

GUILDFORD CATHEDRAL

Annual Report and

Consolidated Financial Statements

For the year ended 31st December 2011

GUILDFORD CATHEDRAL

Annual Report for the year ended 31st December 2011

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Constitution and Statutes

Guildford Cathedral is governed under the Cathedrals Measure 1999 and by a Constitution and Statutes which came into effect on 24th November 2002, and as amended on 19th October 2011.

Under these regulations, it is the duty of the Chapter to direct and oversee the administration of the affairs of the Cathedral and to order the worship and promote the mission of the Cathedral.

The Constitution and Statutes require that any person or body having functions under these instruments shall have due regard to the fact that the Cathedral is the seat of the Bishop of Guildford and a centre of worship and mission.

The Bishop is the Visitor of the Cathedral and has the powers that belong as of right to the office of Visitor as set out in the Statutes. He plays no direct role in the decision-making structure of the Cathedral.

Mission Statement

The Bishop's Mission Statement for the Diocese is:

“Growing Communities of Faith and Engagement: your kingdom come”

Chapter's Statement of Direction and Intent

At the geographical heart of the Diocese of Guildford stands the Cathedral Church of the Holy Spirit, a building which proclaims a confidence in God and his future for the world, and a spiritual, liturgical and educational life open, welcoming, inviting and ready to learn, encouraging participation and involvement, so that all who come and go from here may be strengthened in the faith of Jesus Christ.

The first fifty years of the Cathedral's life on Stag Hill have laid the foundations for our future together. Today our vision of the Cathedral is for a place where there is space for the spirit, as a centre of pilgrimage and welcome, where faith is explored, where worship and spirituality deepen and develop, and teaching, music and liturgy inspire. To build on the past for the sake of the future, we need to develop and complete the physical environment of the Cathedral, so that it is more clearly and attractively a centre for the Diocese.

The Chapter would like to see the Diocesan offices come up onto the Hill, better education facilities and provision for Diocesan and Cathedral meetings, so that the Cathedral can become a place of ecumenical meeting and fellowship and of service to the Diocese, its people and parishes, secured upon a sound financial basis and fully using the variety of ministries and gifts available in the congregations who use the Cathedral.

The Chapter invites participation from the widest community, asking the parishes of the Diocese, through Chapter meetings and Synods, to discern how best the Cathedral can serve the Diocese and the parishes and be supported by them.

Sir Edward Maufe's vision for Stag Hill was never completed. Now there are exciting ventures of faith in music, art and liturgy ahead of us. We invite all the people of the Diocese to build the future with us so that here, on Stag Hill, Jesus Christ may be displayed and the self-giving love of God experienced and known.

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Role of the Cathedral within the Diocese

Every day throughout the year prayers are offered in the Cathedral for each parish in the Diocese, its clergy, office holders and parishioners. A number of Diocesan services and other major events are held in the Cathedral: Ordinations and Confirmations, Days of Prayer, Diocesan Synod and Clergy Training Days.

Chapter members actively participate in the mission and ministry of the Diocese, serving on the Bishop's Staff and other Diocesan committees and working groups, teaching on the Guildford Diocese Ministry Course or going out to local churches to preach or to lead parish study days.

The Cathedral operates a 'Parish Link' scheme, with many parishes nominating a representative to publicise events and encourage participation in the life of the Cathedral.

The Organisational Structure of the Cathedral

Under the Constitution and Statutes, the Corporate Body of the Cathedral Church of the Holy Spirit, Guildford comprises the members for the time being of the Council, the Chapter and the College of Canons. It is a body corporate with continual succession and a common seal which is known as the common seal of the Cathedral.

An Organisational Diagram is at Appendix 1

The Dean

The Dean is the principal dignitary of the Cathedral, next after the Bishop, and is Chairman of the Chapter and President of the College of Canons. He is appointed by Her Majesty The Queen.

The Dean was instituted by the Bishop to the office of Dean of Guildford and was installed into the decanal stall in the Cathedral. At the installation, the Dean took such oaths as are prescribed by law and custom.

The Dean has the right to preach and celebrate Holy Communion in the Cathedral on occasions agreed by the Chapter. Subject to the provisions of Statutes I.4 (a) and (d), Statutes III.4 and III.6.3 and Article 7.1.1 of the Constitution, no person shall preach within the Cathedral without the approval of the Dean.

It is the duty of the Dean, as Chairman of the Chapter, to govern and direct on its behalf the life and work of the Cathedral and, in particular, to:

- Ensure that Divine Service is duly performed in the Cathedral
- Ensure that the Constitution and Statutes are faithfully observed
- Maintain good order and proper reverence in the Cathedral
- Secure the pastoral care of all members of the Cathedral community
- Take all decisions necessary to deal with any emergency affecting the Cathedral, pending consideration of the matter by the Chapter.

The Chapter

The Cathedrals Measure 1999 requires that it shall be the duty of the Chapter to direct and oversee the administration of the affairs of the Cathedral and in particular, to:

- Order the worship and promote the mission of the Cathedral.
- Formulate, after consultation with the Bishop, proposals in connection with the general direction and mission of the Cathedral and submit them to the Council for its advice.
- Prepare an annual budget for the Cathedral.
- Submit to the Council the annual report and audited accounts and such other reports as may be requested by the Council on any matter concerning the Cathedral.
- Submit to the College of Canons the annual report and audited accounts prepared as aforesaid.
- Keep under review the Constitution and Statutes of the Cathedral and submit any proposals for their revision to the Council.
- Manage all property vested in the Cathedral and the income accruing from it and, in particular, ensure that necessary repairs and maintenance in respect of the Cathedral and its contents and other buildings and monuments are carried out, and
- Perform such other functions as may be prescribed.

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The Chapter is also responsible under the requirements laid down by the Church Commissioners under the powers given them by Section 27 of the Cathedrals Measure 1999 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 Guildford Cathedral and its connected entities;
- Stating that they have complied in all material respects with the regulations on the subject prepared by Cathedral Administration and Finance Association (CAFA) or describing which recommendations 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;
- Safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities; and
- Preparing the accounts on an ongoing concern basis and ensuring applicable accounting standards have been followed.

A list of Chapter members is at Appendix 2 with their Portfolios at Appendix 3

The Cathedral Council

The Cathedrals Measure 1999 requires that it shall be the duty of the Council to further and support the work of the Cathedral, spiritual, pastoral, evangelistic, social and ecumenical, reviewing and advising upon the direction and oversight of that work by the Chapter and in particular, to:

- Consider proposals submitted by the Chapter in connection with the general direction and mission of the Cathedral and to give advice on them to the Chapter.
- Receive and consider the annual budget of the Cathedral.
- Receive and consider the annual report and audited accounts.
- Consider proposals submitted by the Chapter in connection with the Constitution and Statutes of the Cathedral with a view to their revision under Part II of this Measure, and
- Perform such other functions as may be prescribed.

The Chairman is a lay person, not a member of the Chapter, appointed by the Bishop after discussion with the Chapter. The Dean is a member ex officio, and the Chapter elects two members. Two members are each elected by the Cathedral Community and the College of Canons. Six members are appointed by the Bishop, with the agreement of the Chairman, and after consultation with the Dean, to ensure the Council reflects local, Diocesan, ecumenical and national interests.

The composition of the Council therefore represents the constituency the Cathedral is called to serve; it acts both on an advisory and consultative body and there is a strong sense of partnership between the Council and the Chapter. The Bishop as Visitor is invited to attend as an advisor and non-voting member at all meetings of the Cathedral Council and the Chapter continues to be grateful for his support and advice.

A list of Council members is at Appendix 4

The College of Canons

The College of Canons is formed from the Dean, Residentiary Canons and eighteen Honorary Canons (including the Suffragan Bishop and Archdeacons) together with eight Lay Canons from across the Diocese appointed by the Bishop and the Dean. Membership ceases on retirement or removal to another Diocese. Two members are elected to the Cathedral Council.

The role of the College of Canons is to promote and support the Mission and Ministry of the Cathedral in the diocese by drawing on the experience of its members in their ministry and reflecting the views of the Diocese. In furtherance of that role it shall:

- Receive and consider the annual report and audited accounts.
- Discuss such matters concerning the Cathedral as may be raised by any of its members, and
- Perform such other functions as may be prescribed and relevant to its role.

A list of Members of the College of Canons at Appendix 5

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The Bishop

The Bishop shall have the principal seat and dignity in the Cathedral.

After consultation with the Chapter and subject to any provision in the Statutes, he may officiate in the Cathedral and use it in his work of teaching and mission, for ordinations and synods and for other Diocesan occasions and purposes. Also,

- The Chapter shall from time to time consult the Bishop in respect of the general direction and mission of the Cathedral, and the Bishop may at any time seek the advice of the Chapter on any matter.
- The Constitution of the Cathedral provides that the Bishop shall be the Visitor thereof.
- The Bishop shall as Visitor hear and determine any question as to the construction of the Constitution and Statutes.
- The Bishop may hold a visitation of the Cathedral when he considers it desirable or necessary to do so or when requested by the Council or the Chapter.
- In the course of a visitation, the Bishop may give such directions to the Chapter, to the holder of any office in the Cathedral or to any person employed by the Cathedral as will, in the opinion of the Bishop, better serve the due observance of the Constitution and Statutes.
- It shall be the duty of any person or body on whom functions are conferred by or under The Cathedrals Measure 1999 to act in accordance with any determination under, and any direction under, the above paragraphs.
- The provisions above are without prejudice to the powers of the Bishop under the Care of Cathedrals (Supplementary Provisions) Measure 1994 and his powers as Visitor generally.
- The Bishop may at any time propose for consideration by the Council amendments to the Constitution.

The Cathedral Finance Committee

The Constitution requires the setting up of a Finance Committee with the function of advising the Chapter in connection with its responsibilities in the field of financial and investment management and the management of property and assets belonging to the Cathedral. Chapter receives and acts with the guidance and the advice given to it by CFC.

The Chapter appoints the seven members of this Chapter sub-committee. Chapter members are the Dean, the Sub Dean, the Archdeacon of Surrey and the Administrator up until his retirement in August. The Treasurer and the Director of Operations both attend Chapter meetings and are members of Finance Committee. There are two other members appointed for their expertise and experience in the field of financial and investment management. Members are appointed for a renewable period of three years.

The Members of the Cathedral Finance Committee are listed at Appendix 7

The Cathedral Community Committee

The Cathedral Community Committee, comprising the Canon Pastor (representing the Dean until her retirement in September) and eight members of the Cathedral Community, acts as a channel of communication between the Chapter and the Cathedral Community.

The Members of the Cathedral Community Committee are listed at Appendix 8

Fabric Advisory Committee

Under the Care of Cathedrals Measure 1990, the Fabric Advisory Committee (FAC) is responsible to the Cathedrals Fabric Commission for England and considers applications from the Chapter in regard to proposed development of and changes to the Cathedral's fabric.

There are eight voting members of the Fabric Advisory Committee, four appointed by the Cathedrals Fabric Commission after consultation with the Chapter, and four by the Chapter after consultation with the Commission. The members appoint a Chairman from among their own number.

The Dean and the Administrator (as Secretary up until his retirement in August, replaced by the Director of Operations) attend meetings on behalf of the Chapter, and other Chapter members are free to attend; no members of the Chapter have a vote. The Cathedral Architect and the Cathedral Archaeological Consultant, under Section 4 of the Care of Cathedrals Measure 1990, have a duty to attend meetings, although neither has a vote.

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The Members of the Fabric Advisory Committee are listed at Appendix 9

In addition there is one other formally constituted organisation involved in aspects of managing the Cathedral's affairs, which is **Guildford Cathedral Shops Limited**. This Company is wholly owned by the Cathedral, and now manages the newly combined shop. Any profits are gifted to the Chapter and are included in the consolidated statement of financial activities.

Method of Appointing Members to the Chapter

In accordance with the Constitution of the Cathedral, the Chapter shall consist of

- the Dean, who shall be the chairman and shall have a second or casting vote
- all the Residentiary Canons
- one lay person appointed by the Bishop after consultation with the Dean and the Chapter
- two lay persons elected by a meeting of members of the Cathedral community from among those on the roll of such members
- two persons nominated by Chapter for their particular skills (not more than one whom may be a clerk of holy orders)

All Lay persons must be actual communicants and shall hold office for three years and shall be eligible for membership for further terms of office.

Policies and Procedures for Induction and Training of New Members of Chapter

New members of Chapter are given a comprehensive briefing on the management organisation of the Cathedral, the role and responsibilities of the Cathedral Council, the Chapter, the College of Canons and the various supporting Committees. In addition, a full set of previous Annual Accounts are made available.

Changes to Clergy, Senior Lay Staff appointments and Advisors

These are contained in the appropriate Appendices.

Dean's Review – Annual Report 2011

'Faith in the Community' began our Golden Jubilee celebrations with very successful public lectures from Bishop John Gladwin, Archbishop Vincent Nichols, Sir Mark Jones, Dame Anne Owers and The Rt Hon Frank Field MP. Splendid Golden Jubilee Thanksgiving Services, an excellent Summer Fair with the Chairman of Surrey County Council abseiling from the tower, Messy Cathedral for children and parents, and the Fuse for young people, filled the Cathedral with energy and life, and Her Majesty The Queen meeting a diverse group of people, who see the Cathedral as a focus for service to a needy world, set the seal of Royal approval, as well as more importantly, Royal encouragement, on an absolutely marvellous year.

The theme of our celebrations has been looking outwards. We've discovered strengths and weaknesses and have learned a great deal. We said thank you and farewell to Angela Weaver and Ned after five and a half years here, and look forward to welcoming The Revd Dr Julie Gittoes, theologian and vicar of Hampton, as her successor. In the meantime, Canon Andrew Bishop has established himself as a Residentiary Canon and Anglican Chaplain to the University of Surrey, Mrs Tina Grear has joined us as Director of Operations, and Mrs Caroline Simcox heads up a new Events department. We are delighted to welcome all new members of staff.

The Cathedral and the Estate

The year began with the merging of the two shops (Gift and Book) onto the site of the Gift Shop. The former book shop was then converted into an office currently used by the new Events team who have taken on responsibility for Cathedral and external hire events.

The most significant external works on the Cathedral took place in February at a cost of some £18,000 when the metal doors at the west end were re-painted. On the north side of the Cathedral, one of the statues was cleaned and plans were put in place to clean all six remaining statues. Our financial limitations have led to delays in completing this work. During the year there was theft from the copper roofs and repairs are scheduled for early 2012. Various, more

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urgent items within the quinquennial report were put out to tender and work begins in early 2012 on high level roof and window repairs.

The drains on the western approach road were assessed and a CCTV survey confirmed removal of a blockage which had caused overspill onto the pavement at the lower end of the site after heavy rain.

Inside the Cathedral in March, repairs were undertaken to the internal flooring at a cost of £3,500. After a review by Chapter, supported by the Cathedral Fabric Committee, re-ordering of the nave was completed with the arrival of a new nave altar and font. The Cathedral wishes to recognise the significant support of the Friends of Guildford Cathedral in these changes.

Following the departure of the Canon Pastor, Angela Weaver, the property in Cathedral Close was assessed by the Diocese of Guildford Property Department who now oversee the maintenance and repair of all Cathedral residential properties. Following their assessment, the property was refurbished in accordance with the departments report.

The Cathedral was exceptionally fortunate to enjoy the work of artist Jonathan Parsons and Elisabeth Frink, including the 'Walking Madonna' piece whose striking presence at the west end of the nave will remain in the nave into 2012 due to the generous support of the owner.

Cathedral Worship

During 2011 the Cathedral maintained its pattern of daily worship consisting of Morning Prayer, Eucharist and Evensong. The Cathedral Eucharist on Sundays is well-supported, with smaller congregations attending the Book of Common Prayer Holy Communion, Choral Matins (except on the Second Sunday of the month when coffee is offered in the nave to the congregation attending the Eucharist) and Choral Evensong. At Advent 2011 the 'pillar' lectionary was adopted for use at weekday Choral Evensongs; it was felt that the linking of the two passages of Scripture was helpful for those who attend occasionally but not everyday. The processional services at Advent, Christmas, Epiphany, Pentecost and Corpus Christi supplement the worship offered in the parishes; they and the liturgies of Holy Week and Easter usually attract large congregations.

The Cathedral Choir sang at upwards of 250 services in the course of the year. The boy and girl choristers benefit from the extensive musical education that they receive (including individual voice tuition and theory), and their performance has been consistently good and, on occasion, of exceptional musical quality. The six Lay Clerks provide an essential and valued foundation for the Choir's work and their reliability and loyalty are widely appreciated.

The Choir made an important contribution to the Golden Jubilee celebrations. This included an outstanding performance of Bach's *St John Passion* at the beginning of Holy Week, the Golden Jubilee Concert at which five new musical commissions were performed and all five of Guildford's Cathedral Organists took part, the Anniversary of Consecration Eucharist with Will Todd's *Mass for the people of Guildford*, and a sell-out Christmas Concert conducted by John Rutter with the Royal Philharmonic Orchestra.

Outreach work with local schools, in partnership with the Cathedral choir school, Lanesborough, was maintained though on a reduced scale owing to the withdrawal of Government funding. We are now able to revive this important work following a recent grant from the Diocese.

As usual, the Cathedral has hosted a wide variety of special services for the diocese, schools, and voluntary organisations. All make extra demands on our staff, especially musicians and virgers, but they have risen magnificently to the challenge.

The Precentor, Organist and Master of the Choristers, and Sub Organist all undertake professional engagements outside the Cathedral and serve on various national committees in the fields of church music and liturgy, as well as attending annual conferences with colleagues from other cathedrals.

Times of Services

SUNDAYS

| | |
|----------|--|
| 08.00 am | Holy Communion (BCP 1662) |
| 09.45 am | Cathedral Eucharist |
| 11.30 am | Choral Mattins (no Mattins on 2 nd Sunday of the month) |
| 18.30 pm | Choral Evensong |

WEEKDAYS

| | |
|----------|----------------|
| 07.30 am | Mattins |
| 08.00 am | Holy Communion |

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17.30 pm

Choral Evensong (said on Wednesday)

On Saturday Evensong is said, or sung by a visiting choir at 5.00 pm. During choir holidays most weekday Evensongs are said at 5.30 pm.

Volunteers

To assist in the overall mission, in addition to paid staff, the Cathedral is fortunate to have the services of more than 350 volunteer workers. Their help is vital to the running of all areas of the life of the Cathedral. They are drawn not only from the Cathedral Community, but from parishes throughout the Diocese.

Report from the Fabric Advisory Committee

The FAC held four meetings in March (chaired by John Melvin) , July, October and November (under the chairmanship of Nick Sealy). During the course of the year, the FAC advised upon , inter alia, a new set of Chapter copes for the Jubilee, designed and made by Polly Meynell; the new altar and font, given by the Friends, and designed and made by Charles Gurrey; a window in memory of Lorna Baldock; the refurbishment of furniture in the Regimental Chapel; a possible development of the Cathedral site; handrails in the Regimental Chapel; roof repairs and pigeon netting. The recent Quinquennial Review was also discussed and priorities for future action noted.

Other Associated Organisations

Further assistance is given to the Chapter by The Friends of Guildford Cathedral and The Guildford Cathedral Music Development Campaign.

The Friends of Guildford Cathedral

The Dean chairs the Executive Committee, which is also attended by the Canon Pastor and the Administrator (until his retirement, later replaced by the Director of Operations). The primary purpose of the Friends is to raise funds for the completion and enhancement of the fabric of the Cathedral. In addition, they also organise an annual programme of social events for their members.

During the year the Friends donated the new Nave Altar and Font for the Cathedral.

Guildford Cathedral Music Development Foundation

During 2011 the Music Development Foundation continued to raise funds towards its target of £2,250,000 to provide endowments for boy and girl choristers, and lay clerks, together with funding for cathedral music purposes generally. Some £47,500 was raised, of which approximately £15,200 was received in the form of investment income.

Grants were given to the Dean and Chapter to purchase cases for the transport of robes (£680), and £9,000 was contributed to the cost of chorister scholarships. A further payment was made of £7,167 towards the cost of the music campaign. This was equivalent to 20% of monies received by the foundation in 2010. A decision has now been made by Dean and Chapter to draw a line under outstanding debts re set up costs. Therefore no further payments are due.

The Foundation continues to raise funds for its agreed purposes whilst discussing with Chapter how its future activities will relate to the Cathedral's other fund-raising initiatives.

Relationships with Other Organisations

Guildford Borough Council

Regular liaison was maintained between the Cathedral Staff and officers serving on the Borough Council. The Cathedral Administrator was closely involved in local tourism, chairing the Guildford Business Forum Tourism Sector Group as well as attending the Guildford Business Forum Steering Group.

Surrey County Council

The County Council maintained a liaison with the Cathedral Administrator as a member of the Guildford Business Forum Tourism Sector Group on matters of tourism and transport. The offices of the Dean and the Lord Lieutenant maintain a close working relationship, and the Dean has attended and addressed County Council meetings as Chaplain for the day.

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University of Surrey

A close and mutually supportive relationship with our next door neighbour has developed over the years. The University holds its Graduation Ceremonies in the Cathedral each year and the Coordinating Chaplain to the University, The Revd Andrew Bishop, became a Residentiary Canon from September 2011.

The Cathedral's finances

Investment Powers

Under the terms of the Cathedrals Measure 1999, the Chapter may invest the Cathedral's funds in any of the following:

- Land.
- Funds administered for the Central Board of Finance of the Church of England by CCLA Investment Management Ltd.
- Investments in which the trustees may invest under the general power of investment in the Trustee Act 2000.
- The improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself and its ancillary buildings.

Risk Management

The Chapter has examined the principal areas of the Cathedral's operations and considered the major risks faced in each of these areas. In the opinion of Chapter, the Cathedral has established the resources and review systems which, under normal circumstances, should allow these risks to be mitigated to an acceptable level in its day-to-day operations.

The Chapter considers that the major risk affecting the future of the Cathedral remains funding.

The Financial Situation

Income available for mission, which is our income after deducting trading expenditure, increased from £912,656 in 2010 to £1,104,542 in 2011.

Our Mission and Governance costs were £1,347,653 in 2011 compared with £1,092,958 in 2010. The 2011 costs include fundraising costs of £130,243 and an increase in repairs of £41,000.

The final result was a surplus for the year (before losses / gains on property and investments) of £156,395 compared with a deficit of £16,978 in 2010. Net of large legacies/donations and exceptional expenditure, the underlying operating deficit is £46,045 (compared with £42,000 in 2010).

On the investment side, the value of our long term investment portfolio decreased fractionally by £4,150 net of loss on revaluation and profits on disposals (compared with a rise of £105,372 in 2010).

At 31st December 2011 the Cathedral's funds totalled £6,954,230 of which £1,243,087 was either restricted or endowed. Our unrestricted funds totalled £5,711,143 of which £3,805,407 was invested in property, plant and equipment and £188,500 in heritage assets, so free reserves at 31st December 2011 were £1,717,236.

The Chapter continues to consider various ways to increase the income of the Cathedral whilst keeping down costs.

Fundraising Activities

The 50th year anniversary served as the launch-pad of the Patrons Campaign with the support of Comptons Fundraising Consultancy Ltd. Over £330,000 has been pledged, of which £100,000 was legacies and £148,000 received during the year for a range of projects under the headings of mission, music and fabric. The Cathedral is particularly grateful to the Patrons Board for their support in this initiative.

In the second half of the year, consultants JKA undertook a fundraising audit of the Cathedral. Following the unsuccessful recruitment of a Fundraiser to take forward this work, JKA recommended an adapted new role which absorbed the much needed co-ordination of marketing and communications. Recruitment for the External Relations Director will begin in 2012 and will shortly be followed by recruitment for a part-time trusts and foundations officer.

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The Cathedral received four grants from the All Churches Trust during the year, three totalling £28,000 (unrestricted) and one for £1,500 towards the Disability access. Towards the end of the year the Cathedral also received a significant legacy of £79,000 which was unrestricted. The Cathedral is very grateful to The Queen's Royal Surrey Regimental Association for their generous donation of £50,000 for the repair, maintenance and embellishment of the Regimental Chapel. As the year came to a close the Cathedral was delighted to receive a £60,000 donation from the Diocese of Guildford to be used for 'music outreach' and the repair, maintenance or improvement of the Cathedral. The donation was given in celebration and support for the first fifty years of ministry at the Cathedral.

In the Autumn of 2011 the Cathedral, responding to a request by the Nuffield Hospital, began a car parking contract for 50 cars on a regular basis. This represents a valuable source of new income and a positive link to one of our near neighbours.

The 50th Anniversary celebrations involved a range of events which allowed for new and innovative uses of the Cathedral. Recognising the opportunities this created to welcome new people to the Cathedral and, at the same time, support our much needed income generation initiatives, Chapter endorsed the appointment of new staff to support events on an ongoing basis. As the team of one full time and two part-time members of staff settled quickly into their work, they were responsible for £14,000 of new income in the year. In addition the department absorbed existing events into their portfolio whilst experimenting with new external hire events such as a Wedding Fayre and internal events including a Christmas Fair.

Reserves Policy

The Cathedral aims to maintain unrestricted reserves in cash and cash equivalents of £1,000,000 plus a reserve of £100,000 for unanticipated property costs. The unrestricted net current assets figure at 31st December 2011 was £112,810 compared with £86,498 at 31st December 2010. Whilst this represents approximately one month's expenditure the Cathedral holds unrestricted investments totalling £1,604,426 (2010 - £1,599,785) which could be realised if necessary. In the medium term the Dean and Chapter are working to increase the level of net current assets held.

Investment Performance

During 2011 the World's stock markets fluctuated quite wildly as concern regarding developments in the Euro Zone's sovereign debt markets took over during the second half of the year, depressing markets generally. In light of ongoing developments here, markets are expected to remain rather more volatile than one might prefer.

The portfolio as at the close on the 31st December 2010 was £2,213,521. At the close on the 31st December 2011 the value had declined slightly to £2,205,780, a fall of 0.5%, on a time weighted return basis (accounting for any cash or holding movements in to and out of the account). The asset allocation of the portfolio at the end of 2011 was primarily invested into lower risk and less volatile Fixed Interest (UK Government stock and Corporate Bond funds) at 62.6%, with a further 22.15% in UK Equities, 4.2% in International Equities, 8.9% in Alternative Asset classes (Commercial Property and Infrastructure in this instance) and the balance of 2.15% in Cash held with Charles Stanley.

To ensure appropriate professional management of the Cathedral's investments, Charles Stanley Ltd hold the portfolio as nominees and manage the portfolio on a discretionary basis within agreed parameters. Moving to a discretionary mandate enables Charles Stanley Ltd to monitor the portfolio on an ongoing basis and to be in a position to take timely action to adjust the portfolio as considered prudent in response to market developments and opportunities, to protect capital.

Forecast of maintenance costs

The Chapter has a rolling programme of works for the maintenance of the Cathedral Estate over the next five years, as required in the Cathedrals Measure 1999. This is contained within the annual Budget.

Major items of expenditure

During 2011, there were no major items of expenditure.

Sources of Finance

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As can be seen from inspection of the accounts, the main sources of funding for the Cathedral in 2011 were from the congregation, investments, legacies, donations from visitors, grants, fundraising, events and income from the Refectory.

Plans for future period

Plans for 2012 include a fire detection system for the crypt and tower, a roof alarm and the first phase of a digital survey to allow for more accurate architects drawings, as well as work on disability access. The Deanery will also be re-furbished.

Work to clarify our mission and vision will be undertaken between January and May, culminating in a presentation at our Annual Meeting in May. The Cathedral business plan will be updated and it is hoped we can move towards a three year budget, supported by clearer departmental objectives in the medium term.

With the generous support of the Diocesan grant we can re-launch the music outreach programme. Events planned for 2012 include a corporate dinner in the nave whilst our regular programme of concerts will continue and include the performance of Stainer's Crucifixion. The girls choir, in celebration of their 10th year, are planning a visit to Eastern Europe.

With the planned retirement of the Dean during 2012, the year promises to be a year of celebrating all that his ministry has brought to the Cathedral as well as an opportunity to build upon this with renewed vision.

Five Year Summary of Key Figures and Ratios

| | 2011 | 2010 | 2009 | 2008 | 2007 |
|---|-------|-------|-------|-------|-------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Surplus / (Deficit) before legacies and gains / (losses) on value of investments and properties (all funds) | 69 | (45) | (160) | (147) | (94) |
| Legacies | 87 | 28 | 229 | 658 | 506 |
| Property revaluation | - | - | - | 315 | - |
| Gains / (losses) on investments | (4) | 105 | 147 | (438) | (103) |
| Surplus / (deficit) for year including unrealised gains / (losses) on investments (all funds) | 152 | 88 | 216 | 388 | 309 |
| Unrestricted Net Current Assets | 113 | 86 | 238 | 715 | 490 |
| Unrestricted Investments | 1604 | 1,600 | 1,404 | 801 | 723 |
| Unrestricted reserves available for expenditure | 1,717 | 1,686 | 1,642 | 1,516 | 1,213 |

Approved by the Chapter of Guildford Cathedral and signed on its behalf

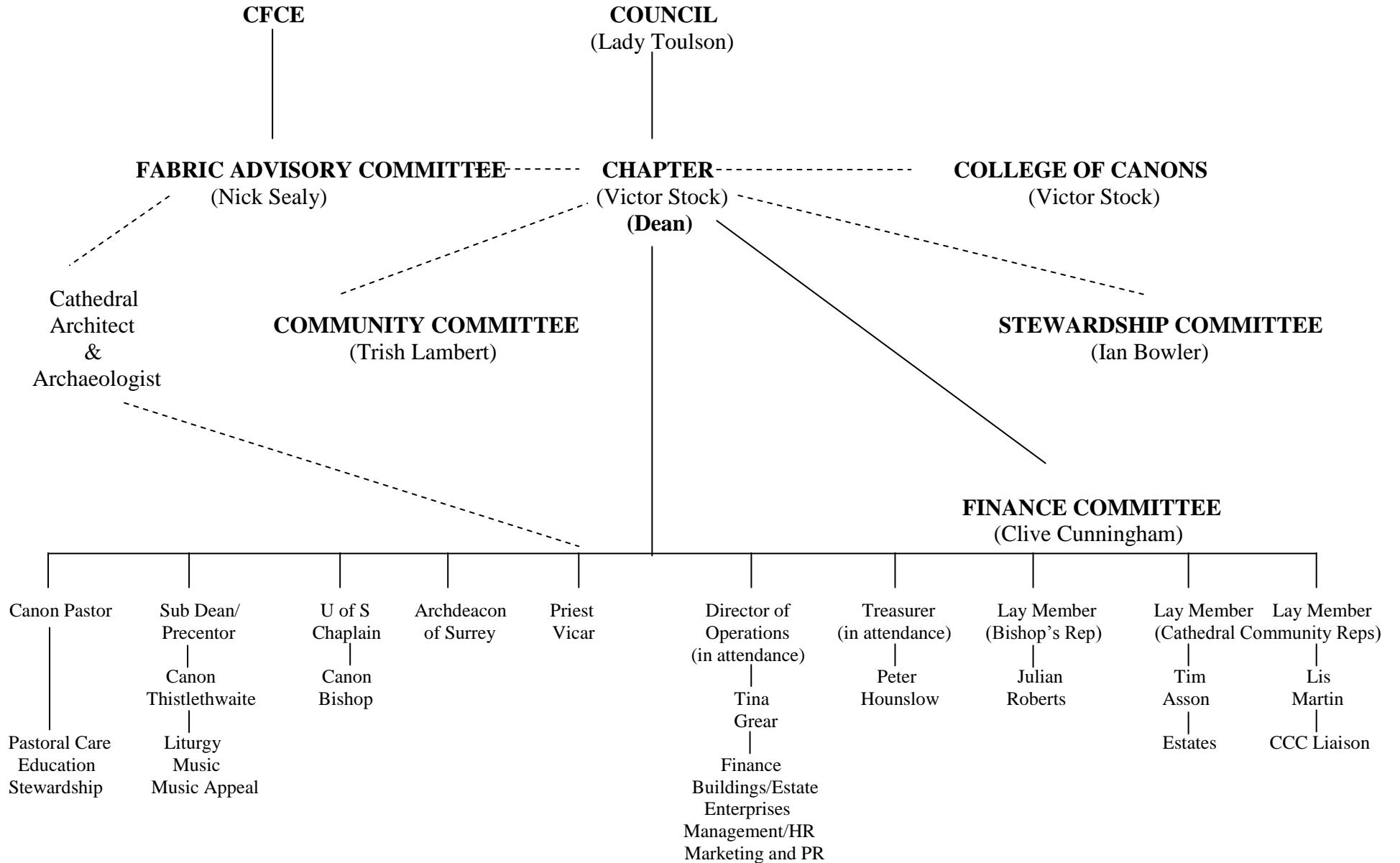
.....
The Very Reverend Victor Stock OAM – Dean

GUILDFORD CATHEDRAL

Annual Report for the year ended 31st December 2011

Dated

GUILDFORD CATHEDRAL MANAGEMENT STRUCTURE



APPENDICES

Appendix 1 – The Cathedral Management Organisation

Appendix 2 – The Cathedral Chapter

| | |
|--|---|
| The Dean | The Very Revd Victor Stock OAM |
| The Precentor & Sub Dean | The Revd Canon Dr Nicholas Thistlethwaite |
| The Residentiary Canons | The Revd Canon Andrew Bishop (from Sept 2011) |
| | The Revd Canon Angela Weaver (to Sept 2011) |
| | The Ven Stuart Beake |
| Priest Vicar | The Revd Nancy Ford |
| The Cathedral Administrator/Director of Operations | Commodore Tony Lyddon (to Aug 2011) |
| | Mrs Tina Grear (from Sept 2011) |
| One Lay person appointed by the Bishop | Mr Julian Roberts |
| Two persons elected by Cathedral Community | Mr Tim Asson |
| | Mrs Lis Martin |
| Hon Treasurer (in attendance) | Canon Peter Hounslow |

Appendix 3 – Chapter Members' Portfolios

The Very Revd Victor Stock (Dean)

The Dean, after the Bishop, is the senior priest in the Diocese. and a member of the Bishop's Senior Staff Team.

He is a member of the Court of the University of Surrey and the Fabric Advisory Committee of Salisbury Cathedral.

He regularly attends Diocesan, Borough, County and national events, is an Honorary President of Guildford Choral Society, and broadcasts on Radio 4 and BBC Surrey.

The Rev Canon Dr Nicholas Thistlethwaite (Precentor)

The Precentor is responsible for the Music and Liturgy of the Cathedral.

He is a Trustee of the Guildford Cathedral Music Development Foundation and a member of the Westminster Abbey Fabric Commission, the Organs Conservation Committee of the Church Building Council, the Guildford Diocesan Advisory Committee, the Diocesan Worship Committee, the Canterbury Cathedral Fabric Advisory Committee, the Association of Independent Organ Advisers and the Committee of the Guildford International Musical Festival.

The Rev Canon Andrew Bishop (University Chaplain)

Canon Bishop is a Residentiary Canon and Anglican Chaplain to the University of Surrey since September 2011.

As part of a team of chaplains, Andrew is involved in pastoral care of students and staff, in playing an active part in building and promoting an understanding of faith and between faiths and fostering good relationships in the wider life of the University community. Andrew is Benedictine Oblate of Alton Abbey, a member of the Alcuin Club, the Society for Liturgical Studies and is currently pursuing doctoral studies at King's College, London.

The Rev Canon Angela Weaver (Canon Pastor)

Canon Weaver was a Residentiary Canon with responsibility for the Pastoral care, Spirituality and Educational programme of the Cathedral.

Angela worked with the Pastoral Assistants, the Cathedral Guides, Chaplains, other volunteers, visitors and Parish and Deanery Links. Angela attended the Fabric Advisory, Community and Stewardship Committees.

Angela was part of the Advisory Group for the Adult Education Advisor for the Diocese and worked on major projects involving both the Education Centre and the Cathedral. Angela was a member of the Diocesan Synod, a Spiritual Director and a Patron of Changing Attitude, a member of the DARC (Deans, Archdeacons and Residentiary Canons) group and a trustee for St Martin's Trust.

The Venerable Stuart Beake (Archdeacon of Surrey)

The Venerable Stuart Beake is the Archdeacon of Surrey and a Residentiary Canon (non-stipendiary).

Stuart is a member of the Bishop's Senior Staff, Diocesan Boards and Committees including: Bishop's Council (which is also the Diocesan Board of Finance Executive and the Diocesan Mission and Pastoral Committee); the Diocesan Board of Education; the Diocesan Advisory Committee and the Housing Advisory Committee.

His main responsibilities as archdeacon include the pastoral and professional support of the clergy; managing the appointments process for clergy with his fellow archdeacon; relating to parishes and churchwardens; supporting hospital and army chaplains; and dealing with a variety of legal, disciplinary and troubleshooting issues.

Amongst other responsibilities, Stuart is the Warden (and therefore a trustee) of the St Peters Community (which, amongst other things is responsible for St Columba's House in Woking); he is a member of the Independent Advisory Body for Pirbright Barracks; the King Edward's School, Witley, Educational Trustees and is also a Canon Emeritus of Coventry Cathedral.

The Rev Nancy Ford (Priest Vicar)

The Revd Nancy Ford is Priest Vicar at Guildford Cathedral and is responsible for leading and assisting with worship at the Cathedral. In addition, Nancy is a member of Cathedral Chapter and advises on Human Resource issues in the Cathedral office.

Tina Grear (Director of Operations)

Tina Grear, is responsible for the business operations of the Cathedral including site management, the Cathedral fabric, finance and management of the lay staff (events, shop, fund-raising, virgers, administration, etc). Tina, who was formerly CEO of the Tutu Foundation UK, joined the Cathedral as Director of Operations in September 2011 succeeding Commodore Tony Lyddon who retired in August 2011.

Commodore Tony Lyddon (Cathedral Administrator)

Tony was a member of the Cathedrals Administration and Finance Association (CAFA) Executive and the Association of English Cathedrals (AEC) Executive. In addition, Tony was a member of the Guildford Business Forum (GBF) and Chairman of the GBF Tourism Sector Group and maintained a liaison with Guildford Borough Council, Surrey County Council, the University of Surrey and the local Emergency Services.

Mr Timothy P O Asson BSc MRICS

Tim Asson is a Director of Colliers International – a global property consultancy with 480 offices in 61 countries.

Tim is based in the London office of Colliers and specializes in providing property advice to corporate occupiers throughout Europe. Tim's clients have included UK public sector bodies and national/international corporate occupiers.

Mrs Lis Martin

Lis Martin is a lay member of Chapter. Lis has belonged to the Cathedral congregation for 18 years and is a Cathedral Guide, Sunday School teacher and member of the Guildford Cathedral Singers.

Mr Julian Roberts

Julian Roberts is Chief Executive of Old Mutual plc, an international Financial Services Group, and has been a member of the congregation for over 15 years.

Appendix 4 – The Cathedral Council

| | |
|--|--|
| The Chairman | Lady Toulson |
| The Dean | The Very Revd Victor Stock |
| Two Members of the Chapter | The Revd Canon Angela Weaver (to Sept 2011) Mr Julian Roberts |
| Two Members of College of Canons | The Revd Canon Dr Andrew Norman Canon Peter Bruinvels |
| Two Lay persons from Cathedral Community | Mr Paul Baumann Mr David Tribe |
| One person from the Cathedral Staff | Mrs Shirley-Margaret Lloyd (to July 2011) Mrs Caroline Simcox (from Oct 2011) |
| Two persons appointed by Bishop's Council | Mr Stephen Marriott Vacancy |
| One person appointed by the Bishop | Mrs Nicola Sidwell |
| One person appointed by the Bishop/Mayor | Mrs Sheila Kirkland |
| One person appointed by the Bishop/Lord Lt | Vacancy |
| One person appointed by the Bishop/Uof S | Professor David Airey |
| One person appointed by the Friends | Mr Bob Doré |

Appendix 5 – The College of Canons

| | |
|----------------------|--|
| The Dean | The Very Revd Victor Stock OAM |
| Residentiary Canons | The Revd Canon Dr Nicholas Thistlethwaite The Revd Canon Angela Weaver (to Sept 2011) The Revd Canon Andrew Bishop (from Sept 2011) |
| Supernumerary Canons | The Ven Stuart Beake, Archdeacon of Surrey (non stipendiary) The Rt Revd Ian Brackley, Bishop of Dorking The Ven Julian Henderson, Archdeacon of Dorking |
| Honorary Canons | The Revd Canon Nick Aiken The Revd Canon John Bundock The Revd Canon Richard Cook The Revd Canon Robert Cotton The Revd Canon Jeremy Cresswell The Revd Canon Paul Jenkins The Revd Canon Margaret Marsh The Revd Canon Colin Matthews The Revd Canon Barbara Messham The Revd Canon Nigel Nicholson The Revd Canon Andrew Norman The Revd Canon Andrew Tuck The Revd Canon Chris Vallins The Revd Canon Hazel Whitehead The Revd Canon Mavis Wilson |
| Lay Canons | Baroness Bottomley of Nettlestone Canon Peter Bruinvels Canon Chris Drew Canon Derek Holbird Canon Peter Hounslow Canon Jonathan Neil-Smith Canon Michael Young Canon David Watts |
| Canon Theologian | Canon Dr Paula Gooder |

Appendix 6 – Honorary Assistants

The Revd Sir John Alleyne
The Revd Professor David Martin
The Revd Canon Chris Vallins

Appendix 7 – The Cathedral Finance Committee

Mr Clive Cunningham - Chairman
The Very Revd Victor Stock
The Revd Canon Nicholas Thistlethwaite
The Ven Stuart Beake
Commodore Tony Lyddon (to Aug 2011)
Mrs Tina Gear (from Sept 2011)
Canon Michael Young
Canon Peter Hounslow

Appendix 8 – The Cathedral Community Committee

Chairman and Committee

Mrs Trish Lambert (Chairman)
Mrs Caroline Austin
Mr John Austin
Mrs Vicky Barlow (to Oct 2011)
Ms Sonia Bennett (from Mar 2011)
Mrs Ann Doré
Mrs Jackie Drake-Smith
Mr Paul Savage
Miss Anne Smith (to Jan 2011)

Appendix 9 – The Fabric Advisory Committee

| | |
|---------------|--|
| Chairman | Mr John Melvin (Chairman to Mar 2011) Mr Nick Sealy (Chairman from July 2011) Mrs Heather Blackett (to Mar 2011) Mr Tony Carter (from Jan 2011) Canon Paul Jenkins Mr Colin Kerr Mr Kenneth Powell Mrs Mary Sleigh Mrs Ann Wickham (to Nov 2011) Mr Roger Heath Bullock (from Nov 2011) |
| Secretary | Commodore Tony Lyddon (to Aug 2011) Mrs Tina Grear (from Sept 2011) |
| In attendance | Dr David Bird – Cathedral Archaeologist Mr John Bailey – Cathedral Architect The Dean, the Sub Dean and the Canon Pastor |

Appendix 10 – Guildford Cathedral Shops Ltd – Board Members

| | |
|-------------------|--|
| Chairman | The Very Revd Victor Stock |
| Company Secretary | Commodore Tony Lyddon (to Aug 2011) Mrs Tina Grear (from Sept 2011) The Revd Canon Nicholas Thistlethwaite The Revd Canon Andrew Bishop (from Sept 2011) The Revd Canon Angela Weaver (to Sept 2011) Mr Bill Melly Mrs Carolyn Day (to April 2011) Mrs Janice Cruse |

Appendix 11 – Cathedral Lay Staff

The Chapter is supported by a small number of Lay Staff and a large number of Volunteers. The operations are led by the following personnel:

| | |
|--|--|
| Administrator/Director of Operations | Commodore Tony Lyddon (to Aug 2011) Mrs Tina Grear (from Sept 2011) |
| Organist & Master of the Choristers | Mrs Katherine Dienes-Williams |
| Dean's Virger | Mr Paul Williamson |
| Financial Controller | Mrs Mandy Blackmore |
| Events Director | Mrs Caroline Simcox (from Jan 2011) |
| Schools Officer | Mrs Catherine Warrington (to June 2011) Mrs Beth Henze (from Sept 2011) |
| Shop Manager | Mrs Janice Cruse |
| In addition we were assisted by the following: | |
| Refectory Director | Mr Tim Brennan, Brennan Trading Ltd t/a Caper & Berry |

The Volunteers work in a number of roles including Book and Gift Shop assistants, Guides, Office Support, Stewards and Honorary Virgers. In the shops alone, the team of volunteers work 5075 hours a year.

Appendix 12 – Senior Volunteers

| | |
|------------------------|---|
| Chief Steward | Mr Rodney Gritten (to Mar 2011) Mr Stephen Bourne (from Mar 2011) |
| Chief Guide | Mrs Janet Mathews |
| Captain of Bell Tower | Mr Chris Rogers |
| Cathedral Archivists | Mrs Liz North and Mrs Janet Stubbings |
| Friends' Vice Chairman | Mr Bob Doré |
| Head Server | Mr Chris Nott |
| Librarian | Mrs Janice Cruse (to Feb 2011) Vacancy |
| Treasury Curator | Mrs Ann Wickham (to Nov 2011) Mr Roger Heath Bullock (from Nov 2011) |
| Flower Arrangers | Mrs Sue Howland |

Appendix 13 – Cathedral Officers and Advisers

The work of the Chapter would not be possible without support from experts in various professional fields and the following table details the Chapter's advisers:

| | |
|---------------------------|---|
| Architect and Surveyor | John Bailey BA B.Arch. RIBA, AABC Thomas Ford & Partners 177 Kirkdale Sydenham London SE26 4QH |
| Archaeological Consultant | Dr David Bird 14 Kings Road Guildford GU1 4JW |
| Auditors | Brewers Bourne House Queen Street Gomshall GU5 9LY |
| Bankers | National Westminster Bank PO Box 1 1 Stoke Road Guildford GU1 3ZR |
| Cathedral Solicitor | Duncan Elson LIB Solicitor Charles Russell Solicitors Buryfields House, Bury Fields, Guildford, Surrey GU2 4AZ |
| Investment Adviser | James Stewart Smith Charles Stanley & Co Ltd Fairacre House 70-72 Chertsey Street Guildford, Surrey GU1 4HL |

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CATHEDRAL CHURCH OF THE HOLY SPIRIT - GUILDFORD

We have audited the financial statements of Cathedral Church of the Holy Spirit – Guildford for the year ended 31 December 2011 on pages 19 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Chapter, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. 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 Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the chapter auditors

As explained more fully in the Statement of Chapter's Responsibilities, the Chapter is responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the regulations specified by the Church commissions under the powers given to them by Section 27 of the Cathedrals Measure 1999.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Cathedral's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chapter; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of The Cathedral Church of the Holy Spirit – Guildford's affairs as at 31 December 2011 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been properly prepared in accordance with the regulations specified by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Chapter's Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns;
or
- we have not received all the information and explanations we require for our audit.

Brewers
Statutory Auditor

Bourne House
Queen Street
Gomshall
Surrey
GU5 9LY

Date

Brewers is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Cathedral Church of The Holy Spirit Guildford

Consolidated Statement of Financial Activities

For the year ended 31st December 2011

| | | 2011 | | | 2010 | | | | |
|--|-----------|------------------|------------------|-----------------|--------------------|------------------|------------------|------------------|--------------------|
| | Notes | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Incoming Resources | 1 | | | | | | | | |
| Voluntary income | (i) | 371,429 | 304,800 | - | 676,229 | 292,629 | 33,626 | - | 326,255 |
| Grants receivable | (ii) | 18,512 | 179,695 | - | 198,207 | - | 216,430 | - | 216,430 |
| Charges and fees in the course of mission | (iii) | 54,270 | 15,184 | - | 69,454 | 50,802 | 12,625 | - | 63,427 |
| Income from activities generating funds | (iv) | 399,480 | 9,671 | - | 409,151 | 279,541 | 10,424 | - | 289,965 |
| Income from property and investments | (v) | 122,754 | 12,579 | 15,170 | 150,503 | 139,633 | 7,394 | 25,710 | 172,737 |
| Other income | (vi) | 504 | - | - | 504 | 7,166 | - | - | 7,166 |
| Total incoming resources | | 966,949 | 521,929 | 15,170 | 1,504,048 | 769,771 | 280,499 | 25,710 | 1,075,980 |
| Costs of generating funds | 2 | (395,417) | (4,089) | - | (399,506) | (157,543) | (5,781) | - | (163,324) |
| Net incoming resources available for mission | | 571,532 | 517,840 | 15,170 | 1,104,542 | 612,228 | 274,718 | 25,710 | 912,656 |
| Resources expended on Mission | 3 | | | | | | | | |
| Ministry | (i) | (145,894) | (342,623) | - | (488,517) | (134,920) | (376,174) | - | (511,094) |
| Cathedral and precincts upkeep | (ii) | (241,638) | (173,573) | - | (415,211) | (257,652) | (117,423) | - | (375,075) |
| Education and outreach | (iii) | (22,593) | (2,414) | - | (25,007) | (22,607) | (2,801) | - | (25,408) |
| Total resources expended on mission | | (410,125) | (518,610) | - | (928,735) | (415,179) | (496,398) | - | (911,577) |
| Governance costs | 4 | (18,205) | (1,207) | - | (19,412) | (18,057) | - | - | (18,057) |
| Total expenditure on generating funds, mission and governance | | (823,747) | (523,906) | - | (1,347,653) | (590,779) | (502,179) | - | (1,092,958) |
| Net incoming/(outgoing) resources | | 143,202 | (1,977) | 15,170 | 156,395 | 178,992 | (221,680) | 25,710 | (16,978) |
| Other recognised gains/(losses) | | | | | | | | | |
| Investments Profit on disposals | | 5,630 | (329) | 22,801 | 28,102 | - | - | - | - |
| Investments Revaluation | | (19,870) | 5,264 | (17,646) | (32,252) | 68,580 | 3,436 | 33,356 | 105,372 |
| | | 128,962 | 2,958 | 20,325 | 152,245 | 247,572 | (218,244) | 59,066 | 88,394 |
| Gross transfers between funds | 14 | (88,468) | 135,740 | (47,272) | - | (195,970) | 221,680 | (25,710) | - |
| Net increase/(decrease) in funds | | 40,494 | 138,698 | (26,947) | 152,245 | 51,602 | 3,436 | 33,356 | 88,394 |
| Funds brought forward | | 5,670,649 | 110,198 | 1,021,138 | 6,801,985 | 5,540,547 | 106,762 | 987,782 | 6,635,091 |
| Recognition of Heritage Assets | | - | - | - | - | 188,500 | - | - | 188,500 |
| Prior Year adjustment | | - | - | - | - | (110,000) | - | - | (110,000) |
| Funds carried forward | | 5,711,143 | 248,896 | 994,191 | 6,954,230 | 5,670,649 | 110,198 | 1,021,138 | 6,801,985 |

The Cathedral Church of The Holy Spirit Guildford

Consolidated balance sheet at 31st December 2011

| | Notes | 2011 | | | | | | | 2010 |
|--|-----------|------------------|----------------|----------------|------------------|------------------|----------------|------------------|------------------|
| | | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| Fixed Assets | | | | | | | | | |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Heritage Assets | 8 | 188,500 | - | - | 188,500 | 188,500 | - | - | 188,500 |
| Investment assets | | | | | | | | | |
| Investments | 9 | 1,604,426 | 54,725 | 546,629 | 2,205,780 | 1,599,785 | 49,462 | 564,274 | 2,213,521 |
| Non investment assets | | | | | | | | | |
| Property | 10 | 3,635,000 | - | 311,199 | 3,946,199 | 3,657,593 | - | 311,199 | 3,968,792 |
| Equipment and plant | 11 | 170,407 | - | - | 170,407 | 138,273 | - | - | 138,273 |
| | | 3,805,407 | - | 311,199 | 4,116,606 | 3,795,866 | - | 311,199 | 4,107,065 |
| Total fixed assets | | 5,598,333 | 54,725 | 857,828 | 6,510,886 | 5,584,151 | 49,462 | 875,473 | 6,509,086 |
| Current assets | | | | | | | | | |
| Stocks – goods for resale | | 13,190 | - | - | 13,190 | 30,777 | - | - | 30,777 |
| Debtors | 12 | 161,709 | - | - | 161,709 | 134,538 | - | - | 134,538 |
| Short term deposits | | 74,838 | 98,045 | 136,363 | 309,246 | 27,959 | 60,736 | 145,665 | 234,360 |
| Cash at bank and in hand | | 46,933 | 96,126 | - | 143,059 | 41,186 | - | - | 41,186 |
| | | 296,670 | 194,171 | 136,363 | 627,204 | 234,460 | 60,736 | 145,665 | 440,861 |
| Liabilities due within one year | | | | | | | | | |
| Creditors | 13 | 183,860 | - | - | 183,860 | 147,962 | - | - | 147,962 |
| | | 183,860 | - | - | 183,860 | 147,962 | - | - | 147,962 |
| Net current assets | | 112,810 | 194,171 | 136,363 | 443,344 | 86,498 | 60,736 | 145,665 | 292,899 |
| Total assets less current liabilities | | 5,711,143 | 248,896 | 994,191 | 6,954,230 | 5,670,649 | 110,198 | 1,021,138 | 6,801,985 |
| Net assets | | 5,711,143 | 248,896 | 994,191 | 6,954,230 | 5,670,649 | 110,198 | 1,021,138 | 6,801,985 |
| Funds | 14 | | | | | | | | |
| General fund | | 5,711,143 | - | - | 5,711,143 | 5,670,649 | - | - | 5,670,649 |
| Fabric fund | | - | 220,996 | 230,094 | 451,090 | - | 110,198 | 245,230 | 355,428 |
| Choir & music fund | | - | 27,900 | 378,812 | 406,712 | - | - | 390,623 | 390,623 |
| Mission fund | | - | - | - | - | - | - | - | - |
| Property endowment fund | | - | - | 385,285 | 385,285 | - | - | 385,285 | 385,285 |
| | | 5,711,143 | 248,896 | 994,191 | 6,954,230 | 5,670,649 | 110,198 | 1,021,138 | 6,801,985 |

Approved by the Chapter of Guildford Cathedral and signed on its behalf

.....
The Very Reverend Victor Stock OAM - Dean

.....
Mrs T Grear – Director of Operations

Dated

The Cathedral Church of The Holy Spirit Guildford

Chapter Statement of Financial Activities

For the year ended 31st December 2011

| | | 2011 | | | | | | | 2010 |
|--|-----------|------------------|------------------|-----------------|--------------------|------------------|------------------|------------------|------------------|
| | Notes | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Incoming Resources | 1 | | | | | | | | |
| Voluntary income | (i) | 371,429 | 304,800 | - | 676,229 | 292,629 | 33,626 | - | 326,255 |
| Grants receivable | (ii) | 18,512 | 179,695 | - | 198,207 | - | 216,430 | - | 216,430 |
| Charges and fees in the course of mission | (iii) | 54,270 | 15,184 | - | 69,454 | 50,802 | 12,625 | - | 63,427 |
| Income from activities generating funds | (iv) | 280,999 | 9,671 | - | 290,670 | 135,150 | 10,424 | - | 145,574 |
| Income from property and investments | (v) | 138,813 | 12,579 | 15,170 | 166,562 | 144,733 | 7,394 | 25,710 | 177,837 |
| Other income | (vi) | 504 | - | - | 504 | 7,166 | - | - | 7,166 |
| Total incoming resources | | 864,527 | 521,929 | 15,170 | 1,401,626 | 630,480 | 280,499 | 25,710 | 936,689 |
| Costs of generating funds | 2 | (291,268) | (4,089) | - | (295,357) | (14,079) | (5,781) | - | (19,860) |
| Net incoming resources available for mission | | 573,259 | 517,840 | 15,170 | 1,106,269 | 616,401 | 274,718 | 25,710 | 916,829 |
| Resources expended on Mission | 3 | | | | | | | | |
| Ministry | (i) | (145,894) | (342,623) | - | (488,517) | (134,920) | (376,174) | - | (511,094) |
| Cathedral and precincts upkeep | (ii) | (241,638) | (173,573) | - | (415,211) | (257,652) | (117,423) | - | (375,075) |
| Education and outreach | (iii) | (22,593) | (2,414) | - | (25,007) | (22,607) | (2,801) | - | (25,408) |
| Total resources expended on mission | | (410,125) | (518,610) | - | (928,735) | (415,179) | (496,398) | - | (911,577) |
| Governance costs | 4 | (18,205) | (1,207) | - | (19,412) | (18,057) | - | - | (18,057) |
| Total expenditure on generating funds, mission and governance | | (719,598) | (523,906) | - | (1,243,504) | (447,315) | (502,179) | - | (949,494) |
| Net incoming/(outgoing) resources | | 144,929 | (1,977) | 15,170 | 158,122 | 183,165 | (221,680) | 25,710 | (12,805) |
| Other recognised gains/(losses) | | | | | | | | | |
| Investments Profit on disposals | | 5,630 | (329) | 22,801 | 28,102 | - | - | - | - |
| Investments Revaluation | | (19,870) | 5,264 | (17,646) | (32,252) | 68,580 | 3,436 | 33,356 | 105,372 |
| | | 130,689 | 2,958 | 20,325 | 153,972 | 251,745 | (218,244) | 59,066 | 92,567 |
| Gross transfers between funds | 14 | (88,468) | 135,740 | (47,272) | - | (195,970) | 221,680 | (25,710) | - |
| Net increase/(decrease) in funds | | 42,221 | 138,698 | (26,947) | 153,972 | 55,775 | 3,436 | 33,356 | 92,567 |
| Funds brought forward | | 5,668,407 | 110,198 | 1,021,138 | 6,799,743 | 5,534,132 | 106,762 | 987,782 | 6,628,676 |
| Recognition of Heritage Assets | | - | - | - | - | 188,500 | - | - | 188,500 |
| Prior Year adjustment | 8 | - | - | - | -- | (110,000) | - | - | (110,000) |
| Funds carried forward | | 5,710,628 | 248,896 | 994,191 | 6,953,715 | 5,668,407 | 110,198 | 1,021,138 | 6,799,743 |

The Cathedral Church of The Holy Spirit Guildford

Chapter Balance Sheet at 31st December 2011

| | Notes | 2011 | | | | | | | 2010 |
|--|-------|------------------|----------------|----------------|------------------|------------------|----------------|------------------|------------------|
| | | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | | £ | £ | £ | £ | £ | £ | £ | £ |
| Fixed Assets | | | | | | | | | |
| Heritage Assets | | | | | | | | | |
| Treasury | 8 | 188,500 | - | - | 188,500 | 188,500 | - | - | 188,500 |
| Investment assets | | | | | | | | | |
| Investments | 9 | 1,604,426 | 54,725 | 546,629 | 2,205,780 | 1,599,785 | 49,462 | 564,274 | 2,213,521 |
| Non investment assets | | | | | | | | | |
| Property | 10 | 3,635,000 | - | 311,199 | 3,946,199 | 3,657,593 | - | 311,199 | 3,968,792 |
| Equipment and plant | 11 | 169,982 | - | - | 169,982 | 138,273 | - | - | 138,273 |
| | | 3,804,982 | - | 311,199 | 4,116,181 | 3,795,866 | - | 311,199 | 4,107,065 |
| Total fixed assets | | 5,597,908 | 54,725 | 857,828 | 6,510,461 | 5,584,151 | 49,462 | 875,473 | 6,509,086 |
| Current assets | | | | | | | | | |
| Debtors | 12 | 181,590 | - | - | 181,590 | 168,634 | - | - | 168,634 |
| Short term deposits | | 74,838 | 98,045 | 136,363 | 309,246 | 27,949 | 60,736 | 145,665 | 234,350 |
| Cash at bank and in hand | | 35,296 | 96,126 | - | 131,422 | 31,050 | - | - | 31,050 |
| | | 291,724 | 194,171 | 136,363 | 622,258 | 227,633 | 60,736 | 145,665 | 434,034 |
| Liabilities due within one year | | | | | | | | | |
| Creditors | 13 | 179,004 | - | - | 179,004 | 143,377 | - | - | 143,377 |
| | | | | | | 143,377 | - | - | 143,377 |
| Net current assets | | 112,721 | 194,171 | 136,363 | 443,255 | 84,256 | 60,736 | 145,665 | 290,657 |
| Total assets less current liabilities | | | | | | | | | |
| Net assets | | 5,710,628 | 248,896 | 994,191 | 6,953,715 | 5,668,407 | 110,198 | 1,021,138 | 6,799,743 |
| Funds | | | | | | | | | |
| General fund | 14 | 5,710,628 | - | - | 5,710,628 | 5,668,407 | - | - | 5,668,407 |
| Fabric fund | | - | 220,996 | 230,094 | 451,090 | - | 110,198 | 245,230 | 355,428 |
| Choir & music fund | | - | 27,900 | 378,812 | 406,712 | - | - | 390,623 | 390,623 |
| Mission fund | | - | - | - | - | - | - | - | - |
| Property endowment fund | | - | - | 385,285 | 385,285 | - | - | 385,285 | 385,285 |
| | | 5,710,628 | 248,896 | 994,191 | 6,953,715 | 5,668,407 | 110,198 | 1,021,138 | 6,799,743 |

Approved by the Chapter of Guildford Cathedral and signed on its behalf

.....
The Very Reverend Victor Stock OAM - Dean

.....
Mrs T Gear – Director of Operations

Dated

The Cathedral Church of the Holy Spirit Guildford
Notes to the Consolidated Financial Statements
For the year ended 31st December 2011

Accounting policies

Basis of Accounts Preparation

The financial statements and report are prepared in accordance with the regulations for Accounting and Reporting by English Anglican Cathedrals prepared for the Cathedral's Administration and Finance Association in conjunction with the Association of English Cathedrals and specified by the Church Commissioners under section 27 of the Cathedrals Measure 1999. These regulations were substantially revised in December 2006 and apply to all financial years commencing on or after 1st December 2006.

The accounts consolidate the results of a subsidiary company Guildford Cathedral Shops Limited.

Under FRS1 the Cathedral is exempt from producing a cash flow as it qualifies as a small entity.

Income

Grants, donations, gift aid reclaimable, fees charged, hire charges, trading income and investment income are recorded when receivable.

Grants and donations receivable for the general purposes of the Charity are credited to Unrestricted Funds. Grants and donations for purposes restricted by the wishes of the donor are taken to Restricted Funds. Where any amounts are required to be retained as capital in accordance with the donor's wishes these are accounted for as Endowments.

Legacies are recorded when the amount receivable can be determined with reasonable certainty.

Any income subject to VAT is recorded net of VAT chargeable.

Gifts in kind are recorded at their estimated value. No value is attributed to voluntary help.

Charging policy

The Cathedral does not charge for entry to the Cathedral. To achieve this objective, every effort is made to develop earnings from commercial sources, and to attract voluntary donations from supporters and visitors. It is felt that pursuance of this policy will help many thousands of people each year to enjoy the beauty of the Cathedral, and come to know Christ better through that experience. The Cathedral is open to everyone, regardless of background or means, and it is our aim to ensure that each person receives a personal warm welcome.

Donated assets

Offers of gifts in kind are considered by the Chapter, and where appropriate by the Cathedral's Fabric Advisory Committee.

The disposal of donated assets which are deemed to have outlived their usefulness is carefully discussed in Chapter and by the Fabric Advisory Committee, and where necessary proposals are submitted to the Cathedrals Fabric Commission for England. No items are disposed of without the agreement of the FAC, and decisions of the CFCE are always complied with. In the case of such items once donated by individuals or families, surviving relatives are always informed when a decision is made in favour of disposal.

Expenditure

Expenditure is accounted for on an accruals basis. Support costs not directly attributable to particular financial activity categories are apportioned over the relevant categories on the basis of staff numbers working in each department.

The Chapter is eligible to partially recover VAT. Non-recoverable VAT is attributed to the relevant expense.

Costs of generating funds, includes both fundraising and marketing together with the gross costs of the shop.

Expenditure on mission is comprised of three categories: Ministry covering clergy stipends and housing together with the costs incurred by our choir and music department, Cathedral and Precincts upkeep covering building repairs, depreciation and utilities and Education which covers the cost of the Schools department and outward giving.

Governance costs comprise the costs of running the Cathedral, including strategic planning for its future development, external audit, legal advice and all costs of complying with constitutional and statutory requirements.

Intra-group sales and associated costs with the Cathedral's subsidiary company, Guildford Cathedral Shops Limited, are excluded from the consolidated income and expenditure.

The Cathedral Church of the Holy Spirit Guildford
Notes to the Consolidated Financial Statements
For the year ended 31st December 2011

Accounting policies continued

Heritage Assets

Heritage assets have been capitalised at a valuation carried out by a professional valuer in 2006. No depreciation is charged on these assets as they are well maintained and are not believed to have a finite useful economic life.

Land, Buildings, Inventory and Equipment

The Cathedral land, Cathedral building and ancillary buildings form part of the Cathedral's Endowment and in accordance with the SORP are not included in these accounts.

Similarly, no value is attributed to items included in the inventory prepared under S13(1) of the Care of Cathedrals Measure 1990.

Fixed assets costing over £500 are capitalised in the year of purchase.

All other property is included in the balance sheet at market valuation in accordance with the regulations for Accounting and Reporting by English Anglican Cathedrals (revised December 2006). The properties were valued on 25th February 2011 and 14th March 2011 by Clarke Gammon Wellers, Chartered Surveyors. They are only re-valued if there is a material change in the market cost.

Freehold buildings are not amortised on the basis of immateriality due to long unexpired lives and high residual values. The Cathedral has a policy and practice of regular maintenance and properties are also unlikely to suffer obsolescence. The Cathedral undertakes annual impairment reviews of all properties stated in the accounts.

Depreciation of other assets is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|-------------------------------|-------------------------|
| Furniture and fittings | 10% straight line basis |
| Office and catering equipment | over 3 – 4 years |
| Ceremonial Garments | over 25 years |

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight line basis over the period of the lease.

Stocks

Stocks are items purchased for re-sale by Guildford Cathedral Shops Limited and are valued at the lower of cost or net realisable value, after making allowance for obsolete and slow moving items.

Investments

Investments are valued at the balance sheet date at their market value. Any unrealised gain/loss in the year is shown in the Statement of Financial Activities under the heading 'Other recognised gains (losses)'.

Pensions

It is the policy of the Chapter that all members of lay staff are eligible to join the Cathedral's Defined Contribution Pension Scheme that is part of the Church of England Pensions Board Church Workers Scheme.

Unrestricted Funds

Unrestricted funds are donations and incoming resources receivable or generated for the objects of the Cathedral without further specified purpose and are available as general funds.

Designated Funds

These are reserves set aside by the Dean and Chapter out of unrestricted funds for specific future purposes and projects. £79,750 has been designated for future site development costs.

The Cathedral Church of the Holy Spirit Guildford
Notes to the Consolidated Financial Statements
For the year ended 31st December 2011

Accounting policies continued

Restricted Funds

Restricted funds are to be used for a specific purpose as laid down by the donor. Expenditure which meets criteria is charged to the fund.

Endowment Funds

- a) Property Endowment Fund – The Cathedral can use these funds for the improvement or development of any property in which it has an interest (other than the Cathedral and its ancillary buildings) except for £20,000 which could be used for the choir and music.
- b) Other Endowment Capital – only the income can be spent on these funds.

Policy for transfer between funds

The transfers from the General Fund to the Choir and Music Fund and the Fabric Fund represent reimbursement of any shortfall of income over expenditure, excluding any un-utilised income. The transfers from the Mission and Endowment Funds, to the General Fund, are to transfer surpluses on these funds excluding un-utilised income in the year.

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

| 1. Incoming resources | 2011 | | | 2010 | | | |
|--|--------------------|------------------|-----------------|--------------------------|------------------|-----------------|------------------|
| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds |
| (i) Voluntary income | £ | £ | £ | £ | £ | £ | £ |
| Congregational collections and giving | 155,122 | - | - | 155,122 | 160,487 | - | 160,487 |
| Link scheme | 1,680 | - | - | 1,680 | 1,820 | - | 1,820 |
| Votive candles | 7,444 | - | - | 7,444 | 7,970 | - | 7,970 |
| Donations | 81,445 | 147,746 | - | 229,191 | 50,516 | 32,595 | 83,111 |
| Patrons donations | - | 123,805 | - | 123,805 | - | - | - |
| Tax recoverable under gift aid on voluntary donations | 42,837 | 3,048 | - | 45,885 | 42,984 | 1,031 | 44,015 |
| Tax recoverable under gift aid on Patrons donations | - | 25,201 | - | 25,201 | - | - | - |
| Income from Friends and local trusts | 500 | - | - | 500 | 20 | - | 20 |
| Legacies | 82,401 | 5,000 | - | 87,401 | 28,832 | - | 28,832 |
| | 371,429 | 304,800 | - | 676,229 | 292,629 | 33,626 | 326,255 |
| (ii) Grants receivable | | | | | | | |
| Church Commissioners for clergy stipends (3) | 18,512 | 106,638 | - | 125,150 | - | 108,883 | 108,883 |
| Church Commissioners for lay staff salaries | - | 60,884 | - | 60,884 | - | 70,813 | 70,813 |
| Diocesan grants for University Chaplain stipend | - | 12,173 | - | 12,173 | - | 36,734 | 36,734 |
| | 18,512 | 179,695 | - | 198,207 | - | 216,430 | 216,430 |
| (iii) Charges and fees in the course of mission | | | | | | | |
| Education workshops | 4,868 | - | - | 4,868 | 5,182 | - | 5,182 |
| Special services | 49,402 | 15,184 | - | 64,586 | 45,620 | 12,625 | 58,245 |
| | 54,270 | 15,184 | - | 69,454 | 50,802 | 12,625 | 63,427 |
| (iv) Income from activities generating funds | | | | | | | |
| Gross income of shop | 118,481 | - | - | 118,481 | 144,391 | - | 144,391 |
| Gross income of refectory | 55,909 | - | - | 55,909 | 52,255 | - | 52,255 |
| Hiring to businesses | 89,003 | 4,068 | - | 93,071 | 77,905 | 5,190 | 83,095 |
| Cathedral events – Jubilee | 128,362 | - | - | 128,362 | 10 | - | 10 |
| Art Exhibitions | 7,725 | - | - | 7,725 | 3,100 | - | 3,100 |
| Concerts, recitals and CDs | - | 5,603 | - | 5,603 | 1,880 | 5,234 | 7,114 |
| | 399,480 | 9,671 | - | 409,151 | 279,541 | 10,424 | 289,965 |
| (v) Income from property and investments | | | | | | | |
| Rents and utility charges | 48,614 | 10,367 | - | 58,981 | 53,736 | 5,259 | 58,995 |
| Investment income | 73,362 | 2,212 | 15,170 | 90,744 | 85,220 | 2,135 | 113,065 |
| Interest receivable on short term deposits | 778 | - | - | 778 | 677 | - | 677 |
| | 122,754 | 12,579 | 15,170 | 150,503 | 139,633 | 7,394 | 172,737 |
| (vi) Other income | | | | | | | |
| Music Development Fund – repayment of fund raising costs incurred in earlier years | - | - | - | - | 7,166 | - | 7,166 |
| Profit on sale of assets | 504 | - | - | 504 | - | - | - |
| | 504 | - | - | 504 | 7,166 | - | 7,166 |
| | 966,949 | 521,929 | 15,170 | 1,504,048 | 769,771 | 280,499 | 1,075,980 |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

2. Costs of generating funds

| | 2011 | | | | | | | | 2010 |
|---|----------------|--------------|-----------|----------------|----------------|--------------|-----------|-------|----------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Facilities for visitors | 11,772 | 556 | - | 12,328 | 8,591 | 229 | - | - | 8,820 |
| Gross costs of shop | 104,149 | - | - | 104,149 | 143,464 | - | - | - | 143,464 |
| Jubilee fundraising | 82,656 | - | - | 82,656 | 1,251 | 173 | - | - | 1,424 |
| Art Exhibitions | 6,120 | - | - | 6,120 | 41 | - | - | - | 41 |
| General marketing & Events dept costs | 58,043 | - | - | 58,043 | 2,021 | 359 | - | - | 2,380 |
| Fundraising Consultants | 130,243 | - | - | 130,243 | - | - | - | - | - |
| Performing rights and CD costs and fees | - | 3,533 | - | 3,533 | - | 5,020 | - | - | 5,020 |
| First Aid | 2,434 | - | - | 2,434 | 2,175 | - | - | - | 2,175 |
| | 395,417 | 4,089 | - | 399,506 | 157,543 | 5,781 | - | - | 163,324 |

3. Expenditure on mission

| | 2011 | | | | | | | | 2010 |
|--------------------------------------|----------------|----------------|-----------|----------------|----------------|----------------|-----------|-------|----------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| (i) Ministry | | | | | | | | | |
| Clergy stipends and working expenses | 5,175 | 119,691 | - | 124,866 | 5,298 | 145,617 | - | - | 150,915 |
| Clergy housing costs | 24,086 | - | - | 24,086 | 23,346 | - | - | - | 23,346 |
| Clergy support costs | 38,763 | - | - | 38,763 | 41,564 | - | - | - | 41,564 |
| Services and music | - | 174,074 | - | 174,074 | 121 | 172,958 | - | - | 173,079 |
| Support costs | 77,870 | 48,858 | - | 126,728 | 64,591 | 57,599 | - | - | 122,190 |
| | 145,894 | 342,623 | - | 488,517 | 134,920 | 376,174 | - | - | 511,094 |

(ii) Cathedral and precincts upkeep

| | | | | | | | | | |
|---|----------------|----------------|---|----------------|----------------|----------------|---|---|----------------|
| Maintenance and interior upkeep | 114,176 | 116,747 | - | 230,923 | 135,717 | 80,224 | - | - | 215,941 |
| Major Cathedral repairs and restoration | - | 17,755 | - | 17,755 | - | - | - | - | - |
| Costs re proposed development | 6,761 | - | - | 6,761 | - | - | - | - | - |
| Cathedral insurance | 1,135 | 26,374 | - | 27,509 | 2,660 | 22,463 | - | - | 25,123 |
| Cathedral light and heat | 38,028 | - | - | 38,028 | 48,355 | - | - | - | 48,355 |
| Cathedral water rates | 7,922 | - | - | 7,922 | 7,139 | - | - | - | 7,139 |
| Precinct security and gardens upkeep | 21,195 | - | - | 21,195 | 25,254 | - | - | - | 25,254 |
| Depreciation | 32,184 | - | - | 32,184 | 22,002 | - | - | - | 22,002 |
| Support costs | 20,237 | 12,697 | - | 32,934 | 16,525 | 14,736 | - | - | 31,261 |
| | 241,638 | 173,573 | - | 415,211 | 257,652 | 117,423 | - | - | 375,075 |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

| 3. Expenditure on mission (continued) | | | | 2011 | | | | 2010 |
|---|----------------|----------------|-----------|----------------|----------------|----------------|-----------|----------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| (iii) Education and outreach | £ | £ | £ | £ | £ | £ | £ | £ |
| Educational activities | 11,063 | - | - | 11,063 | 11,460 | - | - | 11,460 |
| Charitable and other giving | 7,683 | - | - | 7,683 | 8,005 | - | - | 8,005 |
| Support costs | 3,847 | 2,414 | - | 6,261 | 3,142 | 2,801 | - | 5,943 |
| | 22,593 | 2,414 | - | 25,007 | 22,607 | 2,801 | - | 25,408 |
| Total expenditure on mission | 410,125 | 518,610 | - | 928,735 | 415,179 | 496,398 | - | 911,577 |
| 4. Governance costs | | | | | | | | |
| Audit and accountancy | 6,841 | - | - | 6,841 | 6,210 | - | - | 6,210 |
| Personnel costs | 9,440 | - | - | 9,440 | 8,876 | - | - | 8,876 |
| Support costs | 1,924 | 1,207 | - | 3,131 | 2,971 | - | - | 2,971 |
| | 18,205 | 1,207 | - | 19,412 | 18,057 | - | - | 18,057 |
| 5. Support costs | | | | | | | | |
| Administration expenses | 46,297 | 2,523 | - | 48,820 | 47,384 | - | - | 47,384 |
| Bank charges | 3,348 | - | - | 3,348 | 1,907 | - | - | 1,907 |
| Personnel and training | 38,877 | 61,440 | - | 100,317 | 22,517 | 70,813 | - | 93,330 |
| Sundry including information technology | 15,356 | 1,213 | - | 16,569 | 14,020 | 5,724 | - | 19,744 |
| | 103,878 | 65,176 | - | 169,054 | 85,828 | 76,537 | - | 162,365 |

The support costs have been allocated between departments according to the number of people employed in that department.

Annual Commitments under non cancellable leases

| | 2012 | 2011 |
|----------------------|---------------------|---------------------|
| | £ | £ |
| Under 1 year | - | - |
| 2-5 years | 6,280 | 7,501 |
| Greater than 5 years | - | - |
| | <u>6,280</u> | <u>7,501</u> |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Chapter Financial Statements

For the year ended 31st December 2011

| 1. Incoming resources | 2011 | | | | | | | 2010 |
|--|--------------------|------------------|-----------------|--------------------------|------------------|-----------------|---------------|----------------|
| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Unrestricted Funds | Restricted Funds | Endowment Funds | Total Funds | |
| (i) Voluntary income | £ | £ | £ | £ | £ | £ | £ | |
| Congregational collections and giving | 155,122 | - | - | 155,122 | 160,487 | - | - | 160,487 |
| Link scheme | 1,680 | - | - | 1,680 | 1,820 | - | - | 1,820 |
| Votive candles | 7,444 | - | - | 7,444 | 7,970 | - | - | 7,970 |
| Donations | 81,445 | 147,746 | - | 229,191 | 50,516 | 32,595 | - | 83,111 |
| Patrons donations | - | 123,805 | - | 123,805 | - | - | - | - |
| Tax recoverable under gift aid on voluntary donations | 42,837 | 3,048 | - | 45,885 | 42,984 | 1,031 | - | 44,015 |
| Tax recoverable under gift aid on Patrons donations | - | 25,201 | - | 25,201 | - | - | - | - |
| Income from Friends and local trusts | 500 | - | - | 500 | 20 | - | - | 20 |
| Legacies | 82,401 | 5,000 | - | 87,401 | 28,832 | - | - | 28,832 |
| | 371,429 | 304,800 | - | 676,229 | 292,629 | 33,626 | - | 326,255 |
| (ii) Grants receivable | | | | | | | | |
| Church Commissioners for clergy stipends (3) | 18,512 | 106,638 | - | 125,150 | - | 108,883 | - | 108,883 |
| Church Commissioners for lay staff salaries | - | 60,884 | - | 60,884 | - | 70,813 | - | 70,813 |
| Diocesan grants for University Chaplain stipend | - | 12,173 | - | 12,173 | - | 36,734 | - | 36,734 |
| | 18,512 | 179,695 | - | 198,207 | - | 216,430 | - | 216,430 |
| (iii) Charges and fees in the course of mission | | | | | | | | |
| Education workshops | 4,868 | - | - | 4,868 | 5,182 | - | - | 5,182 |
| Special services | 49,402 | 15,184 | - | 64,586 | 45,620 | 12,625 | - | 58,245 |
| | 54,270 | 15,184 | - | 69,454 | 50,802 | 12,625 | - | 63,427 |
| (iv) Income from activities generating funds | | | | | | | | |
| Gross income of refectory | 55,909 | - | - | 55,909 | 52,255 | - | - | 52,255 |
| Hiring to businesses | 89,003 | 4,068 | - | 93,071 | 77,905 | 5,190 | - | 83,095 |
| Cathedral events – Jubilee | 128,362 | - | - | 128,362 | 10 | - | - | 10 |
| Art Exhibitions | 7,725 | - | - | 7,725 | 3,100 | - | - | 3,100 |
| Concerts, recitals and CDs | - | 5,603 | - | 5,603 | 1,880 | 5,234 | - | 7,114 |
| | 280,999 | 9,671 | - | 290,670 | 135,150 | 10,424 | - | 145,574 |
| (v) Income from property and investments | | | | | | | | |
| Rents and utility charges | 64,673 | 10,367 | - | 75,040 | 58,836 | 5,259 | - | 64,095 |
| Investment income | 73,362 | 2,212 | 15,170 | 90,744 | 85,220 | 2,135 | 25,710 | 113,065 |
| Interest receivable on short term deposits | 778 | - | - | 778 | 677 | - | - | 677 |
| | 138,813 | 12,579 | 15,170 | 166,562 | 144,733 | 7,394 | 25,710 | 177,837 |
| (vi) Other income | | | | | | | | |
| Music Development Fund – repayment of fund raising costs incurred in earlier years | - | - | - | - | 7,166 | - | - | 7,166 |
| Profit on sale of Assets | 504 | - | - | 504 | - | - | - | - |
| | 504 | - | - | 504 | 7,166 | - | - | 7,166 |
| | 864,527 | 521,929 | 15,170 | 1,401,626 | 630,480 | 280,499 | 25,710 | 936,689 |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Chapter Financial Statements

For the year ended 31st December 2011

2. Costs of generating funds

| | 2011 | | | | 2010 | | | |
|---|----------------|--------------|-----------|----------------|---------------|--------------|-----------|---------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Facilities for visitors | 11,772 | 556 | - | 12,328 | 8,591 | 229 | - | 8,820 |
| Jubilee fundraising | 82,656 | - | - | 82,656 | 1,251 | 173 | - | 1,424 |
| Art Exhibitions | 6,120 | - | - | 6,120 | 41 | - | - | 41 |
| General marketing costs | 58,043 | - | - | 58,043 | 2,021 | 359 | - | 2,380 |
| Fundraising Consultants | 130,243 | - | - | 130,243 | - | - | - | - |
| Performing rights and CD costs and fees | - | 3,533 | - | 3,533 | - | 5,020 | - | 5,020 |
| First Aid | 2,434 | - | - | 2,434 | 2,175 | - | - | 2,175 |
| | 291,268 | 4,089 | - | 295,357 | 14,079 | 5,781 | - | 19,860 |

3. Expenditure on mission

| | 2011 | | | | 2010 | | | |
|--------------------------------------|----------------|----------------|-----------|----------------|----------------|----------------|-----------|----------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| (i) Ministry | | | | | | | | |
| Clergy stipends and working expenses | 5,175 | 119,691 | - | 124,866 | 5,298 | 145,617 | - | 150,915 |
| Clergy housing costs | 24,086 | - | - | 24,086 | 23,346 | - | - | 23,346 |
| Clergy support costs | 38,763 | - | - | 38,763 | 41,564 | - | - | 41,564 |
| Services and music | - | 174,074 | - | 174,074 | 121 | 172,958 | - | 173,079 |
| Support costs | 77,870 | 48,858 | - | 126,728 | 64,591 | 57,599 | - | 122,190 |
| | 145,894 | 342,623 | - | 488,517 | 134,920 | 376,174 | - | 511,094 |

(ii) Cathedral and precincts upkeep

| | | | | | | | | |
|---|----------------|----------------|----------|----------------|----------------|----------------|----------|----------------|
| Maintenance and interior upkeep | 114,176 | 116,747 | - | 230,923 | 135,717 | 80,224 | - | 215,941 |
| Major Cathedral repairs and restoration | - | 17,755 | - | 17,755 | - | - | - | - |
| Costs re proposed development | 6,761 | - | - | 6,761 | - | - | - | - |
| Cathedral insurance | 1,135 | 26,374 | - | 27,509 | 2,660 | 22,463 | - | 25,123 |
| Cathedral light and heat | 38,028 | - | - | 38,028 | 48,355 | - | - | 48,355 |
| Cathedral water rates | 7,922 | - | - | 7,922 | 7,139 | - | - | 7,139 |
| Precinct security and gardens upkeep | 21,195 | - | - | 21,195 | 25,254 | - | - | 25,254 |
| Depreciation | 32,184 | - | - | 32,184 | 22,002 | - | - | 22,002 |
| Support costs | 20,237 | 12,697 | - | 32,934 | 16,525 | 14,736 | - | 31,261 |
| | 241,638 | 173,573 | - | 415,211 | 257,652 | 117,423 | - | 375,075 |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Chapter Financial Statements

For the year ended 31st December 2011

| 3. Expenditure on mission (continued) | | | | 2011 | | | 2010 | | |
|---|----------------|----------------|-----------|----------------|----------------|----------------|-----------|----------------|--|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | Endowment | Total | |
| | Funds | Funds | Funds | Funds | Funds | Funds | Funds | Funds | |
| (iii) Education and outreach | £ | £ | £ | £ | £ | £ | £ | £ | |
| Educational activities | 11,063 | - | - | 11,063 | 11,460 | - | - | 11,460 | |
| Charitable and other giving * | 7,683 | - | - | 7,683 | 8,005 | - | - | 8,005 | |
| Support costs | 3,847 | 2,414 | - | 6,261 | 3,142 | 2,801 | - | 5,943 | |
| | 22,593 | 2,414 | - | 25,007 | 22,607 | 2,801 | - | 25,408 | |
| Total expenditure on mission | 410,125 | 518,610 | - | 928,735 | 415,179 | 496,398 | - | 911,577 | |
| 4. Governance costs | | | | | | | | | |
| Audit and accountancy | 6,841 | - | - | 6,841 | 6,210 | - | - | 6,210 | |
| Personnel costs | 9,440 | - | - | 9,440 | 8,876 | - | - | 8,876 | |
| Support costs | 1,924 | 1,207 | - | 3,131 | 2,971 | - | - | 2,971 | |
| | 18,205 | 1,207 | - | 19,412 | 18,057 | - | - | 18,057 | |
| 5. Support costs | | | | | | | | | |
| Administration expenses | 46,297 | 2,523 | - | 48,820 | 47,384 | - | - | 47,384 | |
| Bank charges | 3,348 | - | - | 3,348 | 1,907 | - | - | 1,907 | |
| Personnel and training | 38,877 | 61,440 | - | 100,317 | 22,517 | 70,813 | - | 93,330 | |
| Sundry including information technology | 15,356 | 1,213 | - | 16,569 | 14,020 | 5,724 | - | 19,744 | |
| | 103,878 | 65,176 | - | 169,054 | 85,828 | 76,537 | - | 162,365 | |

*The Cathedral gives 5% of congregational giving and donations received each year to outside charitable organisations, nominated by the Outward Giving Committee.

The support costs have been allocated between departments according to the number of people employed in that department.

Annual Commitments under non cancellable leases

| | 2011 | 2010 |
|----------------------|---------------------|---------------------|
| | £ | £ |
| Under 1 year | - | - |
| 2-5 years | 6,280 | 7,501 |
| Greater than 5 years | - | - |
| | <u>6,280</u> | <u>7,501</u> |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

6. Staff Costs

| | 2011 | 2010 |
|------------------------------------|----------------|----------------|
| | £ | £ |
| i. Salaries and stipends | 452,273 | 423,905 |
| Employers National Insurance costs | 38,066 | 33,565 |
| Employers pension costs | 27,300 | 38,638 |
| | 517,639 | 496,108 |

(No employee received more than £60,000 per annum.)

| | 2011 | 2010 |
|---|-------------|-------------|
| ii. The average weekly number of employees of all entities included in the Consolidated Financial Statements: | | |
| Ministry and music | 8.4 | 8.4 |
| Clergy support | 1.7 | 1.9 |
| Education | 0.5 | 0.5 |
| Cathedral and precincts upkeep | 2.6 | 2.6 |
| Fundraising | 0.0 | 0.0 |
| Shops | 2.0 | 2.0 |
| Governance | 0.3 | 0.3 |
| Administrative support | 3.8 | 3.3 |
| | 19.3 | 19.0 |

| | Remuneration | Pension Contributions |
|---|---------------------|------------------------------|
| iii. Remuneration included in these Financial Statements of Members of Chapter in 2011: | | |
| The Very Revd Victor Stock OAM | 35,461 | - |
| The Revd Canon Dr Nicholas Thistlethwaite | 28,733 | 7,785 |
| The Revd Canon Andrew Bishop * | 9,578 | 2,595 |
| The Revd Canon Angela Weaver | 26,874 | 7,785 |
| Commodore Tony Lyddon | 30,407 | 1,950 |
| | 131,053 | 20,115 |

The clergy pension contributions are paid by the diocese to the Church of England Funded Pensions Scheme. This is a defined benefit scheme but the Cathedral is not able to identify its share of the underlying assets and liabilities. Each employer in the Scheme pays the same contribution rate, calculated on the basis of an actuarial valuation of the Scheme. The current rate averages 30%.

* The Revd Canon Andrew Bishop is the Residentiary Canon and Anglican Chaplain to the University of Surrey. The remuneration included in these accounts reflects his duties on both Cathedral and University business from September.

iv. The remuneration of, and pension provision for, Clerical Members of the Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board. The stipends are paid directly by the diocese to the clergy, but for the purposes of these accounts, are shown grossed up.

v. Accommodation is provided to The Very Revd Victor Stock OAM, The Revd Canon Dr Nicholas Thistlethwaite, The Revd Canon Andrew Bishop and The Revd Canon Angela Weaver (up until her departure), in properties owned by the Cathedral. The Cathedral pays a contribution towards the utility bills.

The Cathedral Church of The Holy Spirit Guildford
Notes to the Consolidated and Chapter Financial Statements
For the year ended 31st December 2011

vi. Expenses paid to Members of the Chapter.

| | 2011 | 2010 |
|-------------|---------------------|---------------------|
| | £ | £ |
| Travel | 703 | 920 |
| Hospitality | 600 | 693 |
| Other | 228 | - |
| | <u>1,531</u> | <u>1,613</u> |

Expenses were reimbursed to three members of the Chapter.

vii. During the year the Cathedral paid fees of £675 plus VAT to Moore Stephens LLP, an organisation in which Canon Peter Hounslow the Honorary Treasurer used to be a partner.

7. Professional Costs

| | 2011 | 2010 |
|---|-------------|-------------|
| | £ | £ |
| Operating Leases | 6,683 | 7,501 |
| Investment Consultants | 13,332 | 1,526 |
| Auditors (inclusive of irrecoverable VAT) | 6,500 | 6,420 |

8. Heritage Assets - Consolidated and Chapter

| | 2011 | | | 2010 | | | Total | |
|--|---------------------|-------------------|------------------|----------------|---------------------|-------------------|--------------|------------------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | | Endowment |
| | Funds | Funds | Funds | Funds | Funds | Funds | | Funds |
| | £ | £ | £ | £ | £ | £ | £ | |
| Heritage Assets at market value 1 January 2011 | 188,500 | - | - | 188,500 | - | - | - | |
| Additions/disposals | - | - | - | - | 188,500 | - | - | |
| Transfer to unrestricted funds | - | - | - | - | - | - | - | |
| Net (decrease) / increase on disposals and revaluation | - | - | - | - | - | - | - | |
| Heritage Assets at market value 31 December 2011 | 188,500 | - | - | 188,500 | 188,500 | - | - | |

The heritage assets were last valued in February 2006 by Keith Baker, a 19th & 20th Century decorative Arts consultant. No subsequent valuation has been performed because the Cathedral Chapter consider there to be no material difference in the current carrying value in the accounts. The basis of the valuation was replacement cost.

The assets have mostly been donated to the Cathedral over many years but were not previously required to be included in the Cathedral accounts. These assets are predominantly liturgical vessels such as chalices, crosses and candlesticks but include the recent addition of jubilee copes.

The Cathedral keeps a register of the assets which are held in the Treasury or the safe and these are used for special services. They are regularly polished and maintained and are not considered to have a finite useful economic life and therefore no depreciation has been charged.

The Cathedral Church of The Holy Spirit Guildford
Notes to the Consolidated and Chapter Financial Statements
For the year ended 31st December 2011

9. Investments – Consolidated and Chapter

| | 2011 | | | 2010 | | | Total | |
|--|--------------------|------------------|-----------------|--------------------------|------------------|-----------------|----------------|------------------|
| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Unrestricted Funds | Restricted Funds | Endowment Funds | | |
| Investments at market value 1 January 2011 | 1,599,785 | 49,462 | 564,274 | 2,213,521 | 1,404,416 | 46,026 | 556,948 | 2,007,390 |
| Additions | 1,274,844 | 49,706 | 554,973 | 1,879,523 | 381,763 | - | - | 381,763 |
| Disposals | (1,288,610) | (49,462) | (564,274) | (1,902,346) | (281,004) | - | - | (281,004) |
| Cash held for re-investment | 38,277 | (245) | 9,302 | 47,334 | - | - | - | - |
| Net (decrease) / increase on revaluation | (19,870) | 5,264 | (17,646) | (32,252) | 94,610 | 3,436 | 7,326 | 105,372 |
| Investments at market value 31 December 2011 | 1,604,426 | 54,725 | 546,629 | 2,205,780 | 1,599,785 | 49,462 | 564,274 | 2,213,521 |

Of the investments held on 31st December 2011, 14.7% is invested in Gilts, 48% in corporate bonds, 31% in UK Equities, 4.2% in International Equities, and 2.1% in capital for future investment. Major investments include UK Govt Stocks £323k, FIL Investment Services £246k, m&g Investments £251k, Legal & General Unit Trusts £220k and New Capital Fund £237k

10. Non investment freehold property – Consolidated and Chapter

| | 2011 | | | 2010 | | | Restated 2010 | |
|---|--------------------|------------------|-----------------|--------------------------|------------------|-----------------|----------------|------------------|
| | Unrestricted Funds | Restricted Funds | Endowment Funds | Total Unrestricted Funds | Restricted Funds | Endowment Funds | | |
| Value at 1 January 2011 | 3,657,593 | - | 311,199 | 3,968,792 | 3,657,593 | - | 311,199 | 3,968,792 |
| Additions | - | - | - | - | - | - | - | - |
| Disposals/Transfer to Equipment & Plant | (22,593) | - | - | (22,593) | - | - | - | - |
| Revaluation | - | - | - | - | - | - | - | - |
| Value at 31 December 2011 | 3,635,000 | - | 311,199 | 3,946,199 | 3,657,593 | - | 311,199 | 3,968,792 |
| Depreciation at 1 January 2011 | - | - | - | - | - | - | - | - |
| Depreciation on disposals | - | - | - | - | - | - | - | - |
| Revaluation | - | - | - | - | - | - | - | - |
| Depreciation at 31 December 2011 | - | - | - | - | - | - | - | - |
| At net book value 31 December 2011 | 3,635,000 | - | 311,199 | 3,946,199 | 3,657,593 | - | 311,199 | 3,968,792 |

The non-investment properties are all held for use as Cathedral clergy and staff housing.

The properties were valued on 25 February 2011 and 14 March 2011 by Clarke Gammon Wellers, Chartered Surveyors, based on the current market values at £3,986,199. The valuation was not reflected in the accounts as there was no material difference between the valuation and the carrying value in the accounts. This valuation did not include 4 Lynwood which was bought for £311,199 out of endowment funds. There is no material difference of current market cost compared with the last valuation.

The consolidated accounts of the Cathedral include the results of its 100% subsidiary Guildford Cathedral Shops Limited. At the 31 December 2011 Guildford Cathedral Shops Limited retained reserves were £406 (2010 - £2,132) and a loss of £1,726 was made in the year (2010 loss of £4,174). Profit is covenanted up to the parent company.

The Cathedral Church of The Holy Spirit Guildford
Notes to the Consolidated & Chapter Financial Statements

For the year ended 31st December 2011

11. Equipment and plant - Consolidated

| | 2011 | | | 2010 | | | | | |
|------------------------------------|----------------|------------|-----------|----------------|----------------|------------|---|----------------|-------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | | Endowment | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | | £ | £ |
| Cost | 407,964 | - | - | 407,964 | 451,519 | - | - | 451,519 | |
| Depreciation | 269,691 | - | - | 269,691 | 320,488 | - | - | 320,488 | |
| Net book value at 1 January 2011 | 138,273 | - | - | 138,273 | 131,031 | - | - | 131,031 | |
| Additions | 41,725 | - | - | 41,725 | 30,369 | - | - | 30,369 | |
| Transfers from Property | 22,593 | - | - | 22,593 | - | - | - | - | |
| Disposals | (194,096) | - | - | (194,096) | (73,924) | - | - | (73,924) | |
| Depreciation for year | (32,184) | - | - | (32,184) | (23,127) | - | - | (23,127) | |
| Depreciation on disposals | 194,096 | - | - | 194,096 | 73,924 | - | - | 73,924 | |
| Net book value at 31 December 2011 | 170,407 | - | - | 170,407 | 138,273 | - | - | 138,273 | |
| Cost | 278,186 | - | - | 278,186 | 407,964 | - | - | 407,964 | |
| Depreciation | (107,779) | - | - | (107,779) | (269,691) | - | - | (269,691) | |
| Net book value at 31 December 2011 | 170,407 | - | - | 170,407 | 138,273 | - | - | 138,273 | |

11. Equipment and plant - Chapter

| | 2011 | | | 2010 | | | | | |
|------------------------------------|----------------|------------|-----------|----------------|----------------|------------|---|----------------|-------|
| | Unrestricted | Restricted | Endowment | Total | Unrestricted | Restricted | | Endowment | Total |
| | Funds | Funds | Funds | Funds | Funds | Funds | | Funds | Funds |
| | £ | £ | £ | £ | £ | £ | | £ | £ |
| Cost | 365,626 | - | - | 365,626 | 381,581 | - | - | 381,581 | |
| Depreciation | (227,353) | - | - | (227,353) | 250,550 | - | - | 250,550 | |
| Net book value at 1 January 2011 | 138,273 | - | - | 138,273 | 131,031 | - | - | 131,031 | |
| Additions | 41,300 | - | - | 41,300 | 30,369 | - | - | 30,369 | |
| Transfers from Property | 22,593 | - | - | 22,593 | - | - | - | - | |
| Disposals | (164,343) | - | - | (164,343) | (46,324) | - | - | (46,324) | |
| Depreciation for year | (32,184) | - | - | (32,184) | (23,127) | - | - | (23,127) | |
| Depreciation on disposals | 164,343 | - | - | 164,343 | 46,324 | - | - | 46,324 | |
| Net book value at 31 December 2011 | 169,982 | - | - | 169,982 | 138,273 | - | - | 138,273 | |
| Cost | 265,176 | - | - | 265,176 | 365,626 | - | - | 365,626 | |
| Depreciation | (95,194) | - | - | (95,194) | (227,353) | - | - | (227,353) | |
| Net book value at 31 December 2011 | 169,982 | - | - | 169,982 | 138,273 | - | - | 138,273 | |

12. Debtors

| | Consolidated | | Chapter | |
|--------------------------------|----------------|---------|----------------|---------|
| | 2011 | 2010 | 2011 | 2010 |
| | £ | £ | £ | £ |
| VAT | - | 1,565 | - | 1,565 |
| Trade debtors | 30,322 | 10,099 | 28,652 | 8,468 |
| Other debtors | 21,372 | 1,423 | 21,372 | 1,423 |
| Prepayments and accrued income | 110,015 | 121,451 | 108,626 | 120,538 |
| Guildford Cathedral Shop | - | - | 22,940 | 36,640 |
| | 161,709 | 134,538 | 181,590 | 168,634 |

The Cathedral Church of The Holy Spirit Guildford
Notes to the Consolidated & Chapter Financial Statements

For the year ended 31st December 2011

| 13. Creditors falling due within one year | Consolidated | | Chapter | |
|---|----------------|----------------|----------------|----------------|
| | 2011 £ | 2010 £ | 2011 £ | 2010 £ |
| Trade creditors | 56,834 | 47,231 | 53,002 | 43,771 |
| VAT | 8,555 | - | 8,555 | - |
| Other creditors | 19,375 | 13,538 | 19,376 | 13,538 |
| PAYE/NIC | 10,763 | 8,677 | 10,763 | 8,677 |
| Accruals and deferred income | 88,333 | 78,516 | 87,308 | 77,391 |
| | 183,860 | 147,962 | 179,004 | 143,377 |

14a). Reconciliation of movement in Funds

| | Consolidated | | | | | Total £ |
|---|--------------|------------------------------|------------------------------------|-------------------------------------|----------------|------------------|
| | General £ | Mission (restricted) £ | Choir & Music (restricted) £ | Fabric Fund (restricted) £ | Endowment £ | |
| Balance at 1 January 2011 | 5,670,649 | - | - | 110,198 | 1,021,138 | 6,801,985 |
| Net incoming/(outgoing resources) | 143,202 | 58,592 | (100,380) | 39,811 | 15,170 | 156,395 |
| Unrealised (loss)/gain on investments and property | (14,240) | - | - | 4,935 | 5,155 | (4,150) |
| Transfer between funds | (88,468) | (58,592) | 128,280 | 66,052 | (47,272) | - |
| Balance at 31 December 2011 | 5,711,143 | - | 27,900 | 220,996 | 994,191 | 6,954,230 |

| | Chapter | | | | | Total £ |
|---|--------------|------------------------------|------------------------------------|-------------------------------------|----------------|------------------|
| | General £ | Mission (restricted) £ | Choir & Music (restricted) £ | Fabric Fund (restricted) £ | Endowment £ | |
| Balance at 1 January 2011 | 5,668,407 | - | - | 110,198 | 1,021,138 | 6,799,743 |
| Net incoming/(outgoing resources) | 144,929 | 58,592 | (100,380) | 39,811 | 15,170 | 158,122 |
| Unrealised (loss)/gain on investments and property | (14,240) | - | - | 4,935 | 5,155 | (4,150) |
| Transfer between funds | (88,468) | (58,592) | 128,280 | 66,052 | (47,272) | - |
| Balance at 31 December 2011 | 5,710,628 | - | 27,900 | 220,996 | 994,191 | 6,953,715 |

The transfers from the General Fund to the Choir and Music Fund and the Fabric Fund represent reimbursement of any shortfall of income over expenditure, excluding any un-utilised income. The transfers from the Mission and Endowment Funds, to the General Fund, are to transfer surpluses on these funds excluding un-utilised income in the year.

There is also £79,750 in unrestricted income which has been designated for future site development costs.

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

Consolidated

14 b). Split of funds by type of asset

| | General Fund | Mission (restricted) | Choir & Music (restricted) | Fabric Fund (restricted) | Endowment | Total |
|--------------------------------------|---------------------|-----------------------------|---------------------------------------|---------------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Heritage assets | 188,500 | - | - | - | - | 188,500 |
| Fixed assets | 3,805,407 | - | - | - | 311,199 | 4,116,606 |
| Investments | 1,604,426 | - | - | 54,725 | 546,629 | 2,205,780 |
| Cash at bank and short term deposits | 121,771 | - | 27,900 | 166,271 | 136,363 | 452,305 |
| Stocks | 13,190 | - | - | - | - | 13,190 |
| Debtors and prepayments | 161,709 | - | - | - | - | 161,709 |
| Creditors and accruals | (183,860) | - | - | - | - | (183,860) |
| Balance at 31 December 2011 | 5,711,143 | - | 27,900 | 220,996 | 994,191 | 6,954,230 |

Chapter

14 b). Split of funds by type of asset

| | General Fund | Mission (restricted) | Choir & Music (restricted) | Fabric Fund (restricted) | Endowment | Total |
|--------------------------------------|---------------------|-----------------------------|---------------------------------------|---------------------------------|------------------|------------------|
| Heritage assets | 188,500 | - | - | - | - | 188,500 |
| Fixed assets | 3,804,982 | - | - | - | 311,199 | 4,116,181 |
| Investments | 1,604,426 | - | - | 54,725 | 546,629 | 2,205,780 |
| Cash at bank and short term deposits | 110,134 | - | 27,900 | 166,271 | 136,363 | 440,668 |
| Stocks | - | - | - | - | - | - |
| Debtors and prepayments | 181,590 | - | - | - | - | 181,590 |
| Creditors and accruals | (179,004) | - | - | - | - | (179,004) |
| Balance at 31 December 2011 | 5,710,628 | - | 27,900 | 220,996 | 994,191 | 6,953,715 |

Consolidated

14 c) Split of funds by type of reserve

| | General Fund | Mission Fund | Choir & Music Fund | Fabric Fund | Property Endowment Fund | Total 2011 | General Fund | Choir & Music Fund | Fabric Fund | Property Endowment Fund | Restated Total 2010 |
|---------------------|---------------------|---------------------|-------------------------------|--------------------|--------------------------------|-------------------|---------------------|-------------------------------|--------------------|--------------------------------|----------------------------|
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Endowment capital | - | - | 378,812 | 230,094 | 385,285 | 994,191 | - | 390,623 | 245,230 | 385,285 | 1,021,138 |
| Unrestricted funds | 2,601,920 | - | - | - | - | 2,601,920 | 2,561,426 | - | - | - | 2,561,426 |
| Restricted funds | - | - | 27,900 | 220,996 | - | 248,896 | - | - | 110,198 | - | 110,198 |
| Revaluation reserve | 3,109,223 | - | - | - | - | 3,109,223 | 3,109,223 | - | - | - | 3,109,223 |
| Total | 5,711,143 | - | 406,712 | 451,090 | 385,285 | 6,954,230 | 5,670,649 | 390,623 | 355,428 | 385,285 | 6,801,985 |

The Cathedral Church of The Holy Spirit Guildford

Notes to the Consolidated Financial Statements

For the year ended 31st December 2011

Chapter

14 c) Split of funds by type of reserve

| | General | Mission | Choir & Music | Fabric | Property Endowment | Total | General | Choir & Music | Fabric Fund | Property Endowment | Restated Total |
|---------------------|------------------|----------------|----------------------------------|----------------|-------------------------------|------------------|------------------|----------------------------------|------------------------|-------------------------------|---------------------------|
| | Fund | Fund | Fund | Fund | Fund | 2011 | Fund | Fund | | Fund | 2010 |
| | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Endowment capital | - | - | 378,812 | 230,094 | 385,285 | 994,191 | - | 390,623 | 245,230 | 385,285 | 1,021,138 |
| Unrestricted funds | 2,601,405 | - | - | - | - | 2,601,405 | 2,559,184 | - | - | - | 2,559,184 |
| Restricted funds | - | - | 27,900 | 220,996 | - | 248,896 | - | - | 110,198 | - | 110,198 |
| Revaluation reserve | 3,109,223 | - | - | - | - | 3,109,223 | 3,109,223 | - | - | - | 3,109,223 |
| Total | 5,710,628 | - | 406,712 | 451,090 | 385,285 | 6,953,715 | 5,668,407 | 390,623 | 355,428 | 385,285 | 6,799,743 |

(a) Property Endowment Fund – This primarily comprises funds remaining following the original building of the cathedral. The Cathedral can use these funds for the improvement or development of any property in which it has an interest (other than the Cathedral and its ancillary buildings) except for £20,000 which could be used for the choir and music.

(b) Other Endowment Capital – only the income can be spent on these funds.

(c) Restricted funds – these comprise many specific donations given over the years, details of which are too numerous to mention.

15. Guildford Cathedral Shops Limited

The Cathedral owns 100% of Guildford Cathedral Shops Limited, the results of which are consolidated in these financial statements. This entity contributed £15,100 to the Cathedral finances during the year (2010 - £5,100).

The company made a loss for the year of £1,726 (2010 – loss of £4,174).

At 31st December 2011 the Cathedral Shops Limited balance sheet showed retained profits of £406 compared with retained profits of £2,132 at 31st December 2010 and the company owed the Chapter £22,940 (2010 - £36,640).

16. The Friends of Guildford Cathedral

The Friends accounts for the year ended 31st December 2011 show a surplus for the year before revaluation of investments of £62,347 (2010 – deficit of £29,876) and a surplus of £64,589 after the revaluation of investments (2010 – deficit of £22,940). Grants paid out totalled £630 (2010 - £50,036). Reserves at 31st December 2011 totalled £195,569 (2010 - £130,980) of which £186,082 was unrestricted (2010 - £121,109). These results are not included in the consolidated accounts.

17. Guildford Cathedral Music Development Foundation

The accounts for the year to 31st December 2011 show that the organisation incurred a surplus of £14,863 compared with a surplus of £45,752 for the year ended 31st December 2010. Reserves at 31st December 2011 totalled £547,832 of which £428,047 were restricted and £10,000 were designated funds. There was a £12,004 loss on the revaluation of assets. An agreement has been reached to draw a line under outstanding debts re set up costs to Dean and Chapter. These results are not included in the consolidated accounts.

18. Ultimate Controlling Party

There is no ultimate controlling party.