carried forward					
Unrestricted – General funds	486,743	672,958	917,693	961,740	1,070,315
Total	3,269,658	3,461,097	3,576,868	3,448,202	4,739,532

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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### 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 2023 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 2023 is £910,300 with an additional £160,015 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.

### Total Return on Investment Property

	£
Rents receivable	75,475

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:			
Dividends receivable	61,222	-	61,222
Interest receivable	-	4,330	4,330
	<u>61,222</u>	<u>4,330</u>	<u>65,552</u>
	=====	=====	=====

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

## Chapter's Report (cont'd)

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

A quinquennial survey was undertaken in 2023 following the appointment of Ms Louise Priestman as Cathedral Architect, and a report presented to Chapter. The general fabric of the Cathedral building is in a good state of repair. Regular maintenance and repairs schedules are in place to address the issues raised.

### **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 2024-2027
- To plan for the Centenary in 2026
- To develop new areas of income through Blackburn Cathedral Enterprises Ltd
- To continue to review options for the future use of Church House.

On behalf of the Chapter:

*Peter Howell-Jones*

**The Very Revd. P Howell-Jones**

Dean of Blackburn

Date: 19 August 2024

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

# Report of the Fabric Advisory Committee

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2023 was a busy and productive year for the Fabric Advisory Committee (FAC) at Blackburn Cathedral and one of considerable change.

The committee accepted the resignation of the FAC Chair Richard Prest who had given the cathedral over 20 years of service. The Dean and FAC committee were sorry to see Richard step back after such a long and successful role at the cathedral and held a lunch to thank him for his valued contribution. Following the resignation of Richard, Emma Birkett was elected as the new FAC chair.

Alan Croston also stood down from FAC after 27 years of service and again the FAC and Dean expressed their thanks for such a valued service over the years.

The cathedral also said goodbye to Canon Gary O'Neill who retired after four years at Blackburn. FAC had worked closely with Gary in 2023 on developing and signing off the cathedral's Liturgical Plan. Gary's work in this area was hugely helpful to FAC in enabling long term planning and prioritisation of work.

The cathedral welcomed Ian White as Chapter Clerk and COO to their team and his work with the FAC has been invaluable. Mr. White acts as the Secretary to the FAC.

In 2023 Ted Comer from Chester Cathedral joined FAC and his experience and commitment are very welcome, he is already a valued member of the group.

The new Cathedral Architect, Louise Priestman has had a very successful first full year in post. The quality of her work, the expertise of her guidance and her commitment are inspiring and both the Dean and FAC are very grateful for all her work to date.

In June 2023 Louise Priestman and Ian White attended the National FAC conference in York which was a very useful event.

In October 2023 Tom Ashley from CFCE came to the FAC meeting and gave the new team a very helpful introduction to the CFCE application process and how the FAC could build its relationship with the CFCE. Tom advised on the make-up of FAC and in particular suggested that we should try and recruit someone with expertise in environmental sustainability. FAC agreed with this suggestion but have yet to find anyone suitable. The search continues.

In terms of works to the fabric of the cathedral there have been several successful interventions in 2023. These were all ably managed by the Cathedral Architect and include:

- The delivery of a much-needed Changing Places facility, externally funded
- Further precinct rectifications
- Electrical testing
- The leasing of an external area to Wetherspoons
- Pinnacle inspections and remedial works
- Removal and making good of south side car park retaining walls
- Works to the Columbarium to rectify damp issue
- Planning for further work in the Crypt

This work and the new team have placed the cathedral in a strong position to approach 2024.

Richard Prest  
Fabric Advisory Committee Chair



# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Statement of the Responsibilities of the Chapter

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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

## Annual Report

For the year ended 31 December 2023

# Independent Auditors' Report

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To the members of Chapter of Blackburn Cathedral

## Opinion

We have audited the financial statements of Blackburn Cathedral for the year ended 31 December 2023 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 2023 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 2023

# Independent Auditors' Report Continued

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### **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:

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# Independent Auditors' Report Continued

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### 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](http://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: 18 October 2024

10 Queen Street Place  
London, EC4R 1AG

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Consolidated Statement of Financial Activities

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
<b>Income and endowments from:</b>	<b>2</b>					
(i) Donations and legacies		163,275	564,932	674,150	1,402,357	144,105
(ii) Grants in support of mission		38,354	471,584	-	509,938	384,509
(iii) Charges and fees arising in the course of mission		73,314	-	-	73,314	107,077
(iv) Trading and fundraising		313,399	-	-	313,499	171,153
(v) Investments		138,553	4,844	-	143,397	169,324
(vi) Other income		35,094	-	-	35,094	2,906
<b>Total income</b>		<b>762,089</b>	<b>1,041,360</b>	<b>674,150</b>	<b>2,477,599</b>	<b>979,074</b>
<b>Expenditure on:</b>	<b>3</b>					
(i) Raising funds		-	-	-	-	434
(ii) Ministry		196,087	326,340	-	522,427	378,585
(iii) Cathedral and precincts upkeep		180,687	51,445	-	232,132	254,612
(iv) Education and outreach		-	15,376	-	15,376	15,033
(v) Community, parish, and congregation		17,448	15,293	-	32,741	13,659
(vi) Other expenditure		365,972	15,793	-	381,765	385,314
<b>Total expenditure</b>		<b>760,194</b>	<b>424,247</b>	<b>-</b>	<b>1,184,441</b>	<b>1,047,637</b>
<b>Net incoming/(outgoing) resources before investment gains</b>		<b>1,895</b>	<b>617,113</b>	<b>674,150</b>	<b>1,293,158</b>	<b>(68,563)</b>
Gains/(Losses) on investments and Property revaluations	11	6,680	15,738	(24,246)	(1,828)	(60,103)
<b>Net income/(expenditure)</b>		<b>8,575</b>	<b>632,851</b>	<b>649,904</b>	<b>1,291,330</b>	<b>(128,666)</b>
Gross transfers between funds	20, 21	100,000	(418,000)	318,000	-	-
<b>Net movement in funds</b>		<b>108,575</b>	<b>214,851</b>	<b>967,904</b>	<b>1,291,330</b>	<b>(128,666)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		961,740	318,555	2,167,907	3,448,202	3,576,868
<b>Total funds carried forward</b>		<b>1,070,315</b>	<b>533,406</b>	<b>3,135,811</b>	<b>4,739,532</b>	<b>3,448,202</b>

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

# Chapter Consolidated Balance Sheet at 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
<b>Investment assets</b>						
Property	10	-	-	483,400	483,400	483,400
Investments	11	222,064	183,017	614,542	1,109,623	482,201
		<u>222,064</u>	<u>183,017</u>	<u>1,097,942</u>	<u>1,503,023</u>	<u>965,601</u>
<b>Tangible fixed assets</b>						
Property	13	-	-	3,050,600	3,050,600	3,050,600
Equipment and plant	14	160,015	21,548	-	181,563	176,913
		<u>160,015</u>	<u>21,548</u>	<u>3,050,600</u>	<u>3,232,163</u>	<u>3,227,513</u>
<b>Total fixed assets</b>		<b>382,079</b>	<b>204,565</b>	<b>4,148,542</b>	<b>4,735,186</b>	<b>4,193,114</b>
<b>Current assets</b>						
Stocks	15	43,146	-	-	43,146	36,506
Debtors	16	95,767	9,000	-	104,767	113,711
Cash at bank and in hand		<u>774,142</u>	<u>319,841</u>	<u>(615,441)</u>	<u>478,542</u>	<u>354,749</u>
		913,055	328,841	(615,441)	626,455	504,966
<b>Liabilities due within one year</b>						
Creditors	17	<u>(224,819)</u>	-	<u>(247,290)</u>	<u>(472,108)</u>	<u>(581,877)</u>
<b>Net current assets/(liabilities)</b>		<b>688,236</b>	<b>328,841</b>	<b>(862,731)</b>	<b>154,346</b>	<b>(76,912)</b>
<b>Total assets less current liabilities</b>		<b>1,070,315</b>	<b>533,406</b>	<b>3,285,811</b>	<b>4,889,532</b>	<b>4,116,202</b>
<b>Liabilities due after more than one year,</b>						
Loans from third parties	18	-	-	(150,000)	(150,000)	(668,000)
<b>Total net assets</b>		<b>1,070,315</b>	<b>533,406</b>	<b>3,135,811</b>	<b>4,739,532</b>	<b>3,448,202</b>
<b>Funds</b>						
Endowment funds	19	-	-	3,135,811	3,135,811	2,167,907
Restricted funds	20	-	533,406	-	533,406	318,555
Unrestricted funds	21					
General funds		910,300	-	-	910,300	732,581
Designated funds		160,015	-	-	160,015	229,159
<b>Total Cathedral funds</b>		<b>1,070,315</b>	<b>533,406</b>	<b>3,135,811</b>	<b>4,739,532</b>	<b>3,448,202</b>

Revaluation reserve included above

362,990

362,990

The financial statements were approved by Chapter and authorised for issue on

19 August 2024

*Peter Howell-Jones*

*David P Gascoigne*

The Very Revd. P Howell-Jones  
Dean

Canon DP Gascoigne FCA

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Cathedral Balance Sheet at 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds 2023 £	Total funds 2022 £
<b>Fixed assets</b>						
<b>Investment assets</b>						
Property	10	-	-	483,400	483,400	483,400
Investments	11	222,064	183,017	614,542	1,019,623	482,201
		<u>222,064</u>	<u>183,017</u>	<u>1,097,942</u>	<u>1,503,023</u>	<u>965,601</u>
<b>Tangible fixed assets</b>						
Property	13	-	-	3,050,600	3,050,600	3,050,600
Equipment and plant	14	143,542	21,548	-	165,090	176,901
		<u>143,542</u>	<u>21,548</u>	<u>3,050,600</u>	<u>3,215,690</u>	<u>3,227,501</u>
<b>Total fixed assets</b>		<b>365,606</b>	<b>204,565</b>	<b>4,148,542</b>	<b>4,718,713</b>	<b>4,193,102</b>
<b>Current assets</b>						
Stocks	15	5,030	-	-	5,030	3,315
Debtors	16	149,853	9,000	145,350	304,203	146,465
Cash at bank and in hand		539,685	319,841	(535,693)	323,833	216,767
		<u>694,568</u>	<u>328,841</u>	<u>(390,343)</u>	<u>633,066</u>	<u>366,547</u>
<b>Liabilities due within one year</b>						
Creditors	17	(153,826)	-	(247,291)	(401,117)	(530,847)
<b>Net current assets/(liabilities)</b>		<b>540,742</b>	<b>328,841</b>	<b>(637,634)</b>	<b>231,949</b>	<b>(164,300)</b>
<b>Total assets less current liabilities</b>		<b>906,348</b>	<b>533,406</b>	<b>3,510,908</b>	<b>4,950,662</b>	<b>4,028,802</b>
<b>Liabilities due after more than one year</b>						
Loans from third parties	18	-	-	(150,000)	(150,000)	(668,800)
<b>Total net assets</b>		<b>906,348</b>	<b>533,406</b>	<b>3,360,908</b>	<b>4,800,662</b>	<b>3,360,802</b>
<b>Funds</b>						
Endowment funds	19	-	-	3,360,908	3,360,908	2,195,907
Restricted funds	20	-	533,406	-	533,406	318,555
Unrestricted funds	21					
General funds		762,806	-	-	762,806	617,181
Designated funds		143,542	-	-	143,542	229,159
<b>Total Cathedral funds</b>		<b>906,348</b>	<b>533,406</b>	<b>3,360,908</b>	<b>4,800,662</b>	<b>3,360,802</b>

Revaluation reserve included above

362,990

362,990

The financial statements were approved by Chapter and authorised for issue on 19 August 2024

*Peter Howell-Jones*

The Very Revd. P Howell-Jones

*David P Gascoigne*

Canon DP Gascoigne FCA

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Consolidated Statement of Cashflows

	Note	£	2023 £	£	2022 £
<b>Reconciliation from net income to net cashflow from operating activities:</b>					
Net incoming/(outgoing) resources before investment losses for the year			1,293,158		(68,563)
Adjustments for:					
Income from property			(75,475)		(58,140)
Investment income	5		(67,922)		(15,078)
Interest and similar charges	3		36,407		39,632
Depreciation			56,740		54,527
(Increase) in stock			(6,640)		(25,134)
Decrease/(Increase) in debtors			8,944		505,981
(Decrease)/Increase in creditors			(113,425)		(286,013)
Net cash inflow/(outflow) from operating activities			(161,371)		147,212
<b>Cashflows (used in)/from investing activities</b>					
Purchase of fixed assets		(61,390)		(1,765)	
Investment additions		(898,894)		-	
Investment disposals		363,300		-	
Rents received		75,475		58,140	
Investment income received	5	63,078		15,078	
Interest received	5	4,844		906	
Net cash from investing activities			(453,587)		72,359
<b>Cashflows used in financing activities</b>					
Repayment of borrowings		(518,000)		-	
Interest paid		(36,407)		(39,632)	
Net cash used in financing activities			(554,407)		(39,632)
<b>Change in cash and cash equivalents in the year</b>			<b>123,793</b>		<b>179,939</b>
Cash and cash equivalents at the beginning of the year			354,749		174,810
<b>Cash and cash equivalents at the end of the year</b>			<b>478,542</b>		<b>354,749</b>
<b>Analysis of cash and cash equivalents</b>					
Cash in hand			478,542		354,749
<b>Total cash and cash equivalents</b>			<b>478,542</b>		<b>354,749</b>



# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts

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### 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 £910,300 (2022: £732,581), including investments of £222,064 (2022: £204,702) 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 18, 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 2023

## Notes to the Accounts (cont'd)

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### 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 2023

## Notes to the Accounts (cont'd)

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### 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 20<sup>th</sup> 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 2023

## Notes to the Accounts (cont'd)

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### 1.17 Note on the May Fletcher Abbott Legacy

Given the size of the legacy and its impact on the 2023 Accounts, a full note on the circumstances is justified.

May Abbott died in the 1970's and left her estate in trust to her niece Jean Mitchell for her lifetime with the remainder of the estate to be passed to the Cathedral on her death. The remainder was to be split 50/50 between a Blackburn Cathedral Building Fund and a permanent endowment fund, the income from which could be treated as unrestricted.

Jean Mitchell died on 29 March 2022. On this date the trust was in the form of investments held by Hedley & Co and was valued at £1,166,626.11 (Investments £1,142,183.79 plus a cash account £24,442.32) with legacy liabilities of £27,544.62. The investments were split into two (Trust No 1 and Trust No 2) and Trust No 2 was sold in July 2022. The liabilities were paid from the cash account and the remaining proceeds (after further solicitor's costs) were transferred to the cathedral on 19 July 2023.

The total legacy has been recorded in the accounts at the value on date of death less liabilities and split as follows: Endowment £574,149.75; Restricted Building Fund £564,931.74. The restricted building fund was then used to repay a £418,000 loan from the Diocese.

A Deed was signed on 13th July 2023 appointing The Chapter as Trustees for the Endowment. The capital cannot be spent unless the Trustees applied for a legal change to the terms of the Trust. Hedley & Co have been retained as investment managers and pass the income to the Cathedral quarterly. This income is unrestricted.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 2. Income and endowments

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £
(i) <b>Donations and legacies</b>				
Congregational collections and giving	41,145	-	-	41,145
Donations and fundraising appeals	61,631	-	100,000	161,631
Legacies	48,500	564,932	574,150	1,187,582
Tax recoverable under Gift Aid	11,999	-	-	11,999
	<u>163,275</u>	<u>564,932</u>	<u>674,150</u>	<u>1,402,357</u>
(ii) <b>Grants in support of mission</b>				
Church Commissioners' grants	27,186	353,267	-	380,453
Other revenue and capital grants	11,168	118,317	-	129,485
	<u>38,354</u>	<u>471,584</u>	<u>-</u>	<u>509,938</u>
(iii) <b>Charges and fees arising in the course of mission</b>				
Facility and other fees	32,853	-	-	32,853
Educational visits	8,208	-	-	8,208
Income from Blackburn Cathedral Trust	3,750	-	-	3,750
Other income	28,503	-	-	28,503
	<u>73,314</u>	<u>-</u>	<u>-</u>	<u>73,314</u>
(iv) <b>Trading and fundraising activities</b>				
Gross income of shop and refectory	313,499	-	-	313,499
(v) <b>Investments</b>				
Income from investment property	75,475	-	-	75,475
Car park income	6,700	-	-	6,700
Income from other investments	56,378	4,844	-	61,222
	<u>138,553</u>	<u>4,844</u>	<u>-</u>	<u>143,397</u>
(vi) <b>Other income</b>				
Other income	35,094	-	-	45,094
	<u>762,089</u>	<u>1,041,360</u>	<u>674,150</u>	<u>2,477,599</u>
	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 2. Income and endowments (cont'd)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Restated 2022 £
(vii) <b>Donations and legacies</b>				
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>
(viii) <b>Grants in support of mission</b>				
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>
(ix) <b>Charges and fees arising in the course of mission</b>				
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>
(x) <b>Trading and fundraising activities</b>				
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>
(xi) <b>Investments</b>				
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>
(xii) <b>Other income</b>				
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 2023

### Notes to the Accounts (cont'd)

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#### 3. Expenditure on:

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £
<b>(i) Raising funds</b>				
Votive candles	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
<b>(ii) Ministry</b>				
Clergy stipends and working expenses	157,887	298,142	-	456,029
Services, music, and congregational costs	13,276	26,856	-	40,132
Support costs	24,924	1,342	-	26,266
	<hr/>	<hr/>	<hr/>	<hr/>
	196,087	326,340	-	522,427
<b>(iii) Cathedral and precincts upkeep</b>				
Major repairs and restoration	2,800	40,205	-	43,005
Maintenance and interior upkeep	13,135	11,090	-	24,225
Cathedral insurance	41,123	-	-	41,123
Support costs	123,629	150	-	123,779
	<hr/>	<hr/>	<hr/>	<hr/>
	180,687	51,445	-	232,132
<b>(iv) Education and outreach</b>				
Education officer	-	15,376	-	15,376
	<hr/>	<hr/>	<hr/>	<hr/>
<b>(v) Community, parish, and congregation</b>				
Music outreach project	496	55	-	551
Other costs	-	15,238	-	15,238
Support costs	16,952	-	-	16,952
	<hr/>	<hr/>	<hr/>	<hr/>
	17,448	15,293	-	32,741
<b>(vi) Other expenditure</b>				
Interest and similar charges payable	36,407	-	-	36,407
Support costs	329,565	15,793	-	345,358
	<hr/>	<hr/>	<hr/>	<hr/>
	365,972	15,793	-	381,765
	<hr/>	<hr/>	<hr/>	<hr/>
	760,194	424,247	-	1,184,441
	=====	=====	=====	=====

### Notes to the Accounts (cont'd)

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# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### 3. Expenditure on:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Restated 2022 £
<b>(vii) Raising funds</b>				
Votive candles	434	-	-	434
	<u>434</u>	<u>-</u>	<u>-</u>	<u>434</u>
<b>(viii) Ministry</b>				
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>
<b>(ix) Cathedral and precincts upkeep</b>				
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>
<b>(x) Education and outreach</b>				
Education officer	-	15,033	-	15,033
	<u>-</u>	<u>15,033</u>	<u>-</u>	<u>15,033</u>
<b>(xi) Community, parish, and congregation</b>				
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>
<b>(xii) Other expenditure</b>				
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>
	=====	=====	=====	=====

## Notes to the Accounts (cont'd)

### 4. Support costs



# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

Support costs are allocated to expenditure as follows:

	Direct costs	Support costs	2023 Total	Direct costs	Support costs	2022 Total
	£	£	£	£	£	£
Raising funds	-	-	-	434	-	434
Ministry	496,161	26,266	522,427	301,949	76,636	378,585
Cathedral & precincts upkeep	108,353	123,779	232,132	99,576	155,036	254,612
Education and outreach	15,376	-	15,376	15,033	-	15,033
Community, parish & congregation	15,789	16,952	32,741	2,522	6,066	8,588
Other expenditure on mission	36,407	345,358	381,765	40,011	345,303	385,314
	<u>672,086</u>	<u>512,355</u>	<u>1,184,441</u>	<u>464,531</u>	<u>583,106</u>	<u>1,047,637</u>
	=====	=====	=====	=====	=====	=====

The support costs are made up as follows:

	Unrestricted funds	Restricted funds	2023 Total	Unrestricted funds	Restricted funds	2022 Total
	£	£	£	£	£	£
Administration and finance	492,597	17,285	509,882	358,562	61,471	420,033
Personnel and training	2,473	-	2,473	163,073	-	163,073
	<u>495,070</u>	<u>17,285</u>	<u>512,355</u>	<u>521,635</u>	<u>61,471</u>	<u>583,106</u>
	=====	=====	=====	=====	=====	=====

## 5. Investment income

	Equities	Fixed interest	Variable interest	2023 Total
	£	£	£	£
Dividends receivable	61,222	-	-	61,222
Interest receivable	-	-	4,330	4,330
	<u>61,222</u>	<u>-</u>	<u>4,330</u>	<u>65,552</u>
	=====	=====	=====	=====

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 5. Investment income (cont'd)

	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>
	=====	=====	=====	=====

### 6. Shop and refectory

	Shop	Cathedral catering	2023 Total	Shop	Cathedral catering	2022 Total
	£	£	£	£	£	£
Gross income	-	312,170	312,170	2,482	161,365	163,847
	<u>-</u>	<u>312,170</u>	<u>312,170</u>	<u>2,482</u>	<u>161,365</u>	<u>163,847</u>
Opening stock	-	5,191	5,191	-	4,110	4,110
Purchases	-	119,488	119,488	-	60,984	60,984
	<u>-</u>	<u>124,679</u>	<u>124,679</u>	<u>-</u>	<u>65,094</u>	<u>65,094</u>
Closing stock	-	(10,116)	(10,116)	-	(5,191)	(5,191)
	<u>-</u>	<u>114,563</u>	<u>114,563</u>	<u>-</u>	<u>59,903</u>	<u>59,903</u>
Gross costs	-	141,041	141,041	-	90,923	90,923
Salaries	-	38,339	38,339	-	38,308	38,308
Administrative expenses	-	293,943	293,943	-	189,134	189,134
	<u>-</u>	<u>293,943</u>	<u>293,943</u>	<u>-</u>	<u>189,134</u>	<u>189,134</u>
Other income	-	9,141	9,141	-	4,193	4,193
Net (deficit)/surplus	-	27,368	27,368	2,482	(23,576)	(21,094)
	=====	=====	=====	=====	=====	=====

### 7. Staff costs

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

	2023 Number	2022 Number
Clerical - full time	3	2
Lay - full time	7	8
Lay - part time	4	2
	<u>14</u>	<u>12</u>
	=====	=====
Part time employees equivalent FTE's	1	1
	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 7. Staff costs (cont'd)

	2023	2022
	£	£
Salaries and stipends	531,931	453,438
Redundancy and Severance payments	3,029	20,617
Employer's national insurance	48,081	38,799
Pension costs	29,405	40,189
	<u>612,446</u>	<u>553,043</u>
	=====	=====

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

The Church Commissioners funded £23,469 (2022: £29,173) of pension contributions for members of Chapter. The Cathedral also contributed £5,936 (2022: £11,016) into money purchase pension arrangements for employees.

### 8. Chapter costs (key management personnel)

Three members of Chapter were remunerated for their services in 2023. 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 three members received emoluments during the year as follows:

	2023	2022
	£	£
<b>Stipends</b>		
The Very Revd. P Howell-Jones	39,477	37,954
Revd. Canon Dr R Pailing (Resigned September 2022)	-	20,800
Revd. Canon G O'Neill (Resigned December 2023)	47,277	45,675
Revd. Canon J Lawrence	30,906	-
	<u>117,660</u>	<u>104,429</u>
	=====	=====
<b>Employer's pension contributions</b>		
The Very Revd. P Howell-Jones	8,909	11,677
Revd. Canon Dr R Pailing (Resigned September 2022)	-	6,944
Revd. Canon G O'Neill (Resigned 2023)	7,127	9,341
Revd. Canon J Lawrence	13,954	1,211
	<u>29,990</u>	<u>29,173</u>
	=====	=====
Employer's national insurance	12,003	11,113
	<u>159,653</u>	<u>144,715</u>
	=====	=====

In addition, these members received reimbursed expenses of £6,842 (2022: £2,997).

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Notes to the Accounts (cont'd)

#### 9. Auditors' remuneration

	2023	2022
	£	£
Audit	20,258	18,509
Non-audit services	4,884	4,440
	<u>25,142</u>	<u>22,949</u>
	=====	=====

#### 10. Investment property

Chapter Consolidated and Cathedral

	Unrestricted funds	Restricted Endowment funds		2023 Total	2022 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 2023	-	-	483,400	483,400	483,400
	=====	=====	=====	=====	=====

Church House was valued as at 31 December 2023 by the Chairman of the Fabric Advisory Committee.

#### 11. Investments

Chapter Consolidated and Cathedral

	Unrestricted funds	Restricted Endowment funds		2023 Total	2022 Total
	£	£	£	£	£
Market value at 1-1-23	204,702	167,279	110,220	482,201	542,304
Additions	-	-	898,894	898,894	-
Disposals	-	-	(363,300)	(363,300)	-
Net increase/(decrease) on revaluation	17,632	15,738	(35,198)	(1,828)	(60,103)
	<u>222,064</u>	<u>183,017</u>	<u>614,542</u>	<u>1,019,623</u>	<u>482,201</u>
	=====	=====	=====	=====	=====
	Unrestricted funds	Restricted Endowment funds		2023 Total	2022 Total
	£	£	£	£	£
CCLA Investment funds	222,064	183,017	100,538	505,619	479,093
UK listed	-	-	514,004	514,004	3,108
	<u>222,064</u>	<u>183,017</u>	<u>614,542</u>	<u>1,019,623</u>	<u>482,201</u>
	=====	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

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### 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 (2022: £27,100,000).

### 13. Non-Investment Property

Chapter Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Net book value at 1-1-23	-	-	3,050,600	3,050,600	3,050,600
Revaluation of properties	-	-	-	-	-
	_____	_____	_____	_____	_____
Net book value at 31-12-23	-	-	3,050,600	3,050,600	3,050,600
	=====	=====	=====	=====	=====

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

	2023 Total £	2022 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
	=====	=====

Cathedral

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Net book value at 1-1-23	-	-	3,050,600	3,050,600	3,050,600
Revaluation of properties	-	-	-	-	-
	_____	_____	_____	_____	_____
Net book value at 31-12-23	-	-	3,050,600	3,050,600	3,050,600
	=====	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 13. Non-Investment Property (cont'd)

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

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
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

Chapter Consolidated

	<b>Unrestricted</b>	<b>Restricted Endowment</b>		<b>2023</b>	<b>2022</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net book value at 1-1-23	176,913	-	-	176,913	229,616
Additions	37,448	23,942	-	61,390	1,764
Depreciation for the year	(54,346)	(2,394)	-	(56,740)	(54,527)
	<u>160,015</u>	<u>21,548</u>	<u>-</u>	<u>181,563</u>	<u>176,913</u>
	=====	=====	=====	=====	=====
Cost	591,761	23,942	-	615,703	554,313
Depreciation	(431,746)	(2,394)	-	(434,140)	(377,400)
	<u>160,015</u>	<u>21,548</u>	<u>-</u>	<u>181,563</u>	<u>176,913</u>
	=====	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Notes to the Accounts (cont'd)

#### 14. Equipment and plant (cont'd)

Cathedral

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Net book value at 1-1-23	179,622	-	-	179,622	229,160
Additions	17,215	23,942	-	41,157	1,764
Depreciation for the year	(53,295)	(2,394)	-	(55,689)	(54,023)
Net book value at 31-12-23	143,542	21,548	-	165,090	176,901
Cost	574,249	23,942	-	598,191	554,313
Depreciation	(430,707)	(2,394)	-	(433,101)	(377,412)
Net book value at 31-12-23	143,542	21,548	-	165,090	176,901

#### 15. Stocks

Chapter Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Goods for sale in shop and catering	43,146	-	-	43,146	36,506

Cathedral

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Goods for sale in shop and catering	5,030	-	-	5,030	3,315

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Notes to the Accounts (cont'd)

#### 16. Debtors

Chapter Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Accounts receivable	30,412	-	-	30,412	30,366
Income tax refunds	-	-	-	-	1,774
Prepayments	52,036	-	-	52,036	43,447
Other debtors	13,319	9,000	-	22,319	38,124
	<u>95,767</u>	<u>9,000</u>	<u>-</u>	<u>104,767</u>	<u>113,711</u>
	=====	=====	=====	=====	=====

Cathedral

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Accounts receivable	24,505	-	-	24,505	23,376
Amounts due from group					
Companies	64,163	-	145,350	209,513	59,751
VAT debtor	1,807	-	-	1,807	1,774
Prepayments	46,059	-	-	46,059	39,530
Other debtors	13,319	9,000	-	22,319	22,034
	<u>149,853</u>	<u>9,000</u>	<u>145,350</u>	<u>304,203</u>	<u>146,465</u>
	=====	=====	=====	=====	=====

#### 17. Creditors

Chapter Consolidated

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Accounts payable	116,889	-	-	116,889	141,758
Tax and social security	10,801	-	-	10,801	27,591
Accruals and deferred income	89,450	-	155,493	244,943	314,821
Other Creditors	7,679	-	-	7,679	5,911
Loans from Church					
Commissioners		-	91,796	91,796	91,797
	<u>224,819</u>	<u>-</u>	<u>247,289</u>	<u>472,108</u>	<u>581,878</u>
	=====	=====	=====	=====	=====



# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Notes to the Accounts (cont'd)

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#### 17. Creditors (cont'd)

Cathedral

	Unrestricted	Restricted Endowment		2023	2022
	funds	funds	funds	Total	Total
	£	£	£	£	£
Accounts payable	57,961	-	-	57,961	86,342
Amounts due to group					
companies	-	-	-	-	203,843
Tax and social security	5,937	-	-	5,937	16,415
Accruals and deferred income	83,157	-	155,495	238,652	126,537
Other Creditors	6,771	-	-	6,771	5,913
Loans from Church			91,796	91,796	91,797
Commissioners	_____	_____	_____	_____	_____
	153,826	-	247,291	401,117	530,847
	=====	=====	=====	=====	=====

The Church Commissioners value linked loan was 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.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### Notes to the Accounts (cont'd)

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#### 18. Creditors due after more than one year

Chapter Consolidated and Cathedral

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total £	2022 Total £
Loans from Church Commissioners	-	-	150,000	150,000	250,000
Loans from Diocesan Board of Finance	-	-	-	-	418,000
	-----	-----	-----	-----	-----
	-	-	150,000	150,000	668,000
	=====	=====	=====	=====	=====
<b>Loan maturity analysis</b>					
Between one and two years	-	-	150,000	150,000	250,000
Between two and five years	-	-	-	-	418,000
	-----	-----	-----	-----	-----
	-	-	150,000	150,000	668,000
	=====	=====	=====	=====	=====

The Diocesan Board of Finance loan of £418,000 was repaid in full during the year.

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 19. Endowment funds

Chapter Consolidated

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2023 £
Property Funds					
- Property fund	2,038,002	100,000	-	318,000	2,456,002
Property Maintenance Funds					
- H C Haworth fund	71,473	-	-	(3,924)	67,549
Choral Funds					
- The Chadwick Memorial fund	481	-	-	-	481
- Choristers' endowment fund	28,059	-	-	(1,752)	26,307
General Purposes Funds					
- St Paul's School fund	1,377	-	-	(85)	1,292
- General Purposes fund	28,515	-	-	(814)	27,701
- May Abbott	-	574,150	-	(17,671)	556,479
	<u>2,167,907</u> =====	<u>674,150</u> =====	<u>-</u> =====	<u>293,764</u> =====	<u>3,135,811</u> =====

Cathedral

	At 1 January 2023 £	Income £	Expenditure £	Investment Movement & transfers £	At 31 December 2023 £
Property fund	2,066,002	400,000	102,903	318,000	2,681,099
Property Maintenance Funds					
H C Haworth fund	71,473	-	-	(3,924)	67,549
Choral Funds					
The Chadwick Memorial fund	481	-	-	-	481
Choristers' endowment fund	28,059	-	-	(1,752)	26,307
General Purposes Funds					
St Paul's School fund	1,377	-	-	(85)	1,292
General Purposes fund	28,515	-	-	(814)	27,701
May Abbott	-	574,150	-	(17,671)	556,479
	<u>2,195,907</u> =====	<u>974,150</u> =====	<u>102,903</u> =====	<u>293,754</u> =====	<u>3,360,908</u> =====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### 2022 Endowment Funds

Chapter 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
	-----	-----	-----	-----	-----
	2,182,145	-	-	(14,238)	2,167,907
	=====	=====	=====	=====	=====

Cathedral

	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
	-----	-----	-----	-----	-----
	2,210,145	-	-	(14,238)	2,195,907
	=====	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

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### 20. Restricted funds

Chapter Consolidated

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2023 £
Property Maintenance Funds					
- Repair fund	158,983	3,736	(31,258)	11,753	143,214
- Pinnacles Funding	-	21,875	(11,655)	-	10,220
- PA Upgrade System	-	18,147	-	-	18,147
- Changing Places	-	62,000	-	-	62,000
- May Abbott	-	564,932	-	(418,000)	146,932
General Funds					
- Vestments fund	1,740	48	-	150	1,938
- FOBCM fund	17,834	-	(17,834)	-	-
- Thornber Music fund	67,841	11,380	(38,575)	3,335	43,981
- Outdoor Play Area	-	25,000	(2,394)	-	22,606
- Coronation Lunch	-	4,250	(4,250)	-	-
- Cathedral Music Trust	-	25,000	(3,398)	-	21,602
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	65,093	304,992	(314,883)	500	55,702
	<u>318,555</u>	<u>1,041,360</u>	<u>(424,247)</u>	<u>(402,262)</u>	<u>533,406</u>
	=====	=====	=====	=====	=====

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

## Notes to the Accounts (cont'd)

### Restricted funds (cont'd)

Cathedral

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2023 £
Property Maintenance Funds					
- Repair fund	158,983	3,736	(31,258)	11,753	143,214
- Pinnacles Funding	-	21,875	(11,655)	-	10,220
- PA Upgrade System	-	18,147	-	-	18,147
- Changing Places	-	62,000	-	-	62,000
- May Abbott	-	564,932	-	(418,000)	146,932
General Funds					
- Vestments fund	1,740	48	-	150	1,938
- FOBCM fund	17,834	-	(17,834)	-	-
- Thornber Music fund	67,841	11,380	(38,575)	3,335	43,981
- Outdoor Play Area	-	25,000	(2,394)	-	22,606
- Coronation Lunch	-	4,250	(4,250)	-	-
- Cathedral Music Trust	-	25,000	(3,398)	-	21,602
- Margaret Kay Gift	7,064	-	-	-	7,064
- Other restricted funds	65,093	304,993	(314,883)	500	55,702
	<u>318,555</u>	<u>1,041,360</u>	<u>(424,247)</u>	<u>(402,262)</u>	<u>533,406</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 2023

## Notes to the Accounts (cont'd)

### Restricted funds (cont'd)

#### 2022 Restricted Fund

Chapter 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 2023

### Notes to the Accounts (cont'd)

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#### Restricted funds (cont'd)

##### 2022 Restricted Fund

Cathedral

	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> =====

### Notes to the Accounts (cont'd)

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# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

### 21. Unrestricted funds

Chapter Consolidated

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2023 £
General funds	732,581	762,089	(705,848)	121,478	910,300
Designated funds					
- Fixed asset funds	229,159	-	(54,346)	(14,798)	160,015
	<u>961,740</u>	<u>762,089</u>	<u>(760,194)</u>	<u>106,680</u>	<u>1,070,315</u>
	=====	=====	=====	=====	=====

Cathedral

	At 1 January 2023 £	Incoming resources £	Outgoing resources £	Investment Movement & transfers £	At 31 December 2023 £
General funds	617,181	410,018	(375,395)	111,002	762,806
Designated funds					
- Fixed asset funds	229,159	-	(53,295)	(32,322)	143,542
	<u>846,340</u>	<u>410,018</u>	<u>(428,690)</u>	<u>78,680</u>	<u>906,348</u>
	=====	=====	=====	=====	=====

### 2022 Unrestricted funds

Chapter 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>
	=====	=====	=====	=====	=====

Cathedral

	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>
	=====	=====	=====	=====	=====

## Notes to the Accounts (cont'd)

### 22. Pension schemes

# Blackburn Cathedral Chapter

## Annual Report

For the year ended 31 December 2023

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 £29,405 (2022: £40,189) 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 £9,563 (2022: £20,540) during the year and had net liabilities of £30,103 (2022: £20,540) at 31 December 2023. The accounts of the company include income from the Cathedral of £nil (2022: £2,000). Included within debtors on the Chapter's own balance sheet is £145,350 (2022: creditor £263,948) owed by Blackburn Cathedral Developments.

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 surplus of £27,368 (2022: defect of £21,904) during the year and had net liabilities of £31,029 (2022: £58,397) at 31 December 2023. The accounts of the company include income from the Cathedral of £321,311 (2022: £163,847). Included within debtors on the Chapter's own balance sheet is £64,163 (2022: £59,750) owed from Blackburn Cathedral Enterprises Limited.

The Chapter also paid £19,280 to a company connected to a member of the Cathedral Chapter for accountancy services (2022: £2,525).

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	
	2022	2023	2022	2023
	£	£	£	£
Gross income	7,210	7,695	38,883	50,540
Net income before				
payments to Cathedral	5,507	6,674	21,111	32,891
Paid to Cathedral	4,831	27,849	26,416	21,260
Gross assets	156,198	159,291	151,986	162,357
Net assets	159,290	137,916	150,526	160,907
Amounts owed (to)/from				
Blackburn Cathedral				
Chapter	-	(21,375)	-	-

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 2023. The examiner found no matters to which they wished to draw attention. The 2023 figures are extracted from draft accounts yet to be subject to Independent Examination.

The Lantern Music Trust (Registered Charity no. 1203918) exists to provide a long-term endowment to support the music foundation. The Trustees are The Dean, The Canon Precentor, and the Director of Music. Funds held at the end of December 2023 are £16,734.

# Blackburn Cathedral Chapter

Annual Report

For the year ended 31 December 2023

## **24. Post Balance Sheet Events**

On 12<sup>th</sup> April 2024 Blackburn Cathedral, in accordance with the Cathedrals Measure 2021, formally registered as a charity with the Charity Commission (No. ) This has required a number of changes to the Cathedral's governance arrangements, although the day-to-day operations remain largely unaffected. A fuller explanation of the implication of these changes will be set out in the 2024 Annual Report.