

SOUTHWELL CATHEDRAL CHAPTER

ANNUAL REPORT AND CONSOLIDATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2024

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FOR THE YEAR ENDED 31 DECEMBER 2024

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**SOUTHWELL CATHEDRAL CHAPTER
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Chapter of Southwell Cathedral Present the Annual Report and Financial Statements of the Cathedral and Parish Church of the Blessed Virgin Mary of Southwell (“the Cathedral”), together with the Independent Auditor’s Report for the Year ended 31 December 2024.

I. LEGAL AND ADMINISTRATIVE INFORMATION

Full Name

Southwell Cathedral
Registered charity number: 1207138

Office Address

Southwell Cathedral Chapter
Minster Office
Church Street
Southwell
Notts
NG25 0HD

01636 812649
office@southwellminster.org.uk

Members of the Cathedral Chapter

The Very Revd Nicola Sullivan (Dean – Chair) until December 2024
The Revd Canon Dr Neil Evans (Interim Dean – Chair) from November 2024
The Revd Canon Dr Richard Frith (Canon Precentor)
The Revd Canon Paul Rattigan (Canon Missioner) until November 2024
The Revd Canon Stephen Hippisley-Cox (Non-Executive Member) from July 2024
The Revd Canon Steve Silvester (appointed by the Bishop) until June 2024
Mr Arwel Griffiths (appointed by the Bishop) until November 2024
Mr Andrew Corner (elected by the APCM)
Mrs Jan Richardson (elected by the APCM)
Mr Nick Alexander (appointed by Bishop’s Council)
Mrs Sarah Benedek (appointed by Bishop’s Council) until April 2024
Canon Philip Blinston (appointed by the Bishop) until September 2024

Nominations Committee

Mrs Jan Richardson (Chair)
Canon Phil Blinston (until August 2024)
Mr Andrew Fearn
Professor Dame Elizabeth Fradd (RIP 12 May 2024)
Revd Canon Stephen Hippisley-Cox
Ms Cheryl Lacey

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Finance Committee

Mr Andrew Corner (Chair)
Ms Rebecca Bowes
Mr Arwel Griffiths
The Revd Canon Stephen Hippisley-Cox
Mr Owen Mathias
Ms Rachel McLafferty
Mr Andrew Rainbow

Audit and Risk Committee

Mr Michael Bolton (Chair)
Group Captain Tony Banks
Mr Andy Corner
Mr Michael Hawley (RIP November 2024)
Mr Richard Vigar

Fabric Advisory Committee

Mr Allan Joyce (Chair)
Mr William Bowden – until February 2024
Mrs Rebecca Burrows
Mr Ted Comer
Mr Stephen Littlewood
Revd Adrian Dempster

Chief Operating Officer

Mr Nigel Spraggins until June 2024
Mr David Coulthard (Interim) from June 2024

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Professional Advisors

Auditors:	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX
Bankers:	National Westminster Bank plc Newark (A) Branch 1 Market Place Newark Notts NG24 1DY
Investment Managers:	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET Rathbones Investment Management 8 Finsbury Circus London EC2M 7AZ
Solicitors:	Chattertons 9 Broad Street Stamford Lincs PE9 1PY
Surveyor of the Fabric:	Mandy Lorenz Thomas Ford & Partners 177 Kirkdale London SE26 4QH
Archaeologist:	Dr Philip Dixon 24 Crown Street Newark Notts NG24 4UY

**SOUTHWELL CATHEDRAL CHAPTER
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2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Statutes

Following the passing of the Cathedrals Measure in 2021, Southwell Minster became a registered charity on 21 February 2024. The Charity number is 1207138.

Consolidated financial statements

The consolidated financial statements relate to Southwell Cathedral Chapter (the parent undertaking) and Southwell Cathedral Chapter Trading Limited (the subsidiary undertaking). Separately audited financial statements have been filed with the Registrar of Companies in respect of the subsidiary. All financial statements are made up to 31 December.

The consolidated financial statements include all transactions, assets and liabilities for which the Chapter is responsible in law. They do not include the accounts of groups that owe their main affiliation to another body, nor those that are informal gatherings of the Cathedral members.

The Role of the Cathedral within the Diocese

The Cathedral is the mother church of the Diocese of Southwell and Nottingham. It is the seat of the Bishop and a centre of worship and mission. The Cathedral supports the Bishop of the Diocese through daily prayer and by endorsing the Diocesan vision 'Growing disciples: wider, younger, deeper'. The Cathedral is used for major diocesan services and synods, including ordinations, installations and confirmations. It is a venue for civic events, concerts, and a programme of lectures and art exhibitions. The Cathedral also hosts a range of commercial and community events as part of its ongoing mission to the local and wider community.

The Diocese was founded in 1884. It covers 847 square miles including the whole of Nottinghamshire and a few parishes in South Yorkshire. The Diocese includes the city of Nottingham and many former coalfield communities. There are 330 worshipping communities served by 231 parishes in the Diocese.

The primary work of the Cathedral is the same as it has been through the ages: the worship of God, the mission of the gospel and the ministry of hospitality and welcome. It is a prayerful place and a spiritual resource to the Diocese of Southwell and Nottingham. Daily worship is at the centre of our life. Southwell Minster as Cathedral and Parish Church offers all who come an opportunity for celebration, learning and discovery.

The Cathedral seeks to develop its mission and ministry in the town, county and further afield. We have a partnership with the Diocese of Jerusalem.

Links with other denominations locally are fostered through membership of Churches Together in Southwell.

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Organisation and Structure

The Bishop of Southwell and Nottingham has his seat in the Cathedral and may officiate in the Cathedral and use it for Diocesan occasions, e.g. ordinations and synods. He is the Visitor and, in this role, ensures the observance of the Constitution and Statutes. He is assisted by the Suffragan Bishop, the Bishop of Sherwood. The Chapter is the governing body. The body corporate consists only of the Chapter. The College of Canons is independent of the Chapter and does not form part of the body corporate.

Regulation and public benefit

Southwell Cathedral is co-regulated by the Charity Commission and the Church Commissioners. Chapter confirms that it has had regard to the public benefit guidance published by the Charity Commission in determining the activities of the Cathedral. The Cathedral not only serves the community daily in its religious and charitable work but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

The Chapter

The Chapter comprises the Dean (Chair); the Executive Residentiary Canons; the Senior Non-Executive Member appointed by the Bishop of Southwell and Nottingham; further non-executive trustee members appointed following recommendations from the Nominations Committee and endorsement by the Bishop; and two members elected by those on the Cathedral's electoral roll. The Chapter meets not less than six times each year.

A programme for the induction of new members of Chapter has been developed by the Association of English Cathedrals and is used for new members of Chapter.

As the Cathedral is also a Parish Church, the Chapter has the responsibility of exercising the function of the Parochial Church Council.

Led by the Dean, the Chapter is responsible for nurturing the corporate and spiritual life of the Cathedral in accordance with its core values of being a place where all are welcome, a place to share learning, a place where people grow in holiness and a place which serves others. At the root and heart of everything which takes place in and around the Cathedral is the worship of God in the Daily Offices and the Eucharist, the desire to offer warm hospitality and the belief that everyone should be approached in a spirit of openness, honesty and integrity.

The Cathedral Council

The Cathedral Council ceased to exist on the implementation of the new constitution & statutes on 21 February 2024, when Southwell Cathedral became a registered charity. There is provision under the new constitution and statutes to set up a Cathedral's Partners Forum (CPF), which is an advisory body. However, the Cathedral decided at the time not to set up a CPF, but this will be reviewed with the appointment of a permanent Dean.

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Cathedral Governance

The Chapter has overall responsibility for the governance of the Cathedral and is supported in this by the statutory committees being The Nominations Committee, the Finance Committee and the Audit and Risk Committee.

The Fabric Advisory Committee

Chapter is advised on estate fabric matters by the Fabric Advisory Committee which is independent to the Cathedral. The committee membership is 50% appointed by Chapter and 50% by the Cathedrals Fabric Commission for England (CFCE).

Relationships with other organisations

To pursue its objectives, the Cathedral has formed relationships and works closely with the following organisations:

Chimes Trust
Churches Together in Southwell
Diocese of Southwell and Nottingham
Friends of Southwell Cathedral
Lieutenancy of Nottinghamshire
Lowe's Wong Anglican Methodist Junior School
Lowe's Wong Infant School
Minster School
Newark & Sherwood District Council
Nottinghamshire County Council
Simmons Charity Minster Repair Fund
Southwell Choral Society
Southwell Community Archaeology Group
Southwell & District Lions Club
Southwell Minster Choir Association
Southwell Music Festival
Southwell Town Council

2024 to 2025 Transitional Period for Southwell Cathedral

2024 was a year of significant transition for Southwell Minster, marked by considerable change across senior leadership roles and the continuing challenge of managing a substantial and on-going financial deficit. While this period inevitably brought some instability and uncertainty, the appointments of Neil Evans as Interim Dean and David Coulthard as Interim Chief Operating Officer provided much-needed continuity and provided new strategic focus as well as improved operational performance.

Recruitment for permanent leadership positions is now being phased carefully to ensure long-term stability: a new Dean is expected to take up post in early 2026, with recruitment for a permanent Chief Operating Officer and Chief Finance Officer roles scheduled for Spring to early Summer 2026.

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2024 to 2025 Transitional Period for Southwell Cathedral (continued)

Following the early retirement of Canon Paul Rattigan, the process to appoint his successor will begin once the new Dean is in place. In addition, a recruitment campaign to secure new lay members for Chapter, utilising specialist search agents, is planned, with the aim of strengthening the governance of the Cathedral.

Though the year was characterised by transition, these measured steps have helped lay the groundwork for renewed stability and sustainable growth, with a new Vision Statement in development with a launch planned for 2025.

3. VISION, AIMS, OBJECTIVES & ACTIVITIES

The interim Dean launched a new vision in March 2025 to help the Minster, and its community look forward. Whilst this will be ultimately refined and finalised by the incoming permanent Dean in 2026, this interim vision points to a refreshed direction of travel.

Our Purpose

Southwell Minster Cathedral is the mother church of the Diocese of Southwell and Nottingham and the seat of the Bishop, serving the people, communities and churches of Nottinghamshire. For over a millennium it has been a centre of Christian worship and a resource to Church and community throughout its locality.

Uniquely within the Church of England the Cathedral is nestled within a distinctive rural setting of a small market town. It brings together the sanctuary and inspiration of its setting in the heart of Nottinghamshire countryside, the deep-set pattern of daily worship and prayer, a building of intense beauty, with a world class music and choral tradition. Truly a place where heaven and nature sing!

Guided by our faith, our heritage and a desire to bring joy and connection through all we do, we work to conserve the past and protect and develop the future. Our inspiration is to ensure that this sacred haven and resource to the diocese continues to be a source of joy and enrichment for countless generations to come.

Our Strategic Aims

In the next 12 months our key aims are:

Finance. Working towards resolving our financial deficit by:

- Reviewing our property, undertaking an options appraisal.
- Undertaking a full review of all resource expenditure and assessing possibilities for rationalisation.
- Disposing of Sacrista Prebend to provide the necessary working capital for cash flow and to support the journey to a balanced budget.
- Implementing a freewill offering review amongst the Minster community.
- Developing a clear and appropriate fundraising strategy, focusing particularly on music and property.

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Buildings. Working with professional consultants (with thanks to the funding provided by the Church Commissioners) we will develop a buildings and property masterplan with an options appraisal so that a long-term strategy for our whole property portfolio can be agreed and implemented.

Leadership. In this interim stage of the Cathedral's life, the appointment of key Leadership posts is proceeding as follows:

- **Dean** - It is expected that a new Dean will be in post early in 2026.
- **Chief Operating Officer** - Recruitment process will begin in spring / early summer of 2025.
- **Chief Finance Officer** - Recruitment process progressing with the aim to secure a permanent incumbent as soon as possible.
- **Residentiary Canon** - Recruitment process to begin once the new Dean has been appointed (but probably before s/he is in post).

Liturgy and Worship. The worship of God in liturgy and prayer is at the heart of who Southwell Cathedral is, as it has been for 1,000 years. The daily and weekly patterns of prayer and worship are the key focus of all we do here. We will continue to seek ways of enhancing and developing our liturgy and worship so that all who enter this Cathedral encounter the embracing love of Jesus Christ.

Music. A comprehensive music strategy is in progress of development, which will in turn inform a major fundraising initiative to secure the future of the offering of musical excellence at Southwell Cathedral.

Mission and Outreach. A reinvigorated culture of joined-up thinking and working is being established, with clear implications for our cooperation and cross-fertilisation with all partners. Partnerships include Diocese, County, Town, Institutions, cultural links, business and other communities. This will be an inter-disciplinary approach across all aspects of the Cathedral's life.

Welcome and Care. Southwell Minster is known as a place of welcome and pastoral care. Clear focus continues to be given to ensuring the best possible welcome to all visitors and the offering of appropriate pastoral care not just within the immediate community, but beyond.

Safeguarding. Southwell Cathedral has established a culture of positive regard for the safeguarding of children and vulnerable adults. This will continue to be a high priority at the heart of the life of the Cathedral.

Education. As the Cathedral for the Diocese of Southwell and Nottingham we will continue to value highly our ministry of education amongst children and adults across the county and beyond.

Events. We are proud to be a sought-after venue for a wide variety of events, from services and concerts to exhibitions and fayres. We will continue to develop this important strand in our life which introduces a wide variety of people to the Minster.

SOUTHWELL CATHEDRAL CHAPTER ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2024

Areas to Explore during the next 12 Months

A Rural Cathedral. Southwell Minster is highly unusual in its rural setting. This provides us with a wonderful opportunity to explore ways to develop as a centre for rural ministry both locally and more widely. The rural themes of place, environment and architecture (the internationally renowned Leaves of Southwell) provide an ideal background to develop this area of mission and ministry.

A Centre of Prayer and Spirituality. A Diocesan Cathedral which is a working, living church with a wealth of spiritual riches and roots. How can we enable people to encounter and engage with faith, spiritual development, pilgrimage and prayer life. This is a ministry ripe for further promotion and encouragement.

Visitor Experience: Have we got the basics right for Southwell Minster to give the best experience to all who come to visit regardless of reason. We see this from three perspectives:

- **Practical** including signage and welcome and an integrated experience of faith and heritage.
- **Community Engagement** ensuring that we are at the beating heart of the town and locality.
- **Income Generation** as a venue of choice for a wide variety of artistic ventures.

A Resourcing Cathedral. The traditional role of a Minster is to resource the churches and communities of their neighbourhood. Southwell Minster is a centre of excellence, including music, liturgy and education. We are keen to share our expertise and offer resources for development to the parishes and churches of the Diocese of Southwell and Nottingham.

4. ACHIEVEMENTS AND PERFORMANCE DURING 2024

Cathedral life in 2024 was marked by deepening civic and community engagement, a rich programme of worship and music, flourishing educational activity, and continued growth in visitor numbers and public profile. It was also a year of transition, with several senior staff departing and new colleagues joining the Minster community.

None of the achievements below could have been delivered without the on-going dedicated work of our staff and volunteer team. In this year where there has been so much leadership transition and change, we acknowledge and thank our leaders, staff and volunteers for the way they have carried on delivering for God, the community and the Minster.

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Leadership transition

The Cathedral said farewell to the Dean, the Very Revd Nicola Sullivan, and to the Canon Missioner, the Revd Paul Rattigan, during the autumn. In November, Chapter welcomed The Revd Canon Dr Neil Evans as Interim Dean. Nigel Spraggins (Chief Officer) and Andrea Pritchard (Head of Finance) also left their roles; David Coulthard was appointed Interim Chief Operating Officer. Both Dean Neil and David brought clarity, experience and fresh insight, with strategic and operational impact evident.

Worship and congregation

The daily rhythm of worship continued to shape the life of the Cathedral, enriched by a number of special liturgical events. Among these was a collaborative service with the University of Nottingham: a reconstruction of the medieval Night Office for All Hallows' Eve. Evoking 15th-century vigils once held in the Minster, the service drew a most welcome congregation of 155. Another notable occasion came on the Feast of Christ the King, when the Cathedral welcomed the Archbishop of York to preside at the Diocesan Confirmation Service.

Children's ministry continued to grow, with a weekly average of 28 children attending Minster Kids on Sunday mornings. Advent and Christmas services were attended by 11,703 people, and Holy Week attendance rose by 45% compared with 2023, with 2,824 attending across the week.

The Cathedral's 142 Regular Givers contributed more than £115,000 to support its ongoing mission and ministry. We remain extremely grateful for the ongoing support of these individuals.

Civic life

The Cathedral remains an important setting for civic worship and ceremonial events in Nottinghamshire. In February, it hosted a service to mark the retirement of Sir John Peace as Lord-Lieutenant; this was followed in June by the first King's Birthday Service attended by his successor, Professor Veronica Pickering. Later that month, a special Evensong in partnership with the Royal British Legion marked the 80th anniversary of D-Day, drawing a large congregation in remembrance.

Cathedral community

The Cathedral Electoral Roll recorded 263 members in 2024 – a 4% increase on 2023 – reflecting strong engagement given the Minster's rural setting. A team of 349 volunteers continued to support all areas of Cathedral life – from welcoming visitors and arranging flowers to assisting with worship and refreshments. Chapter extends its deep gratitude to all those whose loyalty, dedication and generosity underpins so much of the Cathedral's work.

SOUTHWELL CATHEDRAL CHAPTER ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2024

Music

Music at the Cathedral continued to flourish, with the arrival of seven new choristers, two lay clerks and an Organ Scholar. Alongside daily choral worship, the Cathedral Choir presented a varied and ambitious programme throughout the year, including major works such as Bach's *St John Passion*, Bernstein's *Chichester Psalms*, and Orff's *Carmina Burana* – the latter broadcast on BBC Radio 3. Former choristers also returned occasionally to sing Evensong with the Lay Clerks, strengthening intergenerational links.

The Cathedral's adult choir, the Minster Chorale, maintained a high standard, singing at Westminster and Lincoln Cathedrals during the year and ending 2024 with a well-received performance of *Messiah*.

The Quire Organ was out of service for much of the year, undergoing a major £270,000 restoration. Work was completed in early winter, in time for use during the Christmas season.

The Friday Lunchtime Concerts continued throughout the year, with a wide range of free performances – from classical recitals to folk and organ music – regularly drawing audiences of up to 200. The Southwell Minster Choir Association supported music-making in the Cathedral through events and practical support, including chorister travel bursaries.

Education and learning

The Cathedral's commitment to education and engagement remained steadfast and ambitious. The education department delivered a wide-ranging programme, reaching 5,308 children and adult learners across the year (4,828 in 2023 – a 9.9% rise). The focus on Religious Education remained strong, thanks in particular to the Cathedral's flagship Time Travelling programme, which celebrated its 30th anniversary in 2024. Two-thirds of learners visited the Minster for RE days and experiences, while great success was seen with the Cathedral's newest education offering centred on history, 'Romans in Southwell', run in collaboration with the Southwell Community Archaeology Group, which welcomed 700 school pupils from across Nottinghamshire across the year.

The Education team ran an array of themed days catering for all ages, including popular Christmas and Easter festival days and 'Art and Architecture' experiences. Two large family fun days brought additional energy to the calendar: one, held in February as part of the county-wide Festival of Science and Curiosity, was supported by the Society of Experimental Biologists and local university partners; the other, a Victorian-themed day, marked 140 years since the Minster became a Cathedral, in partnership with the Southwell Workhouse.

The Education Department was supported by over 70 volunteers, whose dedication, expertise and energy are vital in sustaining the Education Programme.

SOUTHWELL CATHEDRAL CHAPTER ANNUAL REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2024

Events and visitors

2024 was a record year for events and visitors, with over 63,000 people attending. General visitor numbers reached 63,505 – up from 43,379 in 2023.

Key exhibitions contributed to this growth. *Cathedral 140*, marking the 140th anniversary of the Minster's cathedral status, presented 140 objects from the Minster's history. *The Longest Yarn* received its UK premiere at Southwell, drawing 30,000 visitors over 19 days and generating £62,000 in donations. *Museum of the Moon* attracted 11,000 visitors and was accompanied by themed events such as Compline under the Moon, family activities, meteorite handling, and a 'planetarium' experience in partnership with the National Space Centre.

Popular community events returned as annual fixtures, including the Spring and Winter Craft Fairs, the Plant Hunters' Fair and the Bramley Apple Festival.

The Cathedral's digital reach expanded, with a 30% increase in social media following compared to 2023. Visitor donations also rose, with the average gift increasing from £1.14 in 2023 to £1.88 in 2024 – a positive trend towards the Cathedral's £5 suggested donation target. Further work is planned to raise this sum further in 2025 as part of the journey to financial stability for the Cathedral.

Grounds and gardens

The Palace Gardens continued to thrive, maintained by a dedicated team of 20 volunteers led by the Head Gardener. Most new planting was grown on-site from seed or cuttings. Highlight events included seed-planting demonstrations and weekly gardening sessions with children from Lowes Wong Juniors Garden Club.

Unfortunately, seasonal storms caused significant tree damage across the estate, resulting in necessary and costly remedial work.

Environmental matters

On 20 May 2024, the Cathedral was awarded the Silver Eco Cathedral Award by A Rocha, building on its Bronze status (awarded in 2020). The award recognised achievements in sustainability, including eco-friendly cleaning, efficient heating, double-glazing, biodiversity measures such as swift boxes, and stewardship of the Potwell Dyke Grasslands (a Site of Importance for Nature Conservation).

Safeguarding

A vital area of development throughout 2024 was the Cathedral's safeguarding practice. By December, all Cathedral volunteers had completed safeguarding training – an essential step in strengthening the Cathedral's culture of safety and care. This was due in large part to the leadership of Cathedral Safeguarding Officer Penny Turner and to the ongoing work of Volunteer Safeguarding Co-ordinator Vicky Thorpe. Their diligence has laid strong foundations for the Cathedral's continued progress in this critical area.

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Fundraising

The Friends of Southwell Cathedral offered vital support, including funding for the Quire Organ restoration, the Organ Scholar's salary, and chorister support. The Friends Council are a wise and proactive ally to the Cathedral, and Chapter extends its sincere thanks to them for their continued generosity and partnership.

Individuals within the Cathedral community and beyond continued to provide steadfast financial support through donations, including those who supported the *Cathedral 140* exhibition and the *Light Up the Minster* Christmas campaign, which raised £5,541. Local businesses provided welcome sponsorship for *The Magic of Christmas* concert, cementing the Cathedral's growth in partnership working across Nottinghamshire.

We are very grateful to the funders who have supported us to deliver our vision and objectives during 2024 and in particular the Friends of Southwell Cathedral, whose on-going support is much valued:

Education

All Saints Educational Trust
Nottingham City Mission
Nottingham Gordon Memorial Trust
Rotary Club of Southwell Trust Fund
Southwell & Nottingham Mothers Union
Treeside Trust
Trent Valley Arts Society
Westhill Endowment

Music

Co-op Community Fund
Gallagher Community Fund 2024
Golden Bottle Trust
Gray Trust
Helen Mary McCosh Charitable Trust
John and Ruth Howard Charitable Trust
Lady Hind Trust
McCorquodale Charitable Trust
Minster Lodge
On Organ Fund
Ouseley Church Music Trust
Pilling Trust
Rainbow Dickinson Trust
Williams Church Music Trust

Events sponsorship

UK Shared Prosperity Fund – Museum of the Moon sponsorship
Eight local companies sponsored *The Magic of Christmas*

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General

Benefact Trust
Church Commissioners Cathedrals Sustainability Fund
Community of the Holy Cross
Friends of Southwell Cathedral
Nottinghamshire Newark & Sherwood District Council

5. FINANCIAL REVIEW

These accounts have been put together in line with the reporting requirements of the Charities SORP (FRS 102) and adhere to guidance given for Cathedrals.

The Unrestricted Fund net deficit in funds for the year was £94,536 compared with a deficit of £240,317 in 2023.

The continued and substantial operating deficit is an obvious concern and it will be necessary for Chapter to take difficult decisions to address this matter. In that context, the planned Strategic Property Review, mainly funded by the Church Commissioners, should allow further rationalisation whilst still allowing the Mission of the Cathedral to be delivered effectively. It remains a priority for Chapter.

Pay Policy for Key Management Personnel

Cathedral Clergy are paid in accordance with the stipends set by the Church Commissioners and are appointed under Common Tenure, Clergy Terms of Service 2010. Other staff are paid in accordance with remuneration which is decided by members of the Cathedral Chapter using the stipend increase rate and current market rate increase as benchmarks.

Reserves & Reserves Policy

Unrestricted funds at 31 December 2024 amounted to £73,640 (2023: £168,176). This is split between negative general reserves of £88,785 and designated reserves of £162,425. Total unrestricted funds have been split on the Consolidated Statement of Financial Activities (SOFA) in note 14 to the financial statements.

In Chapter's view, the general free reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. Chapter's aim is to achieve the position whereby the charity's free reserves at a level which is at least equivalent to six months operational expenditure.

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Income Grants

All cathedrals are supported financially by the Church Commissioners in the provision of the stipend of a Dean and stipends for two Residentiary Canons this amounted to £145,448 in 2024 (2023 - £133,684). Most cathedrals also receive a grant towards clergy support and administrative costs, and a total of £174,575 was received in 2024 (2023 - £168,735).

Grants were received from The Church Commissioners Cathedral Sustainability Fund to support the roles of Fundraiser and Visitor and Volunteer Services Officer. The Benefact Trust support cathedrals on an annual basis and this year's grant of £18,813 was used towards refurbishment of the Quire Organ.

Regular Giving

A major source of funding for the Minster's work is regular giving by members of the Community with £149,447 received in 2024 (2023 - £147,525). Gift Aid added a further £40,258 (2023 - £36,686).

Visitor & Legacy Income

Donations by visitors to the Minster increased in 2024 to £125,338 (2023 - £52,100) due to the enhanced visitor experience. The Southwell Minster legacy leaflet is still proactively distributed; copies are available by the donation boxes in the Minster. Disappointingly, legacy income amounted to a mere £12 in 2024 (2023 - £45,000). Lifetime gifts are similarly extremely valuable and enable donors to have the joy of seeing the immediate benefit.

Trading Income from the Refectory and the Shop

The Minster Shop and the Refectory continue to provide a valuable source of income to the Cathedral. It is intended in 2025 to review the operation of both, to seek further profit from both. Profit from the Trading Company was £35,323 (2023 - £8,423).

Investment Properties Portfolio

The investment property portfolio (Minster Centre, Sacrista Prebend, the Refectory and Bishops Manor) continues to provide a vital source of income. However, the costs incurred this year meant only a surplus of £678 was generated. It is anticipated that that the Master Plan will provide a way forward for the portfolio to generate a more meaningful surplus. For more details of the return on investment properties, please see note 6.

Financial Investments

The Cathedral's financial investments are pooled and were split between two investment managers, CCLA Investment Management Ltd and Rathbones Group Plc. The financial position of the Minster was such that Chapter took the decision to liquidate the Rathbones portfolio to in essence provide working capital.

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Financial Investments (continued)

The Finance Committee (FC) reviews the Cathedral's investment portfolio periodically and invites managers to provide further information on market performance. The policy is to maintain steady capital growth whilst being able to receive a good level of income to support mission. Investments held through the Church of England Central Board of Finance are subject to the ethical guidelines issued by the Church of England Ethical Investments Advisory Group (EIAG). When investments were held by Rathbones they were subject to regular ethical screening based on the same ethical guidelines. Further detailed information can be found in note 7.

Financial Investments Performance

Investment markets saw positive returns overall in 2024 but with continued volatility over the course of the year. During 2024 there were net unrealised gains on Chapter investments of £92,598. At year end the value of investments held with CCLA was £939,900 (2023 - £2,222,563).

6. GOING CONCERN

The financial statements have been prepared on a going concern basis. In forming this view, the Trustees have considered the Cathedral's forecasts and cash flow projections for a period of at least 12 months from the date of approval of these financial statements, together with the associated risks and sensitivities.

Subsequent to the year end, the Cathedral realised £1.7m from the sale of Sacrista and transferred those funds into unrestricted general reserves to provide liquidity while a programme of operational improvements is implemented. The Trustees' plan includes a grant-funded energy-efficiency projects (including lighting), a stewardship campaign, and wider income generation and cost control measures under the new leadership team.

While these plans are progressing, they are not yet fully contracted or evidenced, and the Cathedral is forecast to incur further operating deficits before achieving break-even. The Cathedral is therefore reliant on available cash headroom and the successful delivery of the plans. Whilst as Trustees we are confident with new and expert leadership now in place that the Cathedral will continue as a going concern, these circumstances indicate the existence of a material uncertainty that may cast doubt on its ability to do that.

The financial statements do not include the adjustments that would result if the Cathedral were unable to continue as a going concern. The Trustees consider that, taking into account the post-year-end funds and the actions underway, preparation of the financial statements on a going concern basis remains appropriate.

**SOUTHWELL CATHEDRAL CHAPTER
ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. PLANS FOR FUTURE YEARS

The focus in 2026 will be to continue to deliver on the strategic objectives outlined earlier in this report. Particular focus will be given to the work on a masterplan for the properties and strengthened budget setting and financial reporting processes which provide a vital foundation for all our efforts to become a sustainable organisation.

2026 will also see the recruitment of a new permanent Chief Operating Officer, a Chief Finance Officer and finally a new Dean. This will ensure the Minster team can embed and strengthen progress to date and plan confidently forward, taking the likely necessary strategic changes that will be required. In that context, every opportunity will be taken to secure grant funding and to continue to benefit from the important financial support provided by existing benefactors, including the Friends of Southwell Cathedral.

8. RISK MANAGEMENT

The Chapter reviews the major risks to the Cathedral and its work on a regular basis. Systems and procedures are updated as necessary to mitigate risks where they are identified. The Audit and Risk Committee meets regularly and is chaired by Mr Michael Bolton.

A Risk Register has been developed to identify all known risks and includes the nature of the risk, who owns it and the mitigation measures that have been put in place to manage the risk. The Audit & Risk Committee and Chapter regularly review the risk register to ensure it is up to date and to monitor whether risks are increasing or decreasing.

The highest scored risks (i.e. those most likely to happen) as at the last report to Chapter were:

- Decline in numbers of the congregation
- Loss of key staff and disruption caused (including of interim staff)
- Inadequate IT provision
- Poor / deteriorating property condition
- Under use of property assets

These risks all have actions underway to address them and these actions should reduce these risk as the Cathedral continues with them through 2026 and beyond.

Other key risks are in the area of safeguarding (that an incident happens) and finance (lack of resources). Work on ongoing safeguarding procedures and work on the budgets and the sale of Sacrista Prebend mean that these risks are not currently scored highest. It is encouraging to see the impact of work done on risk mitigation.

With specific regard to safeguarding, Canon Amanda Lees (appointed as interim part-time Canon Missioner in January 2025), serves as the Chapter Lead for Safeguarding, and Mrs Vicky Thorpe continues in a voluntary capacity as the Cathedral Safeguarding Co-ordinator. A safer recruitment policy and process has been implemented for all staff and volunteers. A member of the Diocesan Safeguarding team is regularly onsite at the Cathedral to support the team in its safeguarding work.

**SOUTHWELL CATHEDRAL CHAPTER
ANNUAL REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

AUDITORS

The auditors Hazlewoods LLP were appointed in 2025 following an open tender process.

**STATEMENT OF CHAPTER'S RESPONSIBILITIES IN RELATION TO THE
ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The Chapter is responsible for:

- 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;
- stating that they have complied in all material respects with these regulations or describing which regulations have not been complied with and giving reasons for the non-compliance;
- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time; and
- safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

30/3/2026

Approved by the Chapter on.....and signed as authorised on their behalf by:

Neil R Evans

The Revd. Canon Dr Neil Evans (Interim Dean)

**SOUTHWELL CATHEDRAL CHAPTER
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWELL
CATHEDRAL CHAPTER
FOR THE YEAR ENDED 31 DECEMBER 2024**

Opinion

We have audited the financial statements of Southwell Cathedral Chapter for the year ended 31 December 2024 which comprise the Consolidated Financial Statement of Financial Activities, the Consolidated and Cathedral Balance Sheets, the Consolidated Cash Flow statement 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 Cathedral's and the group's affairs as at 31 December 2024 and their net 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 30 of the Cathedrals Measure 2021.

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.

Material Uncertainty Related to Going Concern

We draw attention to the Going Concern disclosure in Note I of the financial statements, which indicates that the Cathedral is forecast to incur further operating deficits before achieving break-even. The Cathedral is therefore reliant on available cash headroom and the successful delivery of the Trustees' planned programme of operational improvements.

As stated in Note I, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Cathedral's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**SOUTHWELL CATHEDRAL CHAPTER
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWELL
CATHEDRAL CHAPTER (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Other information

The Chapter are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which we report to you if, in our opinion:

- sufficient accounting records have not been kept by the Cathedral;
- 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 members of Chapter

As explained more fully in the Chapter Responsibilities statement set out on page 20, the Chapter is 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 the Chapter determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chapter is responsible for assessing the Cathedral and the group'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 the Chapter either intends to liquidate 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**SOUTHWELL CATHEDRAL CHAPTER
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWELL
CATHEDRAL CHAPTER (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

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 Cathedral and its circumstances, we identified that the principal risks of non-compliance with laws and regulations related to the requirements of the Cathedrals Measure 2021, 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 income tax, payroll tax and sales tax.

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 management bias in accounting estimates and to manual accounting journals.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with tax authorities;
- 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;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimate

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

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

**SOUTHWELL CATHEDRAL CHAPTER
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOUTHWELL
CATHEDRAL CHAPTER (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Use of our report

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

Scott Lawrence

30/3/2026

Date.....

.....
Scott Lawrence FCA DChA (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor, Cheltenham

SOUTHWELL CATHEDRAL CHAPTER
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and legacies		343,953	36,453	-	380,406	408,133
Grants in support of mission		-	424,857	-	424,857	438,207
Charges and fees arising in the course of mission		29,948	(1,787)	-	28,161	40,081
Trading and fundraising		440,612	-	-	440,612	399,918
Investments		254,820	40,148	-	294,968	299,797
Other income		5,665	-	-	5,665	9,860
Total	2	<u>1,074,998</u>	<u>499,671</u>	<u>-</u>	<u>1,574,669</u>	<u>1,595,996</u>
Expenditure on:						
Raising funds		624,161	60,371	-	684,532	662,237
Ministry		182,058	571,388	-	753,446	721,351
Cathedral and precincts upkeep		481,092	27,741	-	508,833	362,315
Education and outreach		94,792	-	-	94,792	88,762
Total	3	<u>1,382,103</u>	<u>659,500</u>	<u>-</u>	<u>2,041,603</u>	<u>1,834,665</u>
Net income/(expenditure) before gains/(losses)		(307,105)	(159,829)	-	(466,934)	(238,669)
Net gains on investments	7	7,801	50,521	34,276	92,598	142,671
Transfers between funds		204,768	-	(204,768)	-	-
Net movement in funds		(94,536)	(109,308)	(170,492)	(374,336)	(95,998)
Funds brought forward		168,176	1,728,723	8,376,436	10,273,335	10,369,333
Funds carried forward		<u>73,640</u>	<u>1,619,415</u>	<u>8,205,944</u>	<u>9,898,999</u>	<u>10,273,335</u>

The accompanying notes form part of the financial statements.

**SOUTHWELL CATHEDRAL CHAPTER
CONSOLIDATED AND CHAPTER BALANCE SHEETS
AS AT 31 DECEMBER 2024**

	Note	Consolidated		Chapter	
		Total 2024 £	Total 2023 £	Total 2024 £	Total 2023 £
Fixed assets					
Investments					
Property	6	5,385,600	5,385,600	5,385,600	5,385,600
Investments	7	939,900	2,222,563	939,900	2,222,563
Investment in subsidiary		-	-	100	100
		<u>6,325,500</u>	<u>7,608,163</u>	<u>6,325,600</u>	<u>7,608,263</u>
Tangible fixed assets					
Property	8	2,671,605	2,671,605	2,671,605	2,671,605
Plant and equipment	9	40,530	53,218	40,530	53,218
		<u>2,712,135</u>	<u>2,724,823</u>	<u>2,712,135</u>	<u>2,724,823</u>
Total fixed assets		<u>9,037,635</u>	<u>10,332,986</u>	<u>9,037,735</u>	<u>10,333,086</u>
Current assets					
Stocks	10	49,994	46,097	-	-
Debtors	11	201,743	99,466	281,411	171,982
Cash		737,055	195,992	694,609	160,553
		<u>988,792</u>	<u>341,555</u>	<u>976,020</u>	<u>332,535</u>
Total current assets		<u>988,792</u>	<u>341,555</u>	<u>976,020</u>	<u>332,535</u>
Creditors: amounts due within one year	12	<u>(127,428)</u>	<u>(101,333)</u>	<u>(120,418)</u>	<u>(100,836)</u>
Net current assets		<u>861,364</u>	<u>240,222</u>	<u>855,602</u>	<u>231,699</u>
Creditors: amounts due after one year	13	<u>-</u>	<u>(299,873)</u>	<u>-</u>	<u>(299,873)</u>
Total net assets		<u>9,898,999</u>	<u>10,273,335</u>	<u>9,893,337</u>	<u>10,264,912</u>
Funds					
General	14	(88,785)	6,021	(94,447)	(2,423)
Designated fund	14	41,476	41,476	41,476	41,476
Music designated funds	14	22,328	22,676	22,328	22,676
Fabric funds	14	892,091	903,177	892,091	903,178
Chapter fund	14	7,225,262	7,404,571	7,225,262	7,404,570
Music fund	14	1,092,565	1,061,110	1,092,565	1,061,110
Library fund	14	98,621	98,003	98,621	98,003
Great Hall	14	15,272	28,017	15,272	28,017
The Leaves of Southwell Project (Match funding)	14	73,189	67,123	73,189	67,123
Sacrista Retreat House	14	288,480	289,556	288,480	289,556
Culture Recovery fund	14	9,067	9,067	9,067	9,067
Church Commissioners	14	1,920	16,644	1,920	16,664
Organ Fund	14	-	125,294	-	125,294
Specified Donations	14	190,402	165,892	190,402	165,892
Other funds	14	37,111	34,708	37,111	34,709
		<u>9,898,999</u>	<u>10,273,335</u>	<u>9,893,337</u>	<u>10,264,912</u>

The accompanying notes form part of the financial statements.

Approved and authorised for issue by the Chapter on 30/3/2026 and signed on its behalf by:

.....*Neil R. Evans*.....

The Revd. Canon Dr Neil Evans (Interim Dean)

**SOUTHWELL CATHEDRAL CHAPTER
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024	2023
	Total funds	Total funds
	£	£
Cash flows from operating activities (see below)		
Net cash used in operating activities	(510,492)	(86,867)
Cash flows from investing activities		
Rent received net of costs	678	(12,048)
Interest and dividends received net of costs	6,139	60,835
Sales of investments	1,375,261	967
Purchases of equipment and plant	(11,312)	(11,513)
Net cash provided by investing activities	<u>1,370,766</u>	<u>38,241</u>
Cash flows for financing activities		
Repayment of borrowing	(319,285)	(19,311)
Net cash used in financing activities	<u>(319,285)</u>	<u>(19,311)</u>
Change in cash and cash equivalents in year	540,989	(67,937)
Cash and cash equivalents at the beginning of the year	<u>196,066</u>	<u>264,003</u>
Cash and cash equivalents at the end of the year	<u><u>737,055</u></u>	<u><u>196,066</u></u>
Reconciliation of net income/ (expenditure) to net cash flow from operating activities		
Net expenditure before investment gains	(290,546)	(238,669)
Adjusted for:		
Depreciation charges	24,000	21,346
Income from property and investments	(252,574)	(299,797)
Investment property costs and loan interest	245,757	251,010
(Increase) / decrease in stock	(3,897)	11,650
(Increase) / decrease in debtors	(278,665)	222,631
Increase / (decrease) in creditors	45,433	(55,038)
Net cash used in operating activities	<u>(510,492)</u>	<u>(86,867)</u>
Analysis of cash and cash equivalents		
Cash in hand	737,055	195,992
Investments – short term deposits	-	74
	<u>737,055</u>	<u>196,066</u>

The accompanying notes form part of the financial statements.

SOUTHWELL CATHEDRAL CHAPTER NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2024

I. Principal accounting policies

Basis of accounting

The consolidated financial statements have been prepared in accordance with applicable accounting standards and the guidelines on Accounting and Reporting by the Association of English Anglican Cathedrals and prescribed by the Church Commissioners under Section 30 of the Cathedrals Measure 2021. The consolidated financial statements have also been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The consolidated financial statements have been prepared under the historical cost accounting rules except for the valuation of investment assets which are shown at fair value.

Basis of preparation

Southwell Cathedral Chapter meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Estimates and judgements

The principal area of estimation and judgment having a material effect of these financial statements relates to the valuation of property.

Going concern

The financial statements have been prepared on a going concern basis. In forming this view, the Trustees have considered the Cathedral's forecasts and cash flow projections for a period of at least 12 months from the date of approval of these financial statements, together with the associated risks and sensitivities.

Subsequent to the year end, the Cathedral realised £1.7m from the sale of Sacrista and transferred those funds into unrestricted general reserves to provide liquidity while a programme of operational improvements is implemented. The Trustees' plan includes a grant funded energy efficiency projects (including lighting), a stewardship campaign, and wider income generation and cost control measures under the new leadership team.

While these plans are progressing, they are not yet fully contracted or evidenced, and the Cathedral is forecast to incur further operating deficits before achieving break even. The Cathedral is therefore reliant on available cash headroom and the successful delivery of the plans. Whilst as Trustees we are confident with new and expert leadership now in place that the Cathedral will continue as a going concern, these circumstances indicate the existence of a material uncertainty that may cast doubt on its ability to do that.

The financial statements do not include the adjustments that would result if the Cathedral were unable to continue as a going concern. The Trustees consider that, taking into account the post year end funds and the actions underway, preparation of the financial statements on a going concern basis remains appropriate.

Consolidated financial statements

The consolidated financial statements relate to Southwell Cathedral Chapter (the parent undertaking) and Southwell Cathedral Chapter Trading Limited (the subsidiary undertaking). Separately audited financial statements have been filed with the Registrar of Companies in respect of the subsidiary. All financial statements are made up to 31 December.

The consolidated financial statements include all transactions, assets and liabilities for which the Chapter is responsible in law. They do not include the accounts of groups that owe their main affiliation to another body, nor those that are informal gatherings of Cathedral members.

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

I. Principal accounting policies (continued)

Funds

Unrestricted funds represent the funds of the Chapter that are not subject to any restrictions regarding their use and are available for application on the general purposes of the Chapter and Southwell Cathedral Chapter Trading Limited. Funds designated for a particular purpose by the Chapter are also unrestricted.

Restricted funds are subject to specific conditions laid down by the donors as to how they may be used. These are listed in note 14 to the financial statements.

Endowment funds are capital donations which have been identified by the donors as either permanent or expendable. These are listed on note 14 to the accounts.

Third party and non-cash receipts and payments and donated assets and services

Where amounts are payable on behalf of the Chapter by third parties, for example the Church Commissioners, these are disclosed under both income and expenditure. Where assets and services are donated to the Chapter the value is included in the appropriate classification of income and expenditure.

Taxation

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. All recoverable income tax is included under the appropriate classification of income.

Income and endowments receivable

Collections and donations are recognised when received by or on behalf of the Chapter.

Grants and legacies to the Chapter are accounted for as soon as the Chapter is notified of its legal entitlement and the amount due provided that receipt is considered to be probable.

Dividends and interest are accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

All income is allocated to relevant funds according to any restrictions placed upon its use.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Included within support costs are governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are allocated based on the following ratios:

Cost of generating funds	22%
Ministry	48%
Cathedral and precincts upkeep	24%
Education and outreach	6%

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in “net gains/ (losses) on investments” in the statement of financial activities if the shares are publicly traded or their fair value can otherwise be measure reliably. Other investments are measured at cost less impairment.

Investment properties

In accordance with Section 16 of FRS102 (The Financial Reporting Standard applicable for England and Wales), investment properties are regularly reviewed and revalued and not subject to a depreciation charge.

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

I. Principal accounting policies (continued)

Tangible fixed assets

No depreciation is provided for the freehold properties owned by the Chapter and carried on the balance sheet because the economic life of the properties is judged to be longer than 50 years and the Chapter's policy is to maintain and repair the properties to ensure that they retain their value in sue to the Chapter. In order to comply with accounting legislation, the Chapter has conducted an impairment review. The Chapter considers that the net realisable value of the properties in the balance sheet is not less than their carrying value and expects to hold the properties for more than 50 years. It is therefore the opinion of the Chapter that the assets are not impaired and there is no requirement to adjust the value at which the properties are carried in the balance sheet.

Fixed assets of £2,000 or more are recorded at cost with items below this value written off on acquisition.

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows: -

Fixtures and Equipment - 5 years

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pension costs

The charity operates a defined contribution scheme. The assets of the scheme are held independently of the Chapter. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Leasing Commitments

Rentals paid under operating leases are charged to the statement of financial position on a straight-line basis over the period of the lease.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts received.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

I. Principal accounting policies (continued)

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the cathedral becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the cathedral after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the cathedral intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the cathedral transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the cathedral, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

2. INCOME AND ENDOWMENTS
FROM:

Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
Donations and legacies					
Congregational collections and giving	149,447	-	-	149,447	147,525
Donations	154,236	9,282	-	163,518	92,900
Income from appeals and fund raising	-	-	-	-	29,849
Tax recoverable under Gift Aid	40,258	-	-	40,258	36,686
Income from Friends and local trusts	-	27,171	-	27,171	56,173
Legacies	12	-	-	12	45,000
Total	343,953	36,453	-	380,406	408,133
Grants in support of mission					
Church Commissioners	-	374,097	-	374,097	377,235
Other revenue and capital grants	-	50,760	-	50,760	60,972
Total	-	424,857	-	424,857	438,207
Charges and fees arising in the course of mission					
Facility and other fees	29,948	(1,787)	-	28,161	40,081
Trading and fundraising					
Charges to visitors	55,294	-	-	55,294	64,646
Gross income of shop, refectory and other activities	385,318	-	-	385,318	335,272
Total	440,612	-	-	440,612	399,918
Investments					
Property	246,435	-	-	246,435	237,168
Investments	8,385	40,148	-	48,533	62,629
Total	254,820	40,148	-	294,968	299,797
Other income					
Interest receivable on short term deposits	2,081	-	-	2,081	2,952
Other items	3,584	-	-	3,584	6,908
Total	5,665	-	-	5,665	9,860
Total income	1,074,998	499,671	-	1,574,669	1,595,996

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

3. EXPENDITURE

Raising funds	Unrestricted Funds	Restricted Funds	Endowment Funds	2024 Total Funds	2023 Total Funds
	£	£	£	£	£
Raising funds					
Cost of services directly recoverable	15,463	-	-	15,463	21,470
Gross cost of shop, refectory and other services	190,696	23,434	-	214,130	212,147
General marketing costs	59,683	-	-	59,683	98,931
Cost of appeals and fundraising	3,793	35,601	-	39,394	-
Investment property costs	283,747	1,336	-	285,083	273,531
Support costs	70,779	-	-	70,779	56,158
Total	<u>624,161</u>	<u>60,371</u>	<u>-</u>	<u>684,532</u>	<u>662,237</u>
Ministry					
Clergy stipends and working expenses	-	153,597	-	153,597	142,546
Clergy housing costs	-	53,094	-	53,094	36,268
Clergy support costs	-	591	-	591	65,047
Services, music and congregational costs	28,203	364,106	-	392,309	322,901
Support costs	153,855	-	-	153,855	154,589
Total	<u>182,058</u>	<u>571,388</u>	<u>-</u>	<u>753,446</u>	<u>721,351</u>
Cathedral and precincts upkeep					
Major repairs and restoration	-	23,513	-	23,513	21,038
Maintenance and interior upkeep	309,401	4,072	-	313,473	170,963
Cathedral insurance	37,188	-	-	37,188	48,107
Precincts, security and gardens upkeep	57,276	156	-	57,432	44,450
Support costs	77,227	-	-	77,227	77,757
Total	<u>481,092</u>	<u>27,741</u>	<u>-</u>	<u>508,833</u>	<u>362,315</u>
Education and outreach					
Educational activities	59,684	-	-	59,684	57,652
Archives and library	2,694	-	-	2,694	687
Charitable and other giving	12,470	-	-	12,470	10,336
Support costs	19,944	-	-	19,944	20,057
Total	<u>94,792</u>	<u>-</u>	<u>-</u>	<u>94,792</u>	<u>88,762</u>
Total expenditure	<u>1,382,103</u>	<u>659,500</u>	<u>-</u>	<u>2,041,603</u>	<u>1,834,665</u>

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. EXPENDITURE (CONTINUED)

	Direct costs 2024 £	Support costs 2024 £	Total 2024 £	Direct costs 2023 £	Support costs 2023 £	Total 2023 £
Costs of generating funds	613,753	70,779	684,532	606,379	56,158	662,327
Ministry	599,591	153,855	753,446	566,762	154,589	721,351
Cathedral and precincts upkeep	431,606	77,227	508,833	284,558	77,757	362,315
Education and outreach	74,848	19,944	94,792	68,705	20,057	88,762
	<u>1,719,798</u>	<u>321,805</u>	<u>2,041,603</u>	<u>1,526,104</u>	<u>308,561</u>	<u>1,834,665</u>

4. VAT

Any irrecoverable VAT has been included in the expenditure which gave rise to it. The total amount of irrecoverable VAT for 2024 was £nil (2023: £29,148).

5. TRANSFERS

There were no transfers between funds during the year.

6. INVESTMENT PROPERTY

	Total 2024 £	Total 2023 £
Cathedral and Group		
At valuation 1 January	5,385,600	5,385,600
Additions	-	-
Disposals	-	-
Net increase on revaluation	-	-
Transfer of investments	-	-
	<u>5,385,600</u>	<u>5,385,600</u>

Return on investment property

	2024 Total Funds £	2023 Total Funds £
Income		
Rents receivable	230,399	226,351
Service charge income	16,036	10,817
	<u>246,435</u>	<u>237,168</u>
Expenditure		
Repairs and maintenance	(55,259)	(95,039)
Other property running costs	(181,595)	(149,007)
Professional fees	(494)	(5,170)
Loan interest	(8,409)	(22,521)
	<u>(245,757)</u>	<u>(271,737)</u>
Total return on investment property	<u>678</u>	<u>(34,569)</u>

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

7. INVESTMENTS

	Total 2024 £	Total 2023 £
Cathedral and Group		
Investments at market value 1 January	2,222,563	2,080,785
Proceeds from disposals	(1,375,261)	(967)
Net gains on investments	92,598	-
Investments at market value 31 December	939,900	2,222,489
Short term deposits	-	74
	<u>939,900</u>	<u>2,222,563</u>
Total	<u>939,900</u>	<u>2,222,563</u>

Investment in subsidiary

The results of Southwell Cathedral Chapter Trading Limited have been consolidated in the accounts of Southwell Cathedral. The principal activity of the Company is running the Cathedral shop.

A summary of the trading results is shown below:

	Total 2024 £	Total 2023 £
Turnover	178,974	135,857
Cost of sales	(139,122)	(106,845)
Gross profit	<u>39,852</u>	<u>29,012</u>
Administrative expenses	(4,329)	(20,589)
Profit for the financial year	<u>35,523</u>	<u>8,423</u>

A summary of the company's assets and liabilities is shown below:

	Total 2024 £	Total 2023 £
Stocks	49,994	46,097
Debtors	15,735	765
Cash at bank and in hand	42,446	35,439
Creditors: Amounts falling due within one year	(102,413)	(73,778)
Net assets	<u>5,762</u>	<u>8,523</u>
Capital and reserves		
Called up share capital	100	100
Retained earnings	8,423	8,423
Profit for the year	35,523	38,284
Distribution under gift aid	(38,284)	(38,284)
Shareholders' funds	<u>5,762</u>	<u>8,523</u>

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. NON-INVESTMENT PROPERTY

	Total 2024	Total 2023
	£	£
Cathedral and Group		
At cost 1 January	2,671,605	2,671,605
Additions	-	-
Impairment review	-	-
	2,671,605	2,671,605
At cost 31 December	2,671,605	2,671,605

Non-investment properties are held as follows:

	Freehold	Leasehold >50 years	Leasehold <50 years	Total 2024	Total 2023
	£	£	£	£	£
At 1 January					
For Cathedral trading activities	275,000	-	-	275,000	275,000
For Cathedral clergy and staff housing	2,396,605	-	-	2,369,605	2,369,605
	2,671,605	-	-	2,671,605	2,671,605
	2,671,605	-	-	2,671,605	2,671,605
At 31 December					
For Cathedral trading activities	275,000	-	-	275,000	275,000
For Cathedral clergy and staff housing	2,396,605	-	-	2,369,605	2,369,605
	2,671,605	-	-	2,671,605	2,671,605
	2,671,605	-	-	2,671,605	2,671,605

9. PLANT AND EQUIPMENT

	Total 2024	Total 2023
	£	£
Cathedral and Group		
Net book value at 1 January	53,218	63,051
Additions	11,312	11,513
Depreciation for year	(24,000)	(21,346)
	40,530	53,218
Net book value at 31 December	40,530	53,218
Cost	470,528	459,216
Depreciation	(429,998)	(405,998)
	40,530	53,218
Net book value at 31 December	40,530	53,218

10. STOCKS

	Total 2024	Total 2023
	£	£
Cathedral and Group		
Goods for resale	49,994	46,097
	49,994	46,097

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

11. DEBTORS

	Total 2024	Total 2023
	£	£
Group		
Trade debtors	20,447	4,993
Other debtors	121,497	37,227
Prepayments and accrued income	59,799	57,246
Total	<u>201,743</u>	<u>99,466</u>
Cathedral		
Trade debtors	4,712	4,228
Amount due from subsidiary undertaking	95,403	73,281
Other debtors	121,497	37,227
Prepayments and accrued income	59,799	57,246
Total	<u>281,411</u>	<u>171,982</u>

12. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	Total 2024	Total 2023
	£	£
Group		
Bank loan	-	19,412
Trade creditors	93,328	3,172
Tax & social security	19,245	14,418
Other creditors	3,207	49,492
Accruals and deferred income	11,648	14,839
Total	<u>127,428</u>	<u>101,333</u>
Cathedral		
Bank loan	-	19,412
Trade creditors	86,318	2,675
Tax & social security	19,245	14,418
Other creditors	3,207	49,492
Accruals and deferred income	11,648	14,839
Total	<u>120,418</u>	<u>100,836</u>

13. CREDITORS – AMOUNTS DUE AFTER ONE YEAR

	2024	2023
	£	£
Due in between one and two years	-	20,940
Due in between two and five years	-	73,236
Due in five years or more	-	205,697
Total payable after one year	<u>-</u>	<u>299,873</u>

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

14. FUNDS**a. Endowment funds**

	At 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	At 31 December 2024
	£	£	£	£	£	£
Fabric funds	442,137	-	-	18,961	(9,000)	452,098
Chapter funds	7,404,571	-	-	13,819	(193,128)	7,225,262
Music fund	526,620	-	-	1,495	-	528,115
Other funds	3,108	-	-	1	(2,640)	469
	<u>8,376,436</u>	<u>-</u>	<u>-</u>	<u>34,276</u>	<u>(204,768)</u>	<u>8,205,944</u>
Total						
	At 1 January 2023	Income	Expenditure	Gains	Transfers	At 31 December 2023
	£	£	£	£	£	£
Fabric funds	415,967	-	-	26,170	-	442,137
Chapter funds	7,403,963	-	-	608	-	7,404,571
Music fund	505,189	-	-	23,431	-	526,620
Other funds	3,078	-	-	30	-	3,108
	<u>8,326,197</u>	<u>-</u>	<u>-</u>	<u>50,239</u>	<u>-</u>	<u>8,376,436</u>
Total						

Details of endowment funds

Fabric Funds – Established by the constitution and statutes from 1967 to provide an income solely for the repair and maintenance of the Cathedral Church, but without prejudice to payments being made for these purposes from other funds.

Chapter Funds – Funds arising from the Sale of Property and investments prior to the combination of accounts for the Cathedral Chapter and the Cathedral Council in the 1970s.

Music Fund - Includes capital grants from the Friends of the Cathedral, Music, and funds from Capital & Projects funding campaign for a music foundation.

Other Funds – Other capital grants used for various specific purposes.

b. Restricted funds

	At 1 January 2024	Income	Expenditure	Gains/ (losses)	Transfers	At 31 December 2024
	£	£	£	£	£	£
Fabric funds	461,040	3,162	(617)	(23,592)	-	439,993
Music fund	534,490	15,079	-	14,881	-	564,450
Great Hall	28,017	952	(1,336)	(12,361)	-	15,272
The Leaves Project	67,123	-	(1,270)	7,336	-	73,189
Sacrista Retreat House	289,556	-	-	(1,076)	-	288,480
Culture Recovery Fund	9,067	-	-	-	-	9,067
Church Commissioners	16,644	374,096	(379,557)	(9,263)	-	1,920
Organ fund	125,294	20,578	(145,873)	1	-	-
Specified donations	165,892	57,686	(48,393)	15,217	-	190,402
Other funds	31,600	28,118	(82,454)	59,378	-	36,642
	<u>1,728,723</u>	<u>499,671</u>	<u>(659,500)</u>	<u>50,521</u>	<u>-</u>	<u>1,619,415</u>
Total						

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

b. Restricted funds (continued)

	At 1 January 2023	Income	Expenditure	Gains/losses	Transfers	At 31 December 2023
	£	£	£	£	£	£
Fabric funds	395,059	65,157	(26,628)	27,452	-	461,040
Music fund	507,717	115,522	(102,105)	13,356	-	534,490
Great Hall	30,361	1,469	(5,921)	2,108	-	28,017
The leaves Project	85,236	3,737	(21,850)	-	-	67,123
Sacrista Retreat House	298,195	-	(8,639)	-	-	289,556
Culture Recovery Fund	12,936	-	(3,869)	-	-	9,067
Church Commissioners	16,766	377,235	(377,357)	-	-	16,644
Organ fund	97,442	23,947	(2,297)	6,202	-	125,294
Specified Donations	160,313	3,105	(5,549)	8,023	-	165,892
Other funds	30,618	10,251	(9,667)	398	-	31,600
	<u>1,634,643</u>	<u>600,423</u>	<u>(563,882)</u>	<u>57,539</u>	<u>-</u>	<u>1,728,723</u>
Total						

Details of restricted funds

Fabric Funds – Funds from restricted donations and income from the Fabric Endowment Fund.

Music Funds – Funds from restricted donations and income from the Music Endowment Fund.

Great Hall – Funds from restricted donations towards the Archbishop’s Palace, National Lottery, Heritage Fund Project.

The Leaves Project (Match Funding) – Funds from restricted donations towards the Leaves of Southwell Project.

Sacrista Retreat House – This fund includes £273,160 that the Trustees of the Convent of St Laurence agreed to donate for the benefit of the Sacrista Prebend when that charity was dissolved in 2020.

Culture Recovery Fund – The Chapter were successful in a bid to the CRF and was awarded a grant of £400,900 which was mainly for salary costs, to help the cathedral recover from the pandemic and move forward. The grant is for the period of 1 October 2020 to 31 March 2021. The balance is for the deprecation for items that the Chapter’s Policy says should be capitalised.

Church Commissioners – The Commissioners support the ministry of Cathedrals through two funding streams. ‘Section 21’ is given to fund the Stipends and pension costs of the Dean and two Residential Canons. ‘Section 23’ funding is given to fund staff costs for Cathedrals with the lowest incomes, freeing up local resources and helping to facilitate mission and ministry to their local communities. The commissioners also provide additional funding through their Cathedral Sustainability fund.

Organ Fund – Net funds from appeals for the restoration and rebuild of the cathedrals organs.

Specified donations – Various smaller donations restricted for specific diverse areas of cathedral work.

Other funds – Other smaller funds, including Potwell Dyke, and money donated for the upkeep of Higgins Mead.

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

c. Designated funds

	At 1 January 2024	Income	Expenditure	Gains/losses	Transfers	At 31 December 2024
	£	£	£	£	£	£
Designated	41,476	-	-	-	-	41,476
Music (Metcalfe bursary)	22,676	151	-	(499)	-	22,328
Library	98,003	618	-	-	-	98,621
Total	<u>162,155</u>	<u>769</u>	<u>-</u>	<u>(499)</u>	<u>-</u>	<u>162,425</u>

	At 1 January 2023	Income	Expenditure	Gains/losses	Transfers	At 31 December 2023
	£	£	£	£	£	£
Designated	41,476	-	-	-	-	41,476
Music (Metcalfe bursary)	20,699	589	(17)	1,405	-	22,676
Library	87,342	4,819	(295)	6,137	-	98,003
Total	<u>149,517</u>	<u>5,408</u>	<u>(312)</u>	<u>7,542</u>	<u>-</u>	<u>162,155</u>

Details of designated funds

Designated – General Donations and legacies which Chapter has earmarked for specific purposes.

Music (Metcalfe bursary) – a bequest designated by the Cathedral Council for chorister bursaries.

Library – Funds from the sale of Library items.

d. General funds

	At 1 January 2024	Income	Expenditure	Gains/losses	Transfers	At 31 December 2024
	£	£	£	£	£	£
General	(2,402)	895,255	(1,238,651)	8,299	243,052	(94,447)
Trading subsidiary	8,423	178,974	(143,451)	-	(38,284)	5,662
Total	<u>6,021</u>	<u>1,074,229</u>	<u>(1,382,102)</u>	<u>8,299</u>	<u>204,768</u>	<u>(88,785)</u>

	At 1 January 2023	Income	Expenditure	Gains/losses	Transfers	At 31 December 2023
	£	£	£	£	£	£
General	245,108	854,306	(1,143,035)	27,351	13,868	(2,402)
Trading subsidiary	13,868	135,859	(127,436)	-	(13,868)	8,423
Total	<u>258,976</u>	<u>990,165</u>	<u>(1,270,471)</u>	<u>27,351</u>	<u>-</u>	<u>6,021</u>

Details of general funds

Trading Subsidiary – Wholly-owned subsidiary company used for the trading activity of the Cathedral Shop.

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

e. Summary of Net Assets by Fund

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2024 £
Tangible fixed assets	28,884	-	11,646	2,671,605	2,712,135
Investments	709,119	-	374,655	5,241,726	6,325,500
Current assets	(699,360)	162,425	1,233,114	292,613	988,792
Current liabilities	(127,428)	-	-	-	(127,428)
Total funds carried forward	(88,785)	162,425	1,619,415	8,205,944	9,898,999

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2023 £
Tangible fixed assets	34,730	-	18,488	2,671,605	2,724,823
Investments	910,658	108,584	885,872	5,703,049	7,608,163
Current Assets	(543,709)	53,571	829,911	1,782	341,555
Current Liabilities	(95,785)	-	(5,548)	-	(101,333)
Long-Term Liabilities	(299,873)	-	-	-	(299,873)
Total funds carried forward	6,021	162,155	1,728,723	8,376,436	10,273,335

15. EMPLOYEES

	2024 No.	2023 No.
Staff Numbers		
Full time	12.0	12.0
Full time equivalent	15.2	14.4
Total	27.2	26.4
Average number of employees during the year	31.0	33.0
Staff costs		
Salaries and stipends	690,541	735,939
Employers national insurance	55,594	60,433
Employers apprenticeship levy	-	448
Employers pension scheme	2,136	87,934
Total	748,271	884,754

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. REMUNERATION OF MEMBERS OF THE CHAPTER

	Stipend/ Salary £	Apprenticeship Levy £	Employers NI £	Pension £	Total 2024 £	Total 2023 £
Clerical Members/ Key Management Personnel						
The Revd. Canon Dr Neil Evans	6,705	32	683	-	7,420	-
The Very Revd. Nicola Sullivan	41,751	175	3,567	8,513	54,006	52,029
The Revd. Canon Richard Frith	32,936	153	2,980	6,810	42,879	40,618
The Revd. Canon Paul Rattigan	31,217	149	2,967	6,810	41,143	41,035
Financed by Church Commissioners	112,609	509	10,197	22,133	145,448	133,682

During the year, 3 members of the Chapter (2023: 2 members) received reimbursements of expenses and allowances totalling £2,866 (2023: £4,054).

17. AUDITORS REMUNERATION

	2024	2023
Audit fee	20,000	13,482
Other services	269	1,578
	20,269	15,060

18. OPERATING LEASES

	2024 £	2023 £
Within one year	2,984	2,645
Between two and five years	6,714	7,934
	9,698	10,579

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

19. PRIOR YEAR COMPARATIVE SOFA

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £
Donations and legacies	271,301	136,832	-	408,133
Grants in support of mission	22,875	415,332	-	438,207
Charges and fees arising in the course of mission	38,099	1,982	-	40,081
Trading and fundraising	397,958	1,960	-	399,918
Investments	255,480	44,317	-	299,797
Other income	9,860	-	-	9,860
Total	<u>995,573</u>	<u>600,423</u>	<u>-</u>	<u>1,595,996</u>
Expenditure on:				
Raising funds	(585,913)	(76,324)	-	662,237
Ministry	(330,190)	(391,161)	-	721,351
Cathedral and precincts upkeep	(283,334)	(78,981)	-	362,315
Education and outreach	(71,346)	(17,416)	-	88,762
Total	<u>(1,270,783)</u>	<u>(563,882)</u>	<u>-</u>	<u>1,834,665</u>
Net income/(expenditure) before gains/(losses)	(275,210)	36,541	-	(238,669)
Net gains on investments	34,893	57,539	50,239	142,671
Net (losses)/gains on investment property	-	-	-	-
Net income/(expenditure)	<u>(240,317)</u>	<u>94,080</u>	<u>50,239</u>	<u>(95,998)</u>
Gross transfers between funds	-	-	-	-
Net movement in funds	<u>(240,317)</u>	<u>94,080</u>	<u>50,239</u>	<u>(95,998)</u>
Funds brought forward	408,493	1,634,643	8,326,197	10,369,333
Funds carried forward	<u>168,176</u>	<u>1,728,723</u>	<u>8,376,436</u>	<u>10,273,335</u>

SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

20. CONNECTED ENTITIES

The following entities operate wholly for the benefit of the Cathedral's ministry but are not controlled by Chapter and therefore are not consolidated on the accounts of the Cathedral. Any payments made to the Cathedral or for its benefit are at the discretion of the trustees of the entities.

a. The Friends of Southwell Cathedral (Registered Charity no. 1039131)

"The Friends have a separate constitution with the objects of promoting the restoration, maintenance, repair and of the fabric, ornaments, vestments, fittings, furniture and furnishings of the Cathedral, to maintain its public worship and music, and to further other charitable purposes relating to the Cathedral.

Members of the Council of The Friends include the Bishop of Southwell, the Dean of Southwell and a member appointed by each of the College of Canons and the Cathedral Chapter.

The accounts of The Friends have been independently examined and the report was unqualified.

	2024	2023
	£	£
Amount paid or payable to the Cathedral	41,048	59,896
Total income	165,387	105,432
Net income	113,038	35,538
Gains / (losses) on investments	41,357	15,731
Gross assets	856,027	700,313
Net assets	850,302	695,907

b. The Chimes Trust (Registered Charity no. 241545)

The Chimes Trust dates from a settlement made in 1822. The Purposes of the Trust is to maintain and repair the Chimes and fabric of the Cathedral. The Trustees include the Dean of Southwell.

The accounts of the Trust have been independently examined and the report was unqualified.

	2024	2023
	£	£
Amount paid or payable to the Cathedral	1,105	1,938
Total income	19,194	12,152
Net income	15,064	(16,425)
Gains / (losses) on investments	(2)	(12,946)
Gross assets	817,747	758,211
Net assets	816,193	756,711

c. Simmons Charity Minster Repair Fund (Registered Charity no. 1208778)

The Simmons Charity Minster Repair Fund was created by a Trust Deed in 1966 for the purpose of repairs to the Cathedral's fabric. The Dean of Southwell is one of the two Trustees.

	2024	2023
	£	£
Amount paid or payable to the Cathedral	3,672	3,162
Total income	10,068	8,848
Net income	4,487	3,864
Gains / (losses) on investments	24,708	15,002
Gross assets	349,857	339,682
Net assets	365,715	336,520

**SOUTHWELL CATHEDRAL CHAPTER
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. CONNECTED ENTITIES (continued)

d. The Southwell Minster Choir Association (Registered Charity no.1000584)

The Southwell Minster Choir Association promotes the study and practice of choral music, particularly church music, and the development of the Southwell Minster Choir.

The accounts of the Association have been independently examined and the report was unqualified.

	2024	2023
	£	£
Amount paid or payable to the Cathedral	830	1,211
Total income	69,500	27,558
Net income	(3,723)	(4,350)
Gains / (losses) on investments	-	(1,011)
Gross assets	31,196	51,447
Net assets	30,722	50,985

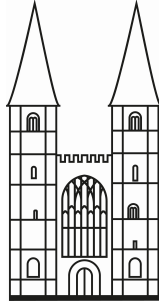
21. RELATED PARTY TRANSACTIONS

The Cathedral is the parent of the entity of Southwell Cathedral Chapter Trading Limited, a limited company that carries out trading activities for the benefit of Cathedral Chapter. During the year, the Cathedral purchased items in relation to its mission and ministry from Southwell Cathedral Chapter Trading Limited which totalled £457 (2023 - £1,534) and owed £46 (2023 - £nil) at the year end. Southwell Cathedral Chapter Trading Limited owed The Cathedral £95,403 at the year-end (2023 - £73,281).

The Friends of Southwell Cathedral, The Chimes Trust, the Simmons Charity Minster Repair Fund and The Southwell Minster Choir Association, although associated entities, are not controlled by Chapter. Their results are not included in the consolidated financial statements, but a summary of their accounts is shown in note 20 above.

22. POST BALANCE SHEET EVENTS

After the year-end, the Cathedral sold the Sacrista Prebend property, for proceeds of £1,700,000. The full amount of these proceeds can be used by the Cathedral as part of its unrestricted funds, in accordance with authority provided to the Cathedral by the Diocese of Southwell & Nottingham.



Southwell Minster

THE CATHEDRAL CHURCH OF
THE BLESSED VIRGIN MARY

Southwell Cathedral Chapter
Minster Chambers
Church Street
Southwell
NG25 0HD

Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

Dear Sirs

SOUTHWELL CATHEDRAL CHAPTER ('the Charity') - AUDIT FOR THE YEAR ENDED 31 DECEMBER 2024

We confirm to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, the following representations given to you in connection with your audit of the Charity's financial statements for the year ended 31 December 2024 for the purposes of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Charity at 31 December 2024 and of the results of its operations and its cash flows for the year then ended in accordance with United Kingdom Generally Accepted Accounting Practice.

We have fulfilled our responsibilities as trustees, as set out in the terms of the audit engagement letter dated 2 May 2025, for the true and fair presentation of the Charity's financial statements, in accordance with United Kingdom Generally Accepted Accounting Practice, which are free from material misstatement, including omissions. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the Charity have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of all management and shareholders' meetings, have been made available to you. We have given you unrestricted access to persons within the Charity in order to obtain audit evidence and have provided any additional information that you have requested for the purposes of your audit.

Contingencies

We confirm that all known actual or possible litigation and claims whose effects should be considered have been disclosed to you and accounted for and disclosed in accordance with United Kingdom Generally Accepted Accounting Practice.

THE FINANCE OFFICE,
The Minster Centre, Church Street, Southwell, Notts. NG25 0HD.
Direct Line 01636-819027
E.Mail: jon.paynter@southwellminster.org.uk

Laws and regulations

We confirm that we have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations which provide the legal framework within which the Charity conducts its business and which are central to the Charity's ability to conduct its business, together with the actual or contingent consequences which may arise therefrom.

Fraud

We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud. We confirm we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We confirm we have disclosed to you all information concerning fraud or suspected fraud that we are aware of and that affects the Charity and involves management, employees who have significant roles in internal control or others where the fraud could have a material impact on the financial statements. We also confirm that we have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the Charity's financial statements communicated by employees, former employees, regulators or others.

Tractions with trustees

The Charity has, at no time during the year, entered into any arrangement, transaction or agreement to provide credit facilities (including advances and credits granted by the Charity) for trustees, nor to provide guarantees of any kind on behalf of the trustees.

Related parties

We have disclosed to you the identity of the Charity's related parties and all the related party relationships and transactions of which we are aware. All such transactions and balances with related parties (including trustees) have been appropriately accounted for and have, where material and appropriate for the presentation of a true and fair view, been disclosed in the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice.

Investment properties

We confirm that the values of investment property included in the financial statements are true and fair, to the best of our knowledge.

Accounting estimates

We confirm that significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Post balance sheet events

There have been no events since the balance sheet date, to the date of approval of the financial statements, which necessitate revision of the figures included in the financial statements or inclusion of a note thereto in accordance with United Kingdom Generally Accepted Accounting Practice.

Going concern

To the best of our knowledge, there is nothing to indicate that the Charity will not continue as a going concern in the foreseeable future, having considered our expectations and intentions and the availability of working capital. We confirm that we have assessed the Charity's ability to continue as a going concern for a period of at least twelve months from the expected date of approval of the financial statements. We have prepared and provided to you detailed forecasts of income, expenditure and cash flows to support this.

THE FINANCE OFFICE,
The Minster Centre, Church Street, Southwell, Notts. NG25 0HD.
Direct Line 01636-819027
E.Mail: jon.paynter@southwellminster.org.uk

Going concern (continued)

The forecasts indicate that the Charity is expected to maintain positive cash balances throughout the forecast period, albeit with limited headroom, and that certain assumptions—such as the timing of Gift Aid recovery, legacy receipts, grant income, trading performance, and the deferral of discretionary expenditure—are critical to the Charity's continuing viability.

We confirm that:

- the forecasts are based on the best information available at the date of this letter;
- we are not aware of any events or conditions that may cast significant doubt on the Charity's ability to continue as a going concern, other than those disclosed in the financial statements;
- we will implement appropriate mitigating actions, including cost control and seeking additional funding, should income fall below forecast or expenditure exceed expectations; and
- all relevant information concerning going concern has been disclosed to you.

We confirm that, in our opinion, the effects of uncorrected misstatements identified during your audit procedures are immaterial, both individually and in aggregate, to the financial statements as a whole.

Disclosure of information

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that:

- so far as each trustee is aware, there is no relevant audit information of which you as auditors are unaware; and
- each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Effective date of this letter

The effective date of this letter is the same date the financial statements were approved by the Board as shown in those financial statements.

Yours faithfully
On behalf of the trustees

Mil R Evans 30/3/2026
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