



WINCHESTER
CATHEDRAL

Annual Report 2022



Aims and Objectives

Winchester Cathedral is the seat of the Bishop of Winchester and a centre of worship and mission for the Diocese, living the mission of Jesus and serving the common good.



Nave, Winchester Cathedral

Mission

To renew, inspire and unite people in faith, hope and love.



Our calling

To be a Christian community of worship, witness and welcome, rooted in Benedictine values and confident of growth.

To play a full part in the mission of the Diocese of Winchester and more widely to serve the whole Church of God in Christ Jesus.

To be a sign of the Kingdom of God, seeking in partnership with others the unity, peace and justice which is God's gift and will for the world.

To nurture Christian faith, hope and learning across the generations, using the abundant heritage of our tradition.

To be a diverse community in which people flourish in one body through collaboration, mutual respect and shared celebration.

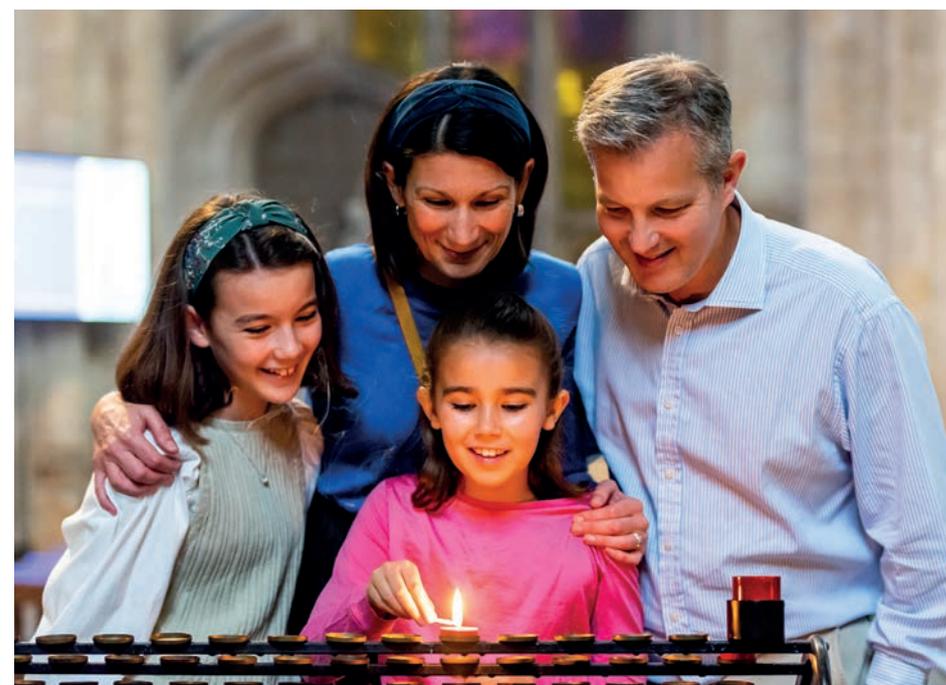
To conserve and develop the buildings, contents and estates in our care.

To thrive and not just survive.

Chapter Report

Following the shock of pandemic and lock-down, the year to March 2022 has been a time of working for steady recovery, planning and investment to ensure a thriving and sustainable Cathedral for the future.

The Cathedral priorities and values as set out in Vision and Calling had stood up to rigorous testing during the pandemic emergency. Now, with many lessons learnt and new digital skills and capability gained, the ambition of the Cathedral is renewed. The six Cathedral priorities have been gently updated for this new phase in our life under the three themes of Renew, Inspire and Unite:



Renew



Old Minster area around Cathedral left to grow wild.

Growing Cathedral:

In our predominantly secular society Chapter seeks to address the challenge for the Cathedral to remain relevant in its proclamation of the gospel and continue to appeal to the people of Hampshire whom it is called to serve, as well as national and international visitors. Chapter seeks to address the challenge for the Cathedral continually to attract new worshippers, volunteers and supporters to grow in faith, hope and love.

During the year a new Canon Missioner was recruited, bringing the number of full-time residentiary clergy back to four. The Canon Missioner addresses both 'inward' life and the renewal of congregations and 'outward' life and relationships to enable the Cathedral to support issues of justice and the common good. A new part-time Cathedral Chaplain was also recruited, to start in June 2022.

As soon as it was safe to do so, congregations began to return and grow in number as confidence grew. Visitor numbers also made slow but steady recovery with bookings from foreign visitors and cruise ships back in the diary for summer 2022.

Our plan is to review our Visitor Engagement strategy and develop a contemporary form of our ancient Benedictine tradition of welcome. The developing Creative Cathedral programme will also extend community participation and provide a platform for bolder partnerships. Together these efforts will enable wider social participation so that more people can feel themselves to be included and know that the Cathedral is 'for people like them.'

Green Cathedral:

Chapter has emerged from the pandemic with a renewed commitment, based in faith and scripture to care for our home both in terms of the immediate cathedral estate, and our God-given earthly home.

During the year, an Estates Masterplan was scoped and will be developed during 2022-23. This will be informed by environmental considerations, so that repair, conservation and continued use of our heritage is sustainable.

We will work with the newly appointed Cathedral Architect and Cathedral Archaeologist, with the reconstituted Fabric Advisory Committee and paid consultants and expert volunteers from the wider community to expand our knowledge base. A whole cathedral life and estates 'Green' plan is being devised. Parts of the estate have been 'rewilded' to increase biodiversity. The habitual use of lamination has ended and recyclable and biodegradable alternatives are being used. The Christmas Market waste was recycled. As a Silver Eco-Cathedral, as awarded by A Rocha, we are now seeking to achieve Gold standard and are aware of our responsibilities to encourage congregations and communities to amend life-styles. The Church of England commitment to achieve carbon neutrality by 2030 has inspired our action, though with awareness that heritage buildings present a particular challenge.

Inspire



Virger Ian running the Live Stream during Lockdown.

Digital Cathedral:

Lessons learnt in the pandemic have been invaluable in raising the ambitions of the Cathedral to grow congregations and participants and audiences in learning and events, on-line. The Cathedral can now have a commitment to enabling people to 'connect wherever you are'.

In the past year the continued use of live-streaming has enabled us to bring worship into the homes of our local congregations who are unable to join us physically and has also enabled the building up of a national and international congregation. We invested further in video-conferencing to enable staff, community and volunteer meetings, and Open-Chapter and lectures to be hybrid in-person/online events or entirely online. We also invested in technical infrastructure with a new website and associated ticketing system and donations platform, transforming our digital presence and user experience. We have plans to invest further in business systems software to make operations more efficient.

A bold initiative in 2021 was to put the SCF (Southern Cathedrals Festival) entirely online enabling the 'Choral Tradition for a Digital Age'. Music from the three cathedrals was recorded to create concerts hosted by Aled Jones and short films were commissioned to tell the story of some of the musicians.

Creative Cathedral:

We learnt during the pandemic that bold contemporary art connects with new audiences and enables people to see the cathedral in a 'new light'. We are currently developing a programme of arts events and participation to enable the Cathedral to present coherent 'seasons' to bring rich connection with diverse ages and audiences.

During the past 12 months a traditional Flower Festival was offered with a particular theme of healing and opportunities to reflect on the past difficult year with hope. The 'Leaves of the Tree' exhibition was staged in the remembrance season. We hosted a ground-breaking interactive exhibition from the National Gallery, 'Sensing the Unseen' with a beautiful facsimile of 'The Adoration of the Kings', a 16th century painting by Jan Gossaert. This unique use of new technology to enable immersive engagement with classical painting attracted wide audiences. We also hosted 'Luxmuralis', working with artist Peter Walker to fill the cathedral with immersive sound and light. We will be continuing to work with him in the next few years and will commission work specially created for this place and space. The aim is to become a known participant and leader in the cultural life of Hampshire where audiences feel confident that they will experience unique and moving events in a safe and welcoming environment.

Music is at the heart of the cathedral worship and its cultural life. Live music and the singing of our professional musicians was brought back as soon as possible as restrictions ended. Lay Clerks' contracts and pay have been updated and improved as a mark of commitment to the choral tradition. It was a great joy to see the Junior Choir join the boys, girls and adults of the Cathedral Choral Foundation on the dais to sing on Mothering Sunday in 2022. Plans are fully developed to launch the major £1.1m organ restoration project in summer 2022.



Gossaert 'The Adoration of the Kings' Art Installation.

Unite

Our prayer for 'Unite' has much to do with external relationships. It is also directed to unity of purpose as One Cathedral, internally, to lay foundations for effective growth and outreach for the future.



Staff of Winchester Cathedral, as of July 2022.

One Cathedral:

Involves a commitment to 'everyone matters' throughout the cathedral congregation, volunteers, staff and clergy. We seek to be a community of care, and a place of safety, as everyone has a vital part to play, and everyone matters in the life of the cathedral.

With new insights into staff management and retention there has been gradual change of culture. Retaining the commitment to the values of Kindness, Openness and Excellence, department heads are being trained and empowered to manage their own teams and related budgets. 'All staff' meetings are held regularly to include learning from feedback. 'Open Chapter' meetings continue to be held quarterly to enable members of the cathedral roll to have open conversations with Chapter. The time and care given to a culture change around safeguarding has been acknowledged in excellent outcomes of the SCIE audit of our safeguarding policies and practices.

'One Cathedral' plans include senior leaders, including the Dean and residential clergy, undertaking leadership and management training during 2022/23. Further investment in staff and volunteer development and performance will be demonstrated in new handbooks and strategies. Attention will be paid to the recruitment of clergy, staff and volunteers to reflect the make-up of our Hampshire community to include previously excluded groups.

Wider engagement

The Cathedral responded to the tragic events in Ukraine, following the Russian invasion, in various ways including support of the DEC appeal and a major 'Standing in Solidarity' vigil in March 2022. About 1,000 people took part including speakers from other faiths and the acting Bishop of Winchester. More were able to join through the livestream facilities. Similarly the wider community took part in the online version of the Memorial Service for HRH the Duke of Edinburgh.

The Friends of Winchester Cathedral celebrated their 90th anniversary in 2021 and we thank them for their faithful support of the Cathedral. During the year, The Friends supported the repair of the gate to the Dean Garnier Garden enabling the Garden to be opened again post-pandemic and enabled the purchase of an electric vehicle.

The cathedral clergy continue to offer pastoral and spiritual support to the wider community through short films, radio and written communication, sermons and articles. A renewed understand of the benefit of diversity leads to wider cultural references in visual images used in sermons and marketing materials. Chapter supported the installation of the new sculpture of Licoricia, a medieval Jewish business woman, on Jewry Street in Winchester. The Dean continues to contribute to BBC Radio 2 Pause for Thought.



Standing With Ukraine Vigil, March 2022.



Archbishop of Canterbury at Sunday Eucharist, January 2022.

Role in the Diocese

Regarded by many as their 'Mother Church', the Cathedral plays a vital role in the life of the Diocese by hosting Diocesan ordinations and confirmations, in the College of Canons, in support of the Diocesan Bishop and in the Dean's attendance at the Bishop's Senior team meetings. During the past year the Diocesan Bishop 'stood back' and then retired. During the uncertainties of this time the Dean and cathedral clergy and staff have sought to actively support the Acting Bishop of Winchester in her work of healing and uniting the diocese in the interim before a new Diocesan Bishop is appointed. A clergy reflection evening around the 'Leaves of the Tree' installation was well received. The visit of the Archbishop of Canterbury to bless the Diocesan leadership, in the context of a Cathedral Sunday Eucharist, at the beginning of 2022 was a tremendously helpful stage in this process. During this time, relations with the Diocesan leadership has strengthened and we look forward to wider and deeper engagement continuing into 2022/23.

Implementation of Cathedrals Measure 2021

The new Measure passed into law in April 2021. Chapter welcomes the required changes to governance structure, with regret at the demise of Cathedral Council. The changes involve a great deal of work but will lead to improved accountability and transparency of operations and the Cathedral will fall under the regulatory ambit of the Charity Commission as well as the Church Commissioners. Chapter members will become charity trustees. Council is likely to be dissolved in the course of 2022/23 and Chapter remain profoundly grateful to Council members for their work and their support.

The Dean stood down as chair of The Pilgrims' School and an independent Chair was recruited following the recommendation of an AGBIS review into the school's governance.

Continuing financial recovery

Sustainability is also sought in the financial and commercial life of the Cathedral. Chapter is keenly aware of the need to generate income in ways that enhance mission. Visitor numbers are growing and commercial income is rebuilding but are still not fully recovered. Stewardship has been reviewed and encouraged and donation income is growing. The Flower Festival and Christmas Market contributed to income generation.

However, looking into the next year, costs increase inexorably in an inflationary environment and these constrain the ability to invest. A whole Cathedral Plan is in development, including business planning. Meanwhile the business plan for investment in the Café is being reviewed as is the refurbishment of properties for commercial let, including Cheney Court now back for private rental as this large building is no longer suitable for The Pilgrims' School Head Teacher.

Personal messages

Canon Nick Fennemore retired from his role as Cathedral Chaplain and left with the grateful thanks of the cathedral community for his faithful ministry during the pandemic.

A Memorial Service was held for former Dean, the Very Revd James Atwell, and a processional cross was commissioned in his memory.

Chapter is profoundly grateful to the Cathedral staff team, congregation and volunteers for their commitment to rising to all the challenges of the past year and to working together for recovery. Built on foundations of faith and love we can look to the future with certain hope.

The Very Rev'd Catherine Ogle, Dean of Winchester



Financial Report

Expenditure exceeded income (before gains in property and investment values) by £222,000. However, this includes expenditure from restricted funds for which money had been raised in previous years. Perhaps a better indicator of the financial performance of the Cathedral is the extent to which the balance on the General Fund changed in the course of the year. The General Fund is the money available to the Cathedral to spend on its normal activities and excludes funds raised, or put aside, for specific purposes.

The balance on the General Fund increased from £3,027,000 at the end of March 2021 to £3,351,000 at the March 2022, an increase of £324,000. Of this increase, £149,000 related to property revaluations and £91,000 to the revaluation of the investment portfolio. The remainder of the increase is just £84,000 and this is the amount that comprises the excess of income over current expenditure and money put aside for future costs.

To have a small surplus represents a satisfactory financial outcome in a year which has seen partial recovery from the effects of the Covid pandemic. However, this would not have been so healthy without a final Covid Recovery Fund grant of £468,000 which was received into a restricted fund in the previous year and released in the current year to cover first quarter costs.

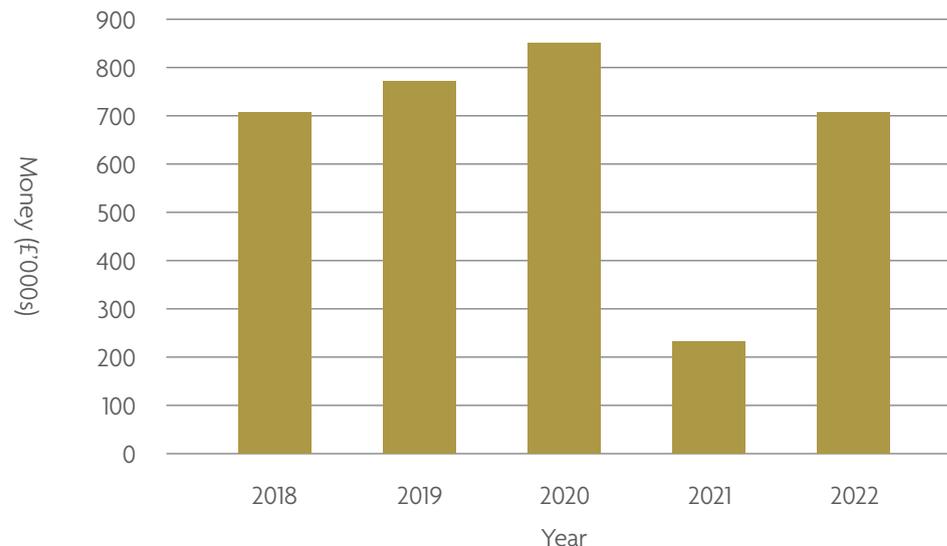


The cathedral reopened to visitors in May 2021 and, as the year progressed, we saw a recovery of visitor numbers, events, concerts and weddings albeit at lower levels than before the pandemic. The triennial Flower Festival and annual Christmas Market both returned, although also with lower income than in previous, pre-Covid years. There were 80,000 paying visitors in the year, well up on the previous year of 27,000 but still not at pre-pandemic levels - we welcomed 122,000 paying visitors in the year to March 2020. The consequence of this was an increase in visitor income to £708,000 compared with £232,000 in 2021/22 and £853,000 in 2019/20.

The commercial activities of the Christmas Market, the retail shop and café, which financially support the mission and ministry of the Cathedral, benefited from this recovery and, in the year, bounced back to make a profit of £222,000 compared with a loss of £195,000 in 2020/21, but still well down on the £472,000 in 2019/20.

The low commercial income was compensated by the receipt of a number of grants, for which we are very grateful and without which exceptionally difficult cost saving measures would have had to have been taken. We are also grateful for the continued support from the Friends of Winchester Cathedral from whom grants of £108,000 (2021: £114,000) were received in support of music and the grounds.

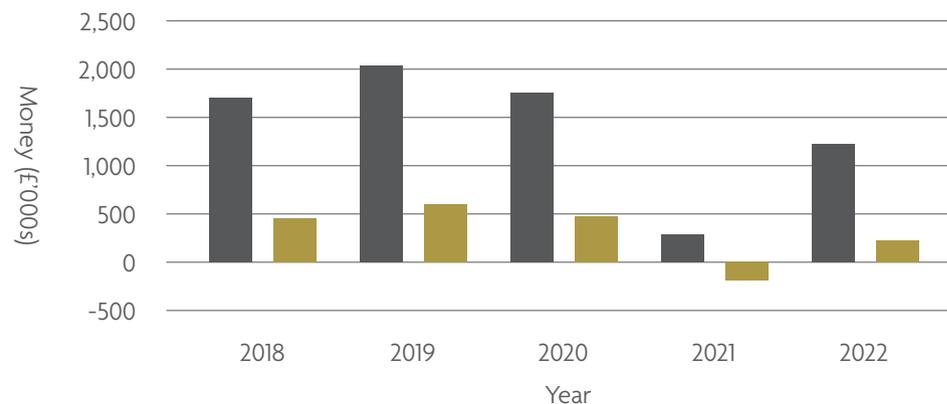
Visitor Income



Winchester Cathedral Enterprises

Key:

■ Turnover ■ Profit



The closure of the Cathedral to visitors adversely affected physical donations and collections early in the year but this saw recovery as the year went on and we also saw increases in online giving. Much of this income comes from the Cathedral Community and we are grateful for the generous and faithful giving by members throughout the pandemic and beyond. We do not record as income all the time and energy spent by volunteers in supporting the work of the Cathedral but we are enormously grateful for this as well.

We recorded legacy income in the general fund of £86,000 this year (2021: £125,000) and £13,000 in the restricted funds (2021: £510,000). Legacy income is important for us and we encourage everyone to ensure that they make a will and, in doing so, to remember the Cathedral as possible beneficiary. It is a great way of showing gratitude to God for the blessings we have received in the course of our lives.

Property and investment income

The Dean and Chapter own property to house clergy and staff and to use for offices. Other property is held for investment purposes and is rented out on a commercial basis where possible to generate funds.

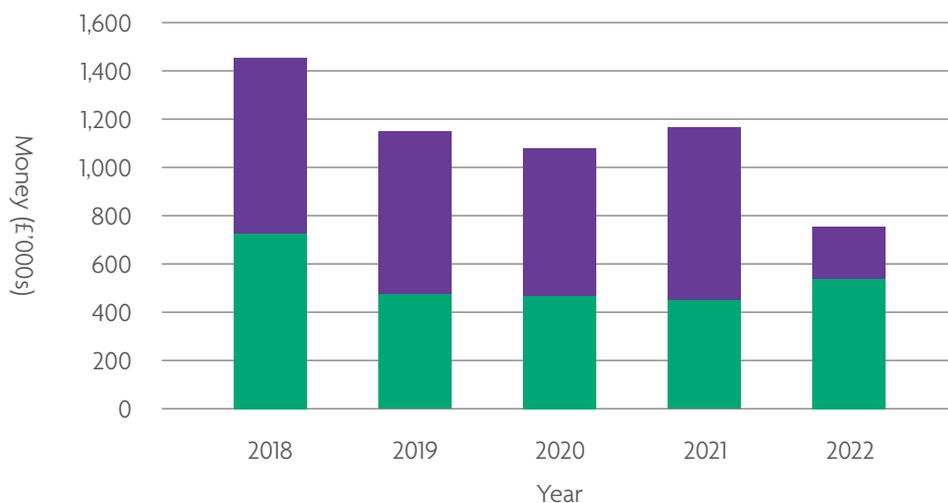
Income from investments of £338,000 was slightly higher than last year's £310,000, although that was low compared to the income achieved pre-pandemic.

The net income from properties after repair costs of £607,000 was similar to last year and represents a yield of 3.1% on the property valuations. This is lower than we would like partly because two properties are being refurbished and so are vacant.

Donations and Legacies

Key:

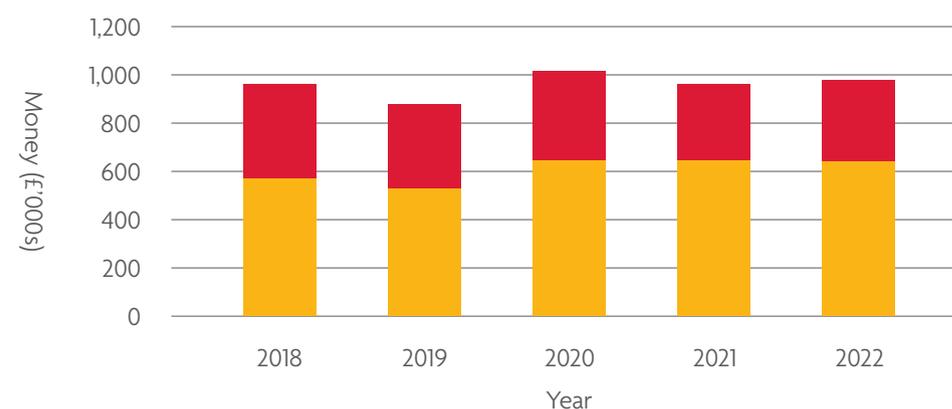
■ General ■ Restricted



Property rentals and investment income

Key:

■ Property ■ Investment



Expenditure: Costs of generating funds

As activity levels have recovered, our costs have increased to £1,574,000 (2021: £1,054,000). The costs of visitor facilities of £175,000 (2021: £106,000), direct costs of operating the shop, café and other trading activities at £1,007,000 (£463,000) and marketing costs of £306,000 (2021: £168,000) have all increased as expected in line with an increase in revenue.

Expenditure on charitable activities

Discretionary expenditure was pared back in 2021 as we tightened budgets across the board and we kept it at a low level in 2022 with total costs of £2,897,000 (2021: £2,806,000), which is slightly lower than we incurred in 2020. However, this year's costs were helped by the release of a provision of £100,000 for tenant costs and the recovery of VAT of £47,000 following a claim to calculate the partial recovery on a revised basis during the pandemic.

Designated funds

We have set aside £270,000 for the refurbishment of Cheney Court within the Estate conservation and development fund.

We sold some excess furniture held within the Cathedral's collection for £38,000 in the course of the year. Under a long-standing policy, proceeds from the sale of items in the Cathedral's collection are retained for acquisitions to, or the conservation and care of, the collections.

Funds carried forward include £46,000 for the organ. We anticipate starting an organ restoration project in 2022-23.

Restricted funds

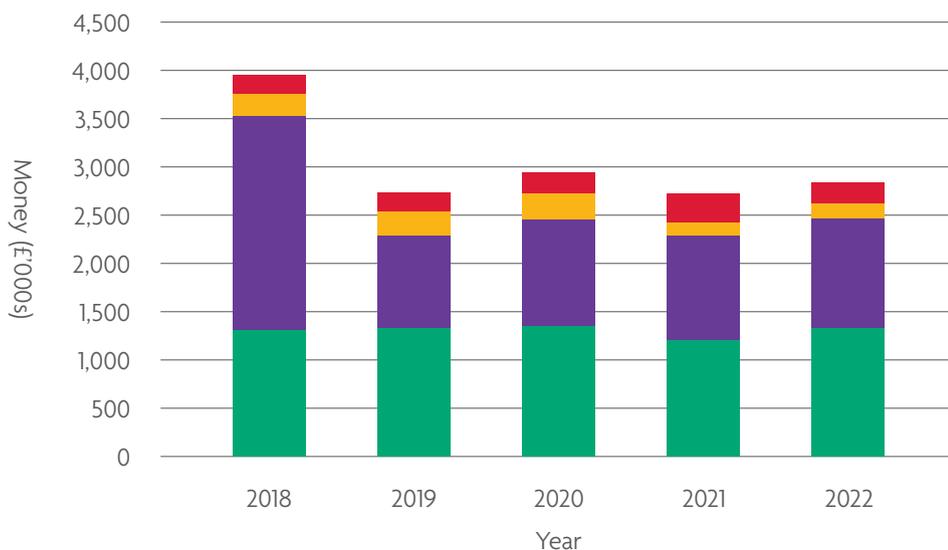
£505,000 of Covid Recovery Fund grants received in the previous year were expended, £468,000 of which was transferred to the General Fund for salary costs in the first quarter of 2021-22 and additional technology costs of £37,000 were spent, leaving £62,000 carried forward towards further technology costs.

There is a balance of £366,000 in the organ restricted fund which, similarly to the designated fund, will likely be spent in 2022-23 in the organ restoration project.

Figures extracted from the audited Statement of Financial Activities and Balance Sheet for the year to 31 March 2022 are set out below.

Cost of charitable activities

Key:



Consolidated statement of financial activities for the year to 31 March 2022

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2022	2022	2022	2022	2021
	£000	£000	£000	£000	£000
Income from:					
Dontations and legacies	537	211	-	748	1,166
Grants receivable	38	299	-	337	2,168
Charges and fees arising in the course of charitable activities	206	-	-	206	21
Trading activities	1,975	-	-	1,975	518
Investments	708	-	275	983	968
Total Income	3,464	510	275	4,249	4,841
Expenditure on:					
Costs of generating funds	1,574	-	-	1,574	1,054
Charitable activities:					
Ministry	898	439	-	1,337	1,216
Cathedral and precincts upkeep	1,009	132	-	1,141	1,083
Education and outreach	136	30	-	166	145
Other Expenditure	253	-	-	253	362
	2,296	601	-	2,897	2,806
Total Expenditure	3,870	601	-	4,471	3,860
Net (expenditure)/income before investment gains	(406)	(91)	275	(222)	981

Figures extracted from audited accounts of Winchester Cathedral for year to 31 March 2022

Consolidated statement of financial activities for the year to 31 March 2022 (continued)

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2022	2022	2022	2022	2021
	£000	£000	£000	£000	£000
Net (expenditure)/income before investment gains	(406)	(91)	275	(222)	981
Net gains on investments:					
Properties	44	-	2,134	2,178	632
Listed and similar investments	91	-	402	493	999
Total net gains on investments:	135	-	2,536	2,671	1,631
Net (expenditure)/income before transfers	(271)	(91)	2,811	2,449	2,612
Total return transfer	275	-	(275)	-	-
Other transfers between funds	481	(481)	-	-	-
Net income / (expenditure)	485	(572)	2,536	2,449	2,612
Other recognised gains:					
Gains on the revaluation of non-investment properties	105	-	3,750	3,855	-
Net movement in funds	590	(572)	6,286	6,304	2,612
Reconciliation of funds:					
<u>Funds brought forwards</u>					
General Fund	3,027				
Designed Funds	1,205				
Total funds brought forward	4,232	3,783	41,722	49,737	47,125
<u>Funds carried forward</u>					
General Fund	3,351				
Designed Funds	1,471				
Total funds carried forward	4,822	3,211	48,008	56,041	49,737

Figures extracted from audited accounts of Winchester Cathedral for year to 31 March 2022

Consolidated balance sheet as at 31 March 2022

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2022	2022	2022	2022	2021
	£000	£000	£000	£000	£000
Fixed assets					
Investment assets					
Property	609	-	19,162	19,771	19,275
Listed and similar investments	1,436	-	6,429	7,865	7,356
	<u>2,045</u>	<u>-</u>	<u>25,591</u>	<u>27,636</u>	<u>26,631</u>
Non-investment assets					
Property	530	1,240	22,417	24,187	18,650
Plant & equipment	129	-	-	129	141
	<u>659</u>	<u>1,240</u>	<u>22,417</u>	<u>24,316</u>	<u>18,791</u>
Total fixed assets	<u>2,704</u>	<u>1,240</u>	<u>48,008</u>	<u>51,952</u>	<u>45,422</u>
Current assets					
Stocks	58	-	-	58	106
Debtors	265	-	-	265	1,176
Cash at bank and in hand	2,202	1,971	-	4,173	3,459
	<u>2,525</u>	<u>1,971</u>	<u>-</u>	<u>4,496</u>	<u>4,741</u>
Current liabilities	(407)	-	-	(407)	(426)
Net current assets	<u>2,118</u>	<u>1,971</u>	<u>-</u>	<u>4,089</u>	<u>4,315</u>
Total assets less total liabilities	<u><u>4,822</u></u>	<u><u>3,211</u></u>	<u><u>48,008</u></u>	<u><u>56,041</u></u>	<u><u>49,737</u></u>

Figures extracted from audited accounts of Winchester Cathedral for year to 31 March 2022

Consolidated balance sheet

as at 31 March 2022 (continued)

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
	2022	2022	2022	2022	2021
	£000	£000	£000	£000	£000
Funds					
Capital funds:					
Endowment funds	-	-	48,008	48,008	41,722
Income Funds:					
Restricted funds	-	3,211	-	3,211	3,783
Designated funds	1,471	-	-	1,471	1,205
General funds	3,351	-	-	3,351	3,027
	<u>4,822</u>	<u>3,211</u>	<u>48,008</u>	<u>56,041</u>	<u>49,737</u>

Figures extracted from audited accounts of Winchester Cathedral for year to 31 March 2022