CATHEDRAL CHURCH OF ST NICHOLAS IN NEWCASTLE

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Registered charity number 1203907

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Board of Trustees Report for the year ended 31 December 2025

REFERENCE AND ADMINISTRATION DETAILS

Title:	The Cathedral Church of St Nicholas in Newcastle
Registered Office:	Cathedral House 42-44 Mosley Street NEWCASTLE NE1 1DF
Charity Number:	1203907
Working Name:	Newcastle Cathedral

Chapter members

For the purposes of the Charities Act 2011, Chapter members are trustees of the registered charity *The Cathedral Church of St Nicholas in Newcastle* by virtue of the Cathedrals Measure 2021.

The Dean:	The Very Reverend Lee Batson
Residentiary Canons:	The Reverend Canon Ruth Carole Hulse – Canon for Worship and Congregational Life The Reverend Canon Zoe Norah Heming – Canon for Mission The Venerable Rachel Wood – Archdeacon of Northumberland
Lay Members:	Canon David Bilton (Senior Non-Executive Member) Mr Eric Jubb (resigned 29/01/2025) Ms Edna Beveridge Mr David Lawrence (resigned 14/05/2025) Mr John Inglis-Jones (resigned 04/06/2025) Mr Gavin Black Dr Helen Paterson Dr Thomas Atkinson (appointed 25/05/2025) Ms Lesley Lee (appointed 25/05/2025)

Advisors to Chapter

Finance and Investment Committee:	Mr John Inglis-Jones (Chair) (resigned 04/06/2025) Mr Gavin Black Mr Andrew Wathey Ms Catherine Winfield Ms Lesley Lee (from 01/09/2025)
Audit and Risk Committee:	Mr Alan James (Chair) Ms Catherine Winfield Canon Philip Davies Canon David Bilton (from 01/09/2025) Mr Eric Jubb (to 29/01/25)

Board of Trustees Report for the year ended 31 December 2025

Nominations Committee:	Ms Isabella McDonald-Booth (Chair) Mr Eric Jubb (resigned 29/01/2025) Mr Paul Taylor (resigned 09/04/2025) Mr James Scott Smith Ms Edna Beveridge (from 01/09/25) Mr John Marshall (from 02/01/25)
Chief Operating Officer/ Chief Finance Officer:	Ms Katie Sussams
Director of Music :	Mr Ian Roberts
Fabric Advisory Committee:	Ms Lindsay Allason-Jones (Chair) Mr Ian Ayris Mr Martin Hulse Ms Jenny Gillatt Mr Christopher Wardale (resigned 26/03/2025) The Very Reverend Michael Sadgrove
Cathedral Architect:	Mr Scott Lindsay (Simpson and Brown, Edinburgh)
Cathedral Archaeologist:	Mr David Heslop (New Visions)
Auditors:	Robson Laidler Robson Laidler Accountants Ltd Fernwood House Fernwood Road Newcastle upon Tyne NE2 1TJ
Bankers:	Lloyds Bank Monument Mall, 15-21 Northumberland Street, Newcastle upon Tyne NE1 7DE
Investment Managers:	Cazenove Capital 12 Moorgate London EC2Y 5AU
Solicitors:	Sintons The Cube Barrack Road Newcastle upon Tyne NE4 6DB
Property Management Agents:	Naylor's Gavin Black Hadrian House Higham Place Newcastle upon Tyne NE1 8AF

Board of Trustees Report for the year ended 31 December 2025

The Dean and Chapter present their report and audited accounts for the year ended 31 December 2025.

OBJECTIVES AND ACTIVITIES

Charitable objects

The objects of the Chapter are (a) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England; (b) to care for and conserve the fabric and structure of the cathedral church building; (c) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (a) or (b). The Chapter must act for the public benefit within the meaning of section 4(3) of the Charities Act 2011 as amended by the Charities Act 2022.

PUBLIC BENEFIT STATEMENT

As a Cathedral of the Church of England, the Chapter's statutory responsibility under the Cathedrals Measure 2021 is to be the seat of the Diocesan Bishop, to be a centre of worship and mission and to provide a focus for the life and work of the Church of England in the Diocese. The Chapter report outlines some of the details how this public benefit is delivered to provide worship, pastoral and outreach/learning opportunities for the people of Newcastle and beyond as well as the provision of hospitality, welcome, music and events for all the Cathedral's visitors throughout the year.

The trustees are satisfied that the work of Newcastle Cathedral continues to deliver public benefit. The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

ACHIEVEMENTS AND PERFORMANCE

"The light shines in the darkness, and the darkness did not overcome it." – John 1:5

Throughout 2025, the Senior Management Team and Chapter have been working on a new Strategy : *Shining Brighter for all our Communities (2025-28).* The strategy covers seven key areas :

1. We will shine brighter in the Diocese of Newcastle
2. We will shine brighter in the North East region
3. We will shine brighter in the City of Newcastle
4. We will shine brighter amongst the vulnerable and marginalised
5. We will shine brighter amongst those who come to the Cathedral to explore faith
6. We will shine brighter for our staff and volunteers
7. We will shine brighter by maintaining the beacon

1. We will shine brighter in the Diocese of Newcastle

- The new strategic plan made it clear that our priority is to be a resource for our Diocese. It was a privilege to host the ordinations for 10 people in June, as well as the licensing of Readers and commissioning of the LGBTQI chaplaincy team. We also hosted a clergy study day and Diocesan Synod, and a gathering for Diocesan Spiritual Directors.
- In addition, we took a lead in planning for a Diocesan Pilgrimage in 2026, initiated work for the wider church with Citizens Tyne and Wear, and worked with the Mother's Union to develop a programme of activities to raise awareness of GBV in 2026.
- Clergy provided cover across the Diocese on 22 Sundays, and members of staff offered their expertise to support parishes when requests came to us. We made available our facilities for two parishes and a Deanery group to have a day of prayer and reflection.
- We installed four new non-Residentiary Canons in December, and were pleased to welcome the Bishop of Sheffield to preach at this service.

Board of Trustees Report for the year ended 31 December 2025

2. We will shine brighter in the North East region

- We have intentionally engaged more proactively with the Business Community, and are now represented on the board of NE1 Ltd and the Council of the North East Chamber of Commerce. We also hosted a meeting of the Business in Communities Network, and one of NE1's Business Breakfasts.
- We are now represented on Newcastle City Council's Strategic Leadership Group.
- Services were held during the year for the Legal Profession, NHS Trust, NECC, Order of St John, and Northumbria Police.

3. We will shine brighter in the City of Newcastle

- We have taken a lead for the Diocese in our engagement with people of other faiths. The Dean is now the Chair of the Newcastle Council of Faiths, and it was a privilege to host the largest community Iftar in the North East in partnership with the Dialogue Society.
- We have animated wider networking within the voluntary sector in the city, holding a service for Volunteers as well as a Volunteer fair.
- We have ensured that our exhibitions are more closely linked to our concern for social justice, and have used this to amplify marginalised voices in the city including an exhibition from those who are on the journey of recovery from addiction, and the experience of those with disabilities.
- Conversations started about the viability of establishing a separate trading subsidiary.

4. We will shine brighter amongst the vulnerable and marginalised

Misson

- 2025 marked a year of renewed clarity and integration in how the Cathedral expresses its Christian mission through Radical Welcome, Inspiring Worship and Empowering Worth. A strengthened focus on public theology and creative engagement shaped a revised exhibition programme that amplified the voices of marginalised communities. Exhibitions and events explored themes including abuse, LGBTQI+ inclusion, disability and faith, recovery, and everyday encounters with God—each fostering dialogue, reflection and deeper understanding among visitors.
- The Cathedral Lantern Project continued to evolve in response to rising social need and increasing complexity across the city. The appointment of an additional staff member from January 2026 will support the project's growth and help broaden opportunities for wider involvement in this vital work.
- Partnership-building remained a priority. The Dean and the Canon for Mission strengthened relationships with civic and faith leaders, contributing to initiatives aimed at reducing prejudice and easing community tensions. Collaborative events such as the expanding Bake Not Hate project and the well-attended Community Iftar demonstrated the Cathedral's commitment to interfaith friendship and civic cooperation.
- The Cathedral deepened its involvement with Tyne and Wear Citizens, participating in a major regional listening campaign to identify community pressures and shape future social-justice advocacy ahead of the 2026 elections. The Cathedral also hosted the diocesan *Theology And...* series, including a notable lecture on the ethical and practical implications of Artificial Intelligence.
- A significant development was the appointment of a new, externally funded Community Engagement Officer, who will strengthen partnerships across the city and enhance mission-focused programming. Volunteer Chaplains continued to offer essential pastoral presence, and plans are in place to welcome student Ordinands and others exploring vocation, further enriching the Cathedral's ministry of hospitality.
- Overall, 2025 laid strong foundations for the future. With deepening partnerships, clearer structures and a shared vision, the Cathedral remains committed to serving the city with courage, hospitality and hope.

Cathedral Lantern Project

- In 2025, the Cathedral Lantern Project strengthened its role as a place of sanctuary and support for people facing acute vulnerability. The appointment of a new Lantern Officer at the end of the year—joining the Lantern Lead from January 2026—will expand the project's capacity and deepen its engagement with those it serves.

Board of Trustees Report for the year ended 31 December 2025

- A pilot initiative early in the year established a dedicated, welcoming space within the Cathedral for individuals seeking safety, support and rest. This space now forms a valued part of Cathedral life, offering consistent access to 1-to-1 support, refreshments, phone charging, pastoral care and other practical assistance. The stability of this provision has been especially significant for people experiencing homelessness.
- Multi-disciplinary partnership working has become a defining strength of the project. The Cathedral is now a recognised point of access for specialist services supporting individuals with multiple and complex needs. Close collaboration with the City Council Homeless Team and an outreach nurse from Cumbria, Newcastle, Tyne and Wear NHS Trust has enabled rapid responses to medical, mental-health and substance-misuse concerns. The year also saw numerous "Recovery Graduations" celebrated in the Cathedral, marking important milestones for those rebuilding their lives.
- This integrated approach has also enhanced support for people seeking asylum and refugees. Through 1-to-1 engagement and partnership with West End Refugee Service (WERS), many have found community, volunteering opportunities, social activities and spaces for prayer and peer support. The October exhibition, developed with WERS, helped deepen congregational understanding and fostered new relationships and practical involvement.
- The Cathedral's commitment to welcome was further recognised through its inclusion in the national Welcome Directory as a place of support for prison leavers, with community-wide training planned for the coming year.

5. We will shine brighter amongst those who come to the Cathedral to explore faith

- Regular services of Morning Prayer, midweek lunchtime and Sunday Eucharists, and Evensong have continued to be a source of inspiring worship for many, both those who worship in the building, and those who regularly join online. The inspirational and highly skilled choir play an integral part in the weekly worship programme.
- 2025 has seen a focus on creating wider representation of voices within the life and worship of the Cathedral. More people have contributed through intercessions, assisting with the chalice, serving, reading lessons and attending workshops; this has enriched our common life and reflects a growing sense of shared ownership.
- One of the areas that has been a particular development is with Evensong as a framework for celebration across the Diocese. Last year we saw a number of groups asking us to help them acknowledge their ministry in a service of Evensong e.g. the Military Covenant signing, and the LGBTQI+ Chaplain commissioning; more such opportunities are planned around Evensong for 2026.
- As ever, the Cathedral clergy are wonderfully supported by Readers, Churchwardens, Sidespeople, Flower-arrangers and a verger team strengthened with a Deputy Head Verger role.
- Discipleship has continued to be a key focus, with regular small groups, one-to-one conversations and courses, plus a developing group on a Sunday lunchtime with people seeking asylum which continues to be a precious ministry.
- Music was central to the Cathedral's worship and community life in 2025, engaging over 100 young participants and 40 adults through various choirs and programs. The Schools Singing Programme (funded by the Cathedral Music Trust) reached 840 children citywide. Highlights included a new album release, a live BBC Radio 3 broadcast, and hosting a national music gathering. Despite a 20% budget cut, the Cathedral maintained musical standards, introduced new scholarships and leadership roles, and continued organ recitals while planning for its restoration. Funding from 2 key grant sources saw Phase 1A of the Organ Restoration, with a new console commissioned from organ specialists Harrison and Harrison; a new Pipe Dream fundraising campaign was also launched for supporters to be able to sponsor an organ pipe and contribute to the ongoing restoration work. Collaboration among staff, volunteers, and the community remains a key strength, fostering musical and spiritual growth.

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6. We will shine brighter for our staff and volunteers

Staff

- Full staff survey undertaken end 2025 (including questions around capacity, communication, remuneration and working culture).
- Safeguarding survey to all staff and volunteers to follow in early 2026.
- CPD/training opportunities for staff captured within the appraisal process; external fund sources to enable staff training, including line management training and compliance training.

Volunteers

- Volunteers remain at the heart of our organisation.
- In 2025, 6331 volunteer hours were recorded (an increase of over 60% from 2024), covering roles from event stewarding and welcoming to governance committees, flower arranging and photography.
- Of the 81 volunteers who have contributed hours this year, 25% have given more than 100+ hours of their time to the Cathedral, showing just how big a part volunteers play in the life of the Cathedral.
- We are fortunate to have a diverse age range including the student and refugee community up to more mature volunteers, reflecting our wider commitment to engaging with all our community.
- Volunteers accessed a range of training opportunities, regular social occasions to meet and share experiences, plus receive a Volunteer Newsletter to keep them informed and briefed about new initiatives, activities, exhibitions and events.

7. We will shine brighter by maintaining the beacon

- In 2025, the Cathedral maintained a strong focus on planned maintenance and responsible stewardship of its buildings and infrastructure. Routine works—including biannual gutter clearance, annual servicing of key systems such as the Building Management System, and regular security and fire-detection maintenance—were fully budgeted and delivered as scheduled. The five-yearly fixed-wiring inspection was also successfully completed.
- Fire-safety improvements were a particular priority. Following consultation with insurers and other cathedrals, plans were developed to upgrade the Nave fire-detection system to a modern beam-based solution, due for installation in 2026. Additional smoke detectors were installed in the Nave aisles and South Quire aisles. The Cathedral Architect also oversaw repairs to loose mortar around ledger stones and introduced air bricks in the Education Centre to address damp issues.
- The Friends of St Nicholas Cathedral continued to provide valued support, contributing to maintenance projects including repainting communal areas in the Cathedral Hall and repairing the North Porch handrail.
- Looking ahead, significant work is anticipated on the Lantern Tower, with scaffolding expected to be in place for up to two years to enable major stonework repairs to the pinnacles and lantern. The Cathedral is working closely with Newcastle City Council as plans progress.
- The most substantial project for 2026 will be the replacement of the vestry heating system. In line with Chapter's commitment to Net Zero, the Cathedral Architect is developing an environmentally sustainable alternative to the defunct gas boiler. Funding secured from the Church of England's Quick Wins scheme at the end of 2025 is supporting detailed planning of heating requirements, outputs and running costs, with expert guidance from the Chair of the Diocesan Advisory Committee.
- A large-scale roof survey at the end of 2025 also identified significant repairs (indicative quote of £78K) so 2026 will see a programme of targeted fundraising to enable these repairs ideally to take place within two years.
- A H&S working group was established with key operational staff looking at details relating to the new Protection of Premises Bill (with emphasis on evacuation and invacuation for events over 200 people), including reviewing H&S procedures and staff/volunteer training.
- Our Operations and Governance Manager continues to ensure the Cathedral keeps pace with new legislation (such as the Employment Rights Bill in April 2026), supporting the Chief Operating Officer in liaison with Peninsula H&S advisory company, and to ensure our committees review all policies in a timely manner.

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ORGANISATION FINANCIAL REVIEW

Operating Position

Total income in the year to 31st December 2025 was £1,531,670 which is a increase of £140,274 on income received in the prior year to 31st December 2024 (£1,391,396).

Total expenditure for the year amounted to £1,653,522 which is a increase of £83,848 on expenditure for the prior year to 31st December 2024 (£1,569,674).

The Cathedral drew down approximately £100k from the unrestricted fund in 2025, as part of the ongoing organ restoration fund. The total market value of our investments at the end of the year was £1,678,649 of which £1,211,037 is held in the Endowment Fund.

Challenges

Infrastructure costs including utilities, fabric repairs/maintenance, insurance and compliance (such as H&S) remain our most significant challenges. We remain deeply committed to looking after our beautiful cathedral and ensuring that it is a safe space for all who work and visit here, so whether we have one person through the doors each day or hundreds (and we certainly work towards the latter), there is a very real cost of keeping our cathedral open, safe and welcoming.

Our staff are extremely important. Chapter are committed to annual reviews of pay and supporting reviews of training/CPD needs. An external grant in 2025 for training has meant an ability to plan a cathedral-wide training programme in line with appraisals.

Repairs to the tower are now urgent and the Chapter remain committed to supporting Newcastle City Council (NCC) in their efforts to ensure the tower is not a liability for people in the immediate vicinity of the Cathedral (with a significant period of scaffolding envisaged and delivered through NCC).

Cathedral House has also had a focused expenditure and we are committed to upgrading the interior to attract new tenants. Although there are still vacant spaces on the first floor, property managing agents, Naylors, are working hard to reduce the service charge in line with other city-centre properties. A grant from the Newcastle Cathedral Trust has enabled us to carry out significant repairs and redecoration to windows and redecoration of communal areas; 2026 will see the refurbishment of the communal kitchen as a modern space suitable for today's prospective tenants.

Opportunities

- Like many charities in the cultural sector, fundraising has been both a challenge and an opportunity. Our Head of Fundraising and Development has been hard at work on securing grants for our mission and core work.
- In 2025, the Cathedral secured several grants despite an increasingly competitive funding environment. With key staffing roles now filled, the Cathedral is well-positioned to strengthen its fundraising strategy in 2026.
- Efforts focused on securing support for core budgeted costs, resulting in multi-year funding for several staff roles and contributions toward volunteer and maintenance expenses. The Cathedral is grateful for the continued support of the Diocesan Society, the Friends of Newcastle Cathedral, and the Hadrian Trust.
- The music department received significant grant support for staffing and the Schools Singing Programme, reflecting funders' recognition of its commitment to accessible, high-quality musical education. The Not Just a Pipe Dream campaign continued to grow the organ restoration fund, with strong engagement from supporters.
- Our commercial events programme continues to be extremely successful, with yet another above-budget result for the fourth successive year (with a 20% increase against budget). Led by the Commercial Events Manager and supported by the vergers team and Events Officer, the events programme continues to not

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only bring in essential revenue but to provide wider engagement opportunities for our visitors, showing them that they can enjoy the space, feel welcomed and part of our wider community.

- The second St Nicholas Gala Dinner, masterminded by the Cathedral Trust (with significant support from the Front of House Manager, Marketing Manager and head of Fundraising and Development), saw over 200 local businesspeople and friends of the cathedral coming together to raise over £20,000 for our work.
- The team have worked incredibly hard this year, coming together in a collaborative spirit to overcome some significant challenges and are really focused on passionate delivery of all we do. Of course, we could not have done it without the support (financial of course, but also in myriad ways of supporting all the team) of the congregation, the Friends of St Nicholas Cathedral and the Newcastle Cathedral Trust.

Reserves Policy

The policy of Chapter is to build up sufficient unrestricted reserves so that essential costs such as staff, suppliers, VAT and employment taxes can be met without the need to liquidate assets in the investment portfolio. These reserves also help us to meet costs which must sometimes be settled in advance of receiving grant funding and form a financial cushion in the event of fluctuations in income or costs.

Newcastle Cathedral held consolidated funds of £5,407,660 as at 31st December 2025 (2024: £5,514,777).

Of this, £3,418,731 was held in Endowment funds which the trustees are legally required to invest or to keep and use for the charity's purposes.

£729,852 in Restricted funds, which are subject to various restrictions, normally specified by the donor, and as such may not be spent on the Cathedral's general purpose.

The Unrestricted Reserves amounts to £1,259,077 of which £340,341 is free reserves.

As part of the Cathedral's investment policy, the unrestricted reserves are utilised by investing them in appropriate financial instruments to generate income to contribute towards the Cathedral's ongoing running costs. The minimum balance for these investment funds has been deemed to be around £300,000. This means that the Cathedral has £40,341 of truly free reserves.

The Cathedral's target is to hold an amount of freely available reserves equal to three months of unrestricted expenditure. This is typically around £225,000. Chapter acknowledge the aim to build the Cathedral's free reserves by working actively to increase net income from trading, visitors and events.

The level of our actual cash reserves fluctuates during the year, so we produce regular cashflow forecasts which are reviewed by the Finance Committee and Chapter on a regular basis.

Investment Policy

We hold certain funds in line with our reserves policy and certain funds as permanent endowment. We therefore have funds available for investment. Aside from our cash balances, our funds are held as investment properties and within an investment portfolio. Our investment powers are set out in the Cathedrals Measure 2021. We have adopted a moderate risk profile and achieve diversification through a balanced fund.

Chapter's investment objective is to create sufficient income and capital growth to enable the Chapter to carry out its purposes consistently year by year with due and proper consideration to future needs and to maintain and enhance (where possible) the invested funds.

Investments held by the Chapter were managed by Cazenove Capital and follow ethical investment guidelines in their Sustainable Multi-Asset Fund Policy.

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Fundraising standards information

We raise funds from the public. We therefore report under s62 of the Charities Act 2011 as follows:

- The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We raise money from charitable trusts and foundations, grant making organisations and businesses.
- We are registered with the Fundraising Regulator and have committed to follow the Fundraising Code of Practice. We us the code when training and supporting volunteer fundraisers.
- We respect the privacy and contact preferences of all public donors. Chapter review the Cathedral's Fundraising Policy annually. Chapter monitors our fundraising activities and no areas of non-compliance were found in 2024.

Remuneration of key personnel

Stipend rates for Deans and Residentiary Canons are set by the Church of England. Chapter determines the remuneration of the Chief Operating Officer, whose performance is reviewed by the Dean. The remuneration of senior staff is determined by Chapter on the advice of the Senior Management Team. Pay is set with regard to the pay of equivalent roles in English cathedrals of similar standing. Whilst not a Real Living Wage accredited employer, the Cathedral Chapter is committed to tracking the annual minimum wage levels set by Newcastle City Council.

PLANS FOR THE FUTURE PERIOD

Strategic Planning

The Senior Management Team report all activities and development against the Strategic Plan to the Chapter in their regular SMT report. The Strategic Plan will greatly assist in detailed budget planning moving forward.

Staffing and Development

Support from the Church Commissioners via the Cathedral Sustainability Fund grant programme, as well as funders such as the Cathedral Trust, has meant investment in key posts which came on stream in 2025 can be fully embedded in 2026. These posts include the Commercial Enterprises Manager, Finance Assistant, Learning Officer, Community Engagement Officer and Lantern Officer. Together with a slight re-worked vergers and events team (including Deputy Head Verger and Events Officer) means the staff team, whilst still extremely small for an organisation such as ours, is of reasonable size to undertake a wide range of activities and compliance. 2026 will see further training including compliance training (fire, de-escalation, further safeguarding training) and the pulling together of a team-wide training plan.

Fabric

We continue to work closely with Newcastle City Council on the anticipated works to the Lantern Tower and to ensure that this iconic feature of the cityscape can be properly maintained, as well as enabling the return of our much-missed bell ringers.

The Friends of St Nicholas raise funds to support the Cathedral in many ways and have committed to support repairs to the Cathedral Hall roof. We are deeply grateful to them for acknowledging that maintaining this beautiful building is one of our key priorities.

We will also be entering into the new Quinquennium (set by the Cathedrals Fabric Commission for England under the Care of Cathedrals Measure 2011) with returning and new skilled members to advise Chapter on areas of fabric and maintenance.

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Financial Sustainability

Our financial sustainability remains our most significant challenge. The *Project Narthex* report commissioned by the Church Commissioners in 2025 noted that whilst income generation through trading activities would make a small increase, nevertheless, our key challenge is the generation of unrestricted fundraising. The Endowment Strategy approved in 2025 by Chapter will be further developed, with close partnerships created with local businesses and organisations. There are significant opportunities for the creation of a music endowment fund and this will be further developed in 2026.

Safeguarding

- Chapter continues to place safeguarding as a high priority. Newcastle Cathedral adopts the Church of England's House of Bishop's Policy (Promoting a Safer Church) as its own policy, augmented as appropriate to take into account particular contextual elements specific to the cathedral.
- Safeguarding continues to be a standing item on the agenda at Chapter meetings, Senior Management Team meetings and regular staff meetings.
- Key achievements in 2025 include managing safeguarding risks and responding promptly to concerns, collaborating closely with the Diocesan Safeguarding Team and other partners. In 2025, the Cathedral Safeguarding Officer (CSO) has supported safer recruitment practices and worked with the Lantern Lead to prioritise safeguarding (including Incident reporting and Risk Assessments).
- Significant progress was made on the Independent Safeguarding Audit action plan, with 32 of 41 actions completed by the end of 2025. The Cathedral Safeguarding Committee was also strengthened with independent oversight and external partners, enhancing safeguarding scrutiny.
- The CSO delivered tailored safeguarding training for staff, the music team, and churchwardens, with plans to extend training to volunteers in 2026. The Memorandum of Understanding with the Diocese was reviewed and signed, reinforcing our joint commitment to safeguarding.
- In 2025, the Cathedral hosted survivor-led events and exhibitions to raise awareness and support victims.

As a Cathedral we will continue to strive to be provide a culture and environment where victims and survivors can report or disclose abuse safely and where they will find support and best practices that contribute to the prevention of abuse.

As ever, the Dean and Chapter give thanks to all staff, volunteers and clergy for their commitment to safeguarding during 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution of the Cathedral

The Parish Church of St Nicholas was likely founded in the C12th and became the Cathedral Church of St Nicholas in July 1882. The Cathedral is a registered charity (achieved in July 2023; RCN 1203907) and is an ecclesiastical corporation with perpetual succession. The governing document is our constitution which was adopted in its revised form on 5th December 2022 in accordance with the Cathedrals Measure 2021.

Roles and Responsibilities

The Chapter, Committees and Officers

Chapter is the sole governing body (the 'body corporate') of the Cathedral under the Cathedrals Measure 2021. The Dean is Chair of the Chapter. It is the duty of the Chapter to direct the overall strategy and governance of the Cathedral. The Chapter met on nine occasions during the year.

The Senior Management Team (SMT) meets monthly and is chaired by the Dean and is attended by the two Residentiary Canons and the Chief Operating Officer. The role of the SMT is to manage daily operations and deliver against Chapter's strategic aims. SMT minutes are shared with Chapter.

The Dean has direct line-management of the Commercial Events Manager. The Canon for Worship and Congregational Life has oversight and management of the Music team and the vergers team; the Canon for Mission has oversight of the Lantern Initiative Lead, the Learning and Activities team and manages the Volunteer Co-ordinator as well as being the Chapter Safeguarding Lead. The Chief Operating Officer oversees all other lay

Board of Trustees Report for the year ended 31 December 2025

staff (finance, marketing and administrative), plus oversees H&S/HR functions and fulfils the role of Chief Finance Officer.

Chapter members are appointed in accordance with the Constitution and Statutes. Non-Executive Members/Trustees are appointed for terms of three years and can serve a total of three terms.

Newly appointed Chapter Members are provided with copies of the Cathedral's constitution, our most recent annual report and financial statements, minutes of recent Chapter meetings and other essential documents. New members are provided with opportunities to meet fellow members of Chapter, prior to their first meeting and meet with members of the Senior Management Team as part of their induction new members receive external training through the Association of English Cathedrals (AEC) and the Charity Commission in addition to the internal induction training programme provided by the Cathedral. The role of Senior Non-Executive Member is currently held by Mr David Bilton.

Formal Committees of Chapter

There are four committees which report to Chapter and which have their own Terms of Reference.

- The Safeguarding Committee deals with all matters relating to Safeguarding.
- The Finance and Investment Committee deals with all financial matters including oversight and review of quarterly management accounts, investments, properties and reserves.
- The Nominations Committee advises Chapter on the recruitment and appointment of non-executive members and the recruitment and appointment of Chapter committee members. It also reviews the skills, knowledge, experience and diversity of members of Chapter, each committee and any sub-committees.
- Audit and Risk Committee provides independent oversight of the Cathedral's systems of internal control, risk management, whistleblowing, financial reporting, and of the quality, independence and effectiveness of both the internal and external auditors.

The College of Canons

The College of Canons is independent of the Chapter and does not form part of the body corporate of the Cathedral. The College of Canons has the functions conferred by the Appointment of Bishops Act 1533 on the body referred to in that Act as the Dean and Chapter of the Cathedral.

The College consists of the Dean (Chair), the Suffragan Bishop, the Canons Residentiary, Non-Residentiary and Honorary, as well as the two Archdeacons. The Clerk to the College is the Operations and Governance Manager. The College of Canons met twice during the year.

The Bishop of Newcastle holds the principal seat in the Cathedral as per the Constitution and continues to be Visitor of the Cathedral. The Bishop of Newcastle is the Right Reverend Dr Helen-Ann Hartley.

PRINCIPAL RISKS AND UNCERTAINTIES

The overall responsibility for managing and monitoring risk rests with Chapter.

The Cathedral regularly reviews the main risks and the degree to which controls to monitor and manage those risks are capable of reducing the likely residual impact of those risks to an acceptable level. The Chief Operating Officer is responsible for overseeing the management of risk and periodically reporting this to the Audit & Risk Committee and to Chapter. Our approach to scoring and recording risks is based on guidance published by the Charity Commission.

We briefly summarise here the key risks the Cathedral faces and the approaches taken to mitigating those risks. Risks relating to (a) our continuing as a going concern and (b) our financial investments are set out separately in note 1 to the financial statements.

Board of Trustees Report for the year ended 31 December 2025

1. Failure to appropriately maintain our buildings due to high cost and challenges with capacity

- The COO and Head Verger lead on maintenance and management of the Cathedral's physical infrastructure, with significant input and support from the Cathedral Architect.
- Funds have been secured from the Church Commissioners to install new heating in the vestry block (to avoid the reinstatement of a gas boiler which has failed) and enable our Net Zero aims to be furthered.
- Cathedral roof repairs remain a high priority and funding will continue to be sought for this work to be undertaken by 2028 (including from the Church Commissioners' Chancel Repairs Liability scheme and the Friends of St Nicholas).
- The Lantern Tower's instability is an ongoing concern. The Cathedral is working closely with Newcastle City Council (who have an historic maintenance liability for the Lantern Tower) to undertake a significant period of investigation and repairs. The timetable has significantly slowed in 2025 so we are working with the Council to expedite this process. Safety of public in the immediate environs of the cathedral and concern about damage to the building remain high priorities and there is an urgent need for the City Council to deliver against its responsibilities.
- As well as focusing on the cathedral building, it will be important to undertake a regular programme of repairs to clergy housing/other investment properties. As required under the Cathedrals Measure 2021, quinquennial inspections have been undertaken for the cathedral, the clergy properties and the investment property which sits within the Churchlands Trust. The former clergy property, 2A Holly Avenue, has been rented out on an Assured Shorthold Tenancy from early 2025 (managing agent : Brunton Residential). Formal valuation of no23 Dean Street and no14 St Nicholas Churchyard (the two properties which sit within the Churchlands Trust) took place in 2025, carried out by Sanderson Wetherall.
- Cathedral House commercial spaces have been slow to let in 2025; however, a new tenant is likely to take a five-year lease on the three vacant rooms on the first floor, thus enabling us to meet the budget for occupancy and create some budget stability.

2. Lack of adequate support for staff

The small team at Newcastle Cathedral continues to work well above its capacity, with experienced and hard-working staff deeply committed to the organisation. The new Strategic Plan (approved by Chapter in 2025) will focus on some key mitigations including :

- Developing a structure within our operational life to enable staff to contribute to the wider decision-making of the Cathedral; in 2025 a small group was established to start this process (SMT+), meeting at least monthly.
- Developing CPD/training opportunities for all staff and volunteers through the appraisal system; development of a larger staff training budget to enable this.
- Actively look for alternative sources of funding for key posts.
- Continue to undertake regular staff and volunteer surveys to ensure Chapter and SMT have a better understanding of the team's perception of the working culture, communication, and their ability to play a full part in organisational success; to build on the results of the 2025 staff survey and enable a small working group of staff to review and discuss recommendations to take forward to the wider team.
- Committing to tracking and achieving the Newcastle Living Wage.
- Increasing the number of volunteers who contribute to the life of the Cathedral, and ensuring there is sufficient capacity to manage and support those who do volunteer with us.
- Ensuring robust inductions for new staff so they can be quickly and efficiently embedded into the wider team.
- To undertake regular all-staff meetings to ensure good communication and development of a positive working culture.

Board of Trustees Report for the year ended 31 December 2025

3. Inadequate safeguarding policy or practice fails to prevent or address harm

- The Cathedral Safeguarding Officer (CSO) is tasked with overseeing the safeguarding action plan, which includes staff training and reviews of policies and procedures.
- The CSO reports to every Chapter meeting (including the presentation of an updated Safeguarding Action Plan) and sits on the monthly SMT+ group.
- The Safeguarding Committee re-established regular meetings and has been strengthened by additional skilled and experienced external partners.
- The CSO meets regularly with Lantern Project staff to ensure close communication and support for safeguarding practices within this work.
- The updated Safeguarding Action Plan is available on the Cathedral website after each Chapter meeting.

4. Health and Safety Compliance

Chapter acknowledges that with a growing organisation and reliance on events in particular, the area of Health and Safety continues to be a key priority.

- The report from the H&S consultant (engaged late 2024) has been reviewed over the course of the year by the vergers and events team.
- A H&S working group will be established in early 2026 to take forward some of the recommendations and to review the emergency evacuation plan in the light of the new Terrorism (Protection of Premises) Act 2025.
- Annual H&S review undertaken by Peninsula UK; continued access to their *BrightSafe* portal for online resources, training modules and record keeping.

5. Budgetary and financial control

- A Finance Action Plan has been created, to capture key changes/reviews of processes and is considered at each Finance and Investment Committee.
- New payroll/pensions sign-off documents created; new Financial Procedures document to be drawn up.
- Review of all procedures relating to payroll and pensions processes, reporting and management oversight will be carried out in 2025.
- Continued consideration to be given to out-sourcing both the payroll and management accounts.
- The Chief Operating Officer and Finance Manager to continue to work with the Audit and Risk/Finance and Investment Committees to review the management accounts format and accounting software provision.
- The appointment of a Finance Assistant in 2025 (externally funded) has help with capacity of the Finance Manager and helped streamline the payment of invoices, Gift Aid recording and cash counting.

Board of Trustees Report for the year ended 31 December 2025

6. Unable to sustainably generate sufficient operational income in the short-to-medium term to fund the day-to-day ministry of the Cathedral

- This remains a critical risk. The Finance and Investment Committee's role is to monitor and review the overall financial strategies and financial policies of Chapter, review and monitor the annual budget and monitor/review investment portfolio and investment strategies, making recommendations to Chapter where needed.
- The Finance and Investment Committee review on a quarterly basis the performance of the commercial property portfolio.
- Review of all endowment funds to establish status, origination and future planning.
- Review of event capacity and establishing of a Trading Subsidiary.

STATEMENT OF TRUSTEES RESPONSBILITIES

Chapter is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting practice.)

The law applicable to charities in England and Wales requires Chapter to prepare financial statements for each financial year which give a true and fair view of the states of affairs of the Cathedral and its connected entities and of the incoming resources and application of resources of the Cathedral for that period.

In preparing these financial statements, Chapter is required to:

· select suitable accounting policies and then apply them consistently;

· observe the methods and principles in the Charities SORP 2019 (FRS102)

· make judgements and estimates that are reasonable and prudent;

· state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

· prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Cathedral will continue in operation;

Chapter is responsible for keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time; and enable Chapter to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Cathedral constitution.

Chapter is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection fraud and other irregularities.

APPROVED BY THE CHAPTER ON 02/09/26 **AND SIGNED ON ITS BEHALF BY :**

.....

THE VERY REVEREND LEE PAUL BATSON
DEAN OF NEWCASTLE

11/10/26

Independent auditors report to the Trustees of Cathedral Church of St Nicholas in Newcastle

Opinion

We have audited the financial statements of Cathedral Church of St Nicholas in Newcastle (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, Group and Charitable Company Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Charity's affairs as at 31 December 2025 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
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors report to the trustees of Cathedral Church of St Nicholas in Newcastle

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Report of the Trustees 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' rresponsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

The risk of material misstatement due to error or fraud has been assessed in conjunction with how internal controls may mitigate any such risk. These controls are reviewed as part of the audit by performing systems walkthroughs to ensure they are operating effectively. Analytical review and substantive testing is also performed on all material balances and therefore any instances of non-compliance should be identified or considered as insignificant. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team;

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, in which the charity operates and how the charity complies with that legal and regulatory framework
- inquired with management and those charged with governance about their own identification and assessment of the risks of irregularities, including any know actual, suspected or alleged instances of fraud
- discussed with management and those charged with governance any non-compliance with laws and regulations and how fraud might occur including assessments of how and where the financial statements may be susceptible to fraud.

Independent auditors report to the trustees of Cathedral Church of St Nicholas in Newcastle

The risk of management override of controls was also considered an area of potential misstatement due to fraud. Audit procedures performed included testing of manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

There are inherent limitations in the audit procedures described above and the further removed non-compliance withs laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Cunningham MSc BSc FCCA (Senior Statutory Auditor)
For and on behalf of Robson Laidler Accountants Limited, Statutory Auditor
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE2 1TJ

Robson Laidler Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities for the year ended 31 December 2025

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Income and endowments from:						
Donations and legacies						
Donations	2(i)	127,616	1,303	-	**128,919**	142,804
Grants	2(ii)	51,459	916,770	-	**968,229**	791,780
Other trading activities	2(iii)	252,651	-	-	**252,651**	278,264
Investments	2(iv)	160,555	-	-	**160,555**	155,228
Other income	2(v)	21,316	-	-	**21,316**	23,320
Total income		613,597	918,073	-	**1,531,670**	1,391,396
Expenditure on:						
Raising funds	3	166,114	89,929	-	**256,043**	256,401
Charitable activities:						
Ministry	4(i)	309,969	435,628	-	**745,597**	778,575
Cathedral and precincts upkeep	4(ii)	258,366	361,284	-	**619,650**	498,039
Education and outreach	4(iii)	11,145	-	-	**11,145**	11,499
Community parish & congregation	4(iv)	2,293	18,794	-	**21,087**	25,160
Total expenditure		747,887	905,635	-	**1,653,522**	1,569,674
Net incoming / (outgoing) resources before investment gains	7	(134,290)	12,438	-	**(121,852)**	(178,278)
Net gains / (losses) on investments		38,695	-	74,440	**113,135**	70,647
Net income / (expenditure)		(95,595)	12,438	74,440	**(8,717)**	(107,631)
Gains/(losses) on fixed asset revaluations	10	-	-	(98,400)	**(98,400)**	-
Net movement in funds		(95,595)	12,438	(23,960)	**(107,117)**	(107,631)
Reconciliation of funds						
Fund balances at 1 January 2025	16	1,354,672	717,414	3,442,691	**5,514,777**	5,622,408
Fund balances at 31 December 2025	16	1,259,077	729,852	3,418,731	**5,407,660**	5,514,777

The consolidated statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 24 to 44 form part of these financial statements

Consolidated Statement of Financial Activities

Prior year

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £
Income and endowments from:					
Donations and legacies					
Donations	2(i)	134,862	7,942	-	**142,804**
Grants	2(ii)	-	791,780	-	**791,780**
Other trading activities	2(iii)	204,636	73,628	-	**278,264**
Investments	2(iv)	152,398	2,830	-	**155,228**
Other income	2(v)	23,320	-	-	**23,320**
Total income		515,216	876,180	-	**1,391,396**
Expenditure on:					
Raising funds	3	211,572	44,829	-	**256,401**
Charitable activities:					
Ministry	4(i)	578,761	199,814	-	**778,575**
Cathedral and precincts upkeep	4(ii)	292,077	205,962	-	**498,039**
Education and outreach	4(iii)	6,166	5,333	-	**11,499**
Community parish & congregation	4(iv)	25,160	-	-	**25,160**
Total expenditure		1,113,736	455,938	-	**1,569,674**
Net incoming / (outgoing) resources before investment gains	7	(598,520)	420,242	-	**(178,278)**
Net gains / (losses) on investments		26,336	-	44,311	**70,647**
Net income / (expenditure)		(572,184)	420,242	44,311	**(107,631)**
Transfers between funds	16,18	507,685	(573,362)	65,677	**-**
Net movement in funds		(64,499)	(153,120)	109,988	**(107,631)**
Reconciliation of funds					
Fund balances at 1 January 2024	16	1,419,171	870,534	3,332,703	**5,622,408**
Fund balances at 31 December 2024	16	1,354,672	717,414	3,442,691	**5,514,777**

The consolidated statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 24 to 44 form part of these financial statements

Consolidated Balance Sheet for the year ended 31 December 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Investment assets					
Property	10		**805,000**		545,000
Investments	12		**1,678,649**		1,671,514
			2,483,649		2,216,514
Tangible fixed assets					
Property	10		**2,202,694**		2,561,094
Equipment and plant	11		**118,736**		165,883
			2,321,430		2,726,977
Total fixed assets			**4,805,079**		4,943,491
Current assets					
Stock	13	**6,126**		6,765	
Debtors	14	**468,086**		568,232	
Cash at bank and in hand		**232,029**		141,172	
		706,241		716,169	
Creditors: amounts falling due within 1 year	15	**103,660**		144,883	
Net current assets			**602,581**		571,286
Net assets			**5,407,660**		5,514,777
Reserves					
Endowment funds	16		**3,418,731**		3,442,691
Restricted funds	16		**729,852**		717,414
Unrestricted funds	16		**1,259,077**		1,354,672
Total reserves			**5,407,660**		5,514,777

These financial statements were approved by the Board of Trustees on 02/09/26 and were signed on its behalf by:

The Very Reverend Lee Paul Batson

The notes on pages 24 to 44 form part of these financial statements

Parent Charity Balance Sheet for the year ended 31 December 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Investment assets					
Property	10		475,000		-
Investments	12		1,097,484		1,126,969
			1,572,484		1,126,969
Tangible fixed assets					
Property	10		2,202,694		2,561,094
Equipment and plant	11		118,736		165,883
			2,321,430		2,726,977
Total fixed assets			3,893,914		3,853,946
Current assets					
Stock	13	6,126		6,765	
Debtors	14	468,086		568,232	
Cash at bank and in hand		178,166		92,487	
		652,378		667,484	
Creditors: amounts falling due within 1 year	15	103,660		142,756	
Net current assets			548,718		524,728
Net assets			4,442,632		4,378,674
Reserves					
Endowment funds	16		2,507,566		2,353,147
Restricted funds	16		729,852		717,414
Unrestricted funds	16		1,205,214		1,308,113
Total reserves			4,442,632		4,378,674

These financial statements were approved by the Board of Trustees on 02/09/26 and were signed on its behalf by:

The Very Reverend Lee Paul Batson

The notes on pages 24 to 44 form part of these financial statements

Consolidated cash flow statement at 31 December 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	22	**(55,373)**	(278,715)
Cash flows from investing activities			
Rents received net of costs		**(16,181)**	8,051
Investment income received net of costs		**62,519**	70,667
Purchase of tangible fixed assets		**(6,108)**	(34,042)
Purchase of investments		-	-
Proceeds from sale of assets		**106,000**	206,109
Net cash provided by (used in) investing activities		**146,230**	250,785
Change in cash and cash equivalents		**90,857**	(27,930)
Cash and cash equivalents at the beginning of the year		**141,172**	169,102
Cash and cash equivalents at the end of the year	23	**232,029**	141,172

Notes to the financial statements for the year ended 31 December 2025

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statements of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and republic of Ireland (FRS102)" (effective 1 January 2019).

The Cathedral meets the definition of a public benefit entity under FRS102.

The financial statements are prepared under the historical cost convention as modified by the revaluation of investments and certain properties.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

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

The trustees have assessed the charity's financial position, including reviewing budgets, cash flow forecasts, reserves levels, and expected income for a period of at least 12 months from the date of approval of these financial statements.

While the charity is facing increasing cost pressures and funding uncertainty, the trustees have put in place measures to manage expenditure, monitor cash flow closely, and secure future income.

After reviewing the latest forecasts and considering mitigating actions available, the trustees are satisfied that the charity has adequate resources to continue for the foreseeable future.

Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

If circumstances change significantly (e.g. due to funding changes, major events, or economic pressures), the trustees will take appropriate action and review the going concern status accordingly

Basis of consolidation

The financial statements consolidate the accounts of the Cathedral and incorporate the assets and liabilities of the Cathedral's connected entities which are controlled by Chapter, via the Church Lands of St Nicholas, the Old Parish Room and School Trust, the Ancient Charities, The Stanley Walton Brown Memorial Fund and the Ecclesiastical charity of William Moulton..

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Charity in furtherance of the general objectives of the Cathedral and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the Cathedral for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

Notes to the financial statements for the year ended 31 December 2025

Incoming resources

All income is recognised once the Cathedral has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Further detail is given below:

Voluntary income

Collections, including Free Will Offerings, are recognised when received.

Income tax recoverable on Gift aid donations is recognised when the donation is made.

Grants and legacies to the Cathedral are accounted for as soon as the Chapter is notified of its legal entitlement and the amount is quantifiable and its receipt by Chapter is reasonably certain.

Income from investments

Interest and dividends are recognised when they are receivable.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the organisation to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Further detail is given below:

Grants

Grants and donations are accounted for when paid over, or when awarded if that award creates a binding obligation on the Chapter.

Support costs

Support costs are those costs that in themselves do not contribute to mission or generate funds but are necessary for those activities to take place and include the costs of office staff, office equipment, information technology and other office expenses. Office staff salary costs have been allocated to those activities which they directly support in proportion to the time spent by the individual members of staff for those activities. Other costs have been allocated by reference to their estimated usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets, other than properties, calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer and other equipment - 5 years / 10 years

Property

Investment properties have been included in the balance sheets at market value.

Properties occupied by Cathedral clergy and staff have been included at existing use value. In the case of properties occupied by Cathedral clergy "existing use value" is calculated after making due allowance for the occupant's right of occupation.

No depreciation is provided on properties occupied by Cathedral clergy and staff. They are maintained to a high standard: it is considered that the lives of the properties are so long and their residual value so great that depreciation is not necessary. Cathedral House is not depreciated as it is maintained to a high standard and its useful economic life is so long that depreciation would be insignificant.

Notes to the financial statements for the year ended 31 December 2025

The Cathedral, Ancillary Buildings and Inventory

The Cathedral is not valued in the financial statements on the grounds that it is historic and inalienable and being held for the continuing use and mission of the Cathedral. The Cathedral is a priceless asset and is insured at a value agreed with its insurers, representing the cost of restoration and repair in the event of a serious loss but not complete rebuilding.

Newcastle Cathedral is a Norman building, dating back to 1350 and was heavily restored in 1777. For a full description of it, please refer to the Cathedral guidebook. The Inventory of the Cathedral are various, comprising medieval paintings, communion plate. Books, both historic and modern, and other miscellaneous precious items.

None of the figures in note 10 include a value for the Cathedral, Ancillary Buildings or items recorded in the Inventory.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the Balance Sheet date. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening market value. Unrealised gains are calculated as the difference between the fair value at the year end and their carrying amount.

Stocks

Stocks are stated at the lower of cost and net realisable value after making due allowance for obsolete items.

Inventory

The Inventory of the Cathedral is not included within the accounts as it is historic and inalienable and is held for the continuing use of the Cathedral and the Diocese.

Pensions

Newcastle Cathedral participates in the Defined Benefits Pension Scheme section of CWPF for lay staff. The scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the employer and the other participating employers. The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

In addition the Cathedral operates an autoenrollment pension scheme with Nest, in which the majority of employees participate.

Defined Benefits Scheme

Cathedral Church of St Nicholas Newcastle Upon Tyne participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
    a. a deferred annuity section known as Pension Builder Classic, and,
    b. a cash balance section known as Pension Builder 2014.

Notes to the financial statements for the year ended 31 December 2025

Pension Builder Scheme
Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2025: £Nil, 2024: £Nil).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2025. For the Pension Builder Classic section, the 2025 valuation revealed a surplus of £54m on the ongoing assumptions used. At the most recent annual review effective 31 December 2025, the Board chose to grant a discretionary bonus of 10% to both pensions not yet in payment and pensions in payment. For the Pension Builder 2014 section, the valuation revealed a surplus of £26m on the ongoing assumptions used. The legal structure of the scheme is such that if another employer fails, Cathedral Church of St Nicholas Newcastle Upon Tyne could become responsible for paying a share of the failed employer's pension liabilities.

Notes to the financial statements for the year ended 31 December 2025

2. Incoming resources

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
(i) Donations and legacies					
Collections (incl. Free Will Offering)	67,667	-	-	**67,667**	71,087
Donations	19,301	1,303	-	**20,604**	28,981
Almsboxes and candles	26,445	-	-	**26,445**	26,427
Gift aid	14,203	-	-	**14,203**	15,766
Legacies	-	-	-	-	543
	127,616	1,303	-	**128,919**	142,804
(ii) Grants receivable					
Benefact Trust	-	15,803	-	**15,803**	18,813
Newcastle Cathedral Trust	22,577	258,448	-	**281,025**	93,193
The Ousley Trust	-	3,000	-	**3,000**	1,334
Church Commissioners	-	246,830	-	**246,830**	237,725
Church Commissioners – Clergy Stipends	-	146,587	-	**146,587**	137,947
Diocese	-	30,000	-	**30,000**	20,000
Hadrian Trust	-	500	-	**500**	-
Listed Places of Worship	19,075	,	-	**19,075**	7,510
Newcastle City Council	-	-	-	-	3,825
Pilling Trust	-	-	-	-	50,000
Newcastle Cathedral Choir Association	7,261	-	-	**7,261**	3,355
Church Commissioners: Sustainability	-	72,526	-	**72,526**	137,460
Bramall Foundation	-	-	-	-	35,000
St Hilda's grant	-	7,000	-	**7,000**	2,831
Friends of Cathedral Music	2,546	14,000	-	**16,546**	19,828
Friends of St Nicholas	-	7,076	--	**7,076**	-
National schools singing program	-	15,000	-	**15,000**	20,000
Diocese of Education	-	-	-	-	1,000
Squire Foundation	-	25,000	-	**25,000**	-
Barbour Trust	-	25,000	-	**25,000**	-
Heritage Compass	-	-	-	-	959
Soul Food Spaces	-	-	-	-	1,000
Net Zero Carbon Project	-	50,000	-	**50,000**	-
	51,459	916,770	-	**968,229**	791,780

Notes to the financial statements for the year ended 31 December 2025

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
(iii) Charges and fees arising in activities generating funds					
Fees and hire	162,886	-	-	**162,886**	182,036
Music Projects	71,491	-	-	**71,491**	73,628
Retail	18,274	-	-	**18,274**	22,600
	252,651	-	-	**252,651**	278,264

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
(iv) Investments					
Income from investment property	90,008	-	-	**90,008**	76,201
Income from other investments	67,169	-	-	**67,169**	75,723
Old Parish Room and School Fund	3,378	-	-	**3,378**	3,293
Bank interest	-	-	-	-	11
	160,555	-	-	**160,555**	155,228
(v) Other incoming resources					
Miscellaneous income	807	-	-	**807**	1,027
PRS Fees	20,509	-	-	**20,509**	22,293
	21,316	-	-	**21,316**	23,320

3. Raising funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
Retail costs	11,534	-	-	**11,534**	14,063
Costs of facilities for visitors	1,740	-	-	**1,740**	1,557
Marketing	25,316	-	-	**25,316**	48,367
Investment management					
Property management costs	40,788	68,779	-	**109,567**	71,444
Investment management costs	4,650	-	-	**4,650**	5,067
Support costs	13,672	21,150	-	**34,822**	44,499
Special event costs	791	-	-	**791**	1,247
Consultancy	14,871	-	-	**14,871**	19,290
Depreciation	52,752	-	-	**52,752**	50,867
	166,114	89,929	-	**256,043**	256,401

Notes to the financial statements for the year ended 31 December 2025

4. Charitable activities

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £	Total 2024 £
(i) Ministry					
Clergy stipends	-	146,587	-	**146,587**	-
Clergy working expenses	24,659	65,169	-	**89,828**	235,921
Clergy housing costs	50,644	-	-	**50,644**	40,156
Clergy support costs	12,723	105,721	-	**118,444**	141,203
Services and music					
Lay clerks and choristers	40,661	6,334	-	**46,995**	66,787
Director of music and organist	113,814	14,000	-	**127,814**	114,671
Vergers payroll costs	34,694	17,083	-	**51,777**	44,039
Other costs	20,077	22,000	-	**42,077**	52,853
Support costs	12,697	58,734	-	**71,431**	82,945
	309,969	435,628	-	**745,597**	778,575
(ii) Cathedral and precincts upkeep					
Major repairs and restoration	18,927	309,045	-	**327,972**	128,933
Maintenance and interior upkeep	123,215	21,698	-	**144,913**	222,018
Vergers payroll costs	67,341	-	-	**67,341**	57,314
Cathedral insurance	42,198	-	-	**42,198**	44,105
Support costs	6,685	30,541	-	**37,226**	45,669
	258,366	361,284	-	**619,650**	498,039
(iii) Education and outreach					
Other costs	1,675	-	-	**1,675**	3,080
Vergers payroll costs	6,268	-	-	**6,268**	5,333
Support costs	3,202	-	-	**3,202**	3,086
	11,145	-	-	**11,145**	11,499
(iv) Community parish and congregation					
Support costs	2,293	18,794	-	**21,087**	25,160
	2,293	18,794	-	**21,087**	25,160

Notes to the financial statements for the year ended 31 December 2025

5. Direct costs and support costs

An analysis of costs between direct costs and support costs for 2025 is as follows:

	Direct costs	Support costs	Total 2025
			£
Costs of generating funds	221,221	34,822	**256,043**
Ministry (including grants paid out)	674,166	71,431	**745,597**
Cathedral and precincts upkeep	582,424	37,226	**619,650**
Education and outreach	7,943	3,202	**11,145**
Community, parish and congregation	-	21,087	**21,087**
	1,485,754	167,768	**1,653,522**

An analysis of costs between direct costs and support costs for 2024 is as follows:

	Direct costs	Support costs	Total 2024
			£
Costs of generating funds	211,902	44,499	256,401
Ministry (including grants paid out)	695,630	82,945	778,575
Cathedral and precincts upkeep	452,370	45,669	498,039
Education and outreach	8,413	3,086	11,499
Community, parish and congregation	-	25,160	25,160
	1,368,315	201,359	1,569,674

Notes to the financial statements for the year ended 31 December 2025

6. Investment income gains and losses

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2025 £
Income from investment property	90,008	-	-	**90,008**
Dividend receivable	67,169	-	-	**67,169**
Old parish room fund	3,378	-	-	**3,378**
Bank interest	-	-	-	-
	160,555	-	-	**160,555**
Realised gains	3,953	-	-	**3,953**
Unrealised gains	34,742	-	74,440	**109,182**
	38,695	-	74,440	**113,135**
	199,250	-	74,440	**273,690**

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2024 £
Income from investment property	76,201	-	-	76,201
Dividend receivable	72,893	2,830	-	75,723
Old parish room fund	3,293	-	-	3,293
Bank interest	11	-		11
	152,398	2,830	-	155,228
Realised gains	5,477	-	-	5,477
Unrealised gains	20,859	-	44,311	65,170
	26,336	-	44,311	70,647
	178,734	2,830	44,311	225,875

7. Net (outgoing)/incoming resources

	2025 £	2024 £
This is stated after charging:		
Audit fees	13,487	13,867
Depreciation	53,255	51,370

Notes to the financial statements for the year ended 31 December 2025

8. Staff costs (including clergy stipends)

	2025 £	2024 £
Salaries	759,989	748,328
Social security costs	71,568	89,002
Pension costs	23,994	36,217
	855,551	873,547

Clergy stipends included above are paid by the Church Commissioners.

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

	2025 £	2024 £
Full time	16	17
Part time	34	39
	50	56

The average number of full time equivalent paid employees in 2025 is 22 (2024 20) FTE.

No person's remuneration exceeded £60,000.

Key management remuneration paid in the year (excluding the stipends listed below) totaled £513,676 (2024: £380,422)

Included within staff costs are payments to members of the Chapter under Cathedrals Measure 2021 and Cathedral constitution. 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, Archbishops' Council and the Church of England Pensions Board. No supplement to these scales are paid. These payments are set out as follows:

	Stipend £	Pension contribution £	2025 £
The Very Reverend L P Batson	48,541	9,833	58,374
The Reverend Z Heming	38,204	6,405	44,609
The Reverend R Hulse	37,199	6,405	43,604
	123,944	22,643	146,587

Notes to the financial statements for the year ended 31 December 2025

	Stipend £	Pension contribution £	2024 £
The Reverend Canon P Dobson	23,985	4,753	28,738
The Reverend Canon C Maclaren	9,847	2,026	11,873
The Very Reverend L P Batson	45,837	8,344	54,181
The Reverend Z Heming	11,673	1,984	13,657
The Reverend R Hulse	15,564	3,131	18,695
	106,906	20,238	127,144

None of the other members of Chapter received remuneration for their voluntary work.

9. Related party transactions

The Cathedral received £281,025 (2024: £93,193) in grants from the Newcastle Cathedral Trust. The Cathedral Trust shares some common trustees with the Charity.

Naylors previously operating as Naylors Gavin Black (following the merger of the two firms in 2019) has provided property management services for the Cathedral for a number of years in respect of one of their properties. Mr Gavin Black, a member of chapter, was a partner of Naylors Gavin Black until March 2022 when he retired from the partnership but remained as a consultant . He receives no financial remuneration from the firm. During the financial year ended, the charity purchased services from Naylors totalling £37,748 (2024: £40,892). The transactions were undertaken on normal commercial terms on an arm's-length basis. No balances were outstanding at the current or prior year-end

10 . Properties

	Investment properties		Non – investment properties	
	Cathedral £	Group £	Cathedral £	Group £
As valued at 1 January 2025	-	545,000	2,561,094	2,561,094
Additions	-	-	-	-
Disposals	-	-	-	-
Reclassification of property	358,400	358,400	(358,400)	(358,400)
Revaluation	116,600	(98,400)	-	-
As valued at 31 December 2025	**475,000**	**805,000**	**2,202,694**	**2,202,694**

All properties are freehold and are held as endowment properties except the Cathedral House.

Due to the change in use and subsequent reclassification of the property at Holly Avenue, a desktop valuation was obtained from Brunton Residential based on prevailing market conditions at the reporting date. In addition, the property at 23 Dean Street was subject to a full revaluation during the year, carried out by Sanderson Weatherall. This valuation took into account market value and rent yields in the are

Notes to the financial statements for the year ended 31 December 2025

11 . Other tangible fixed assets

Cathedral and group	Plant and equipment £
Cost:	
At 31 January 2025	474,804
Additions	6,108
Disposals	-
At 31 December 2025	480,912
Depreciation:	
At 1 January 2025	308,921
Provided during the year	53,255
Eliminated on disposal	-
At 31 December 2025	362,176
Net book value 31 December 2025	**118,736**
Net book value 31 December 2024	**165,883**

12. Investments

	Group		Cathedral	
	2025 £	2024 £	2025 £	2024 £
Market value at 1 January 2025	**1,671,514**	1,806,977	**1,126,969**	1,464,968
Additions	**-**	-	**-**	-
Disposals	**(102,047)**	(200,634)	**(102,047)**	(200,634)
Unrealised (losses)/gains on revaluation	**109,182**	65,171	**72,562**	(137,365)
Market Value at 31 December 2025	**1,678,649**	1,671,514	**1,097,484**	1,126,969

13. Stock

	Group		Cathedral	
	2025 £	2024 £	2025 £	2024 £
Retail	**6,126**	6,765	**6,126**	6,765

Notes to the financial statements for the year ended 31 December 2025

14. Debtors

	Group		Cathedral	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	**79,281**	80,818	**79,281**	80,818
Other debtors	**1,209**	-	**1,209**	-
Prepayment and accrued income	**387,596**	487,414	**387,596**	487,414
	468,086	568,232	**468,086**	568,232

15. Creditors – due within one year

	Group		Cathedral	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	**23,625**	21,904	23,625	21,904
Taxation and social security	**14,164**	26,414	14,164	26,414
Accruals and deferred income	**65,871**	85,696	65,871	85,696
Other creditors	**-**	10,869	-	8,742
	103,660	144,883	103,660	142,756

Notes to the financial statements for the year ended 31 December 2025

16. Statement of movement on funds

	As at 1st Jan'25 £	Income £	Expenditure £	Gains / (Losses) Realised £	Gains / (Losses) Unrealised £	Pension Movement £	Transfers £	As at 31st Dec'25 £
Endowment funds								
Cathedral								
General	592,053	-	-	-	37,819	-	-	**629,872**
Property	1,761,094	-	-	-	116,600	-	-	**1,877,694**
Charity funds	2,353,147	-	-	-	154,419	-	-	**2,507,566**
Other connected entities								
Church Lands of St Nicholas	803,008	-	-	-	(197,267)	-	-	**605,741**
Old Parish Room and School	82,744	-	-	-	5,541	-	-	**88,285**
Ancient Charities	13,866	-	-	-	909	-	-	**14,775**
The Stanley Walton Brown Memorial Fund	189,926	-	-	-	12,438	-	-	**202,364**
	1,089,544	-	-	-	(178,379)	-	-	**911,165**
Total endowment funds	**3,442,691**	-	-	-	**(23,960)**	-	-	**3,418,731**

Notes to the financial statements for the year ended 31 December 2025

16. Statement of movement on funds (continued)

	As at			Gains / (Losses)		Pension		As at
	1st Jan'25	Income	Expenditure	Realised	Unrealised	Movement	Transfers	31st Dec'25
Restricted funds	£	£	£	£	£	£	£	£
Cathedral								
Church Commissioners								
Sustainability	406,055	66,894	(148,594)	-	-	-	-	**324,355**
Section 23 grant	-	246,830	(246,830)	-	-	-	-	**-**
Stipends	-	146,587	(146,587)	-	-	-	-	**-**
Charitable Giving								
Lantern Initiative	-	234,232	(64,927)	-	-	-	-	**169,305**
Mission and Ministry								
Mission and Ministry	5,999	-	(242)	-	-	-	-	**5,757**
Fabric:								
Ditchburn Flower Fund	-	11,698	(11,698)	-	-	-	-	**-**
Walton Brown Memorial Fund	-	50,000	-	-	-	-	-	**50,000**
Cathedral House repairs	-	68,779	(68,779)	-	-	-	-	
Music								
Music	-	39,000	(39,000)	-	-	-	-	**-**
Organ Appeal	305,360	7,750	(160,451)	-	-	-	-	**152,659**
Other specified purpose								
Benefact Trust	-	15,803	(5,193)	-	-	-	-	**10,610**
Diocese	-	30,000	(13,334)	-	-	-	-	**16,666**
Volunteers Fund	-	500	-	-	-	-	-	**500**
Charity restricted funds	717,414	918,073	(905,635)	-	-	-	-	**729,852**

Notes to the financial statements for the year ended 31 December 2025

16. Statement of movement on funds (continued)

Restricted funds continued	As at 1st Jan'25 £	Income £	Expenditure £	Gains / (Losses) Realised £	Gains / (Losses) Unrealised £	Pension Movement £	Transfers £	As at 31st Dec'25 £
Other connected entities	-	-	-	-	-	-		-
	-	-	-	-	-	-		-
Total restricted funds	**717,414**	**918,073**	**(905,635)**	**-**	**-**	**-**	**-**	**729,852**
Unrestricted funds								
General funds	1,298,113	575,951	(707,545)	3,952	34,743	-	-	**1,205,214**
	1,298,113	575,951	(707,545)	3,952	34,743	-	-	**1,205,214**
Church Lands of St Nicholas	52,817	34,100	(38,667)	-	-	-	-	**48,250**
Ecclesiastical charity of William Moulton	3,742	3,546	(1,675)	-	-	-	-	**5,613**
Total unrestricted funds	**1,354,672**	**613,597**	**(747,887)**	**3,952**	**34,743**	-	-	**1,259,077**
Total Funds								
Cathedral	4,368,674	1,494,024	(1,613,180)	3,952	189,162	-	-	**4,442,632**
Other connected entities	1,146,103	37,646	(40,342)	-	(178,379)	-	-	**965,028**
	5,514,777	**1,531,670**	**(1,653,522)**	**3,952**	**10,783**	-	-	**5,407,660**

Notes to the financial statements for the year ended 31 December 2025

17. Funds

Unrestricted or general funds are funds that are not subject to any restriction regarding their use and are available for application to the general purposes of the Chapter. Restricted funds are funds that are subject to specific trusts as to how the capital and income may be used, but still within the objects of the Cathedral and Chapter. Endowment funds are restricted funds which represent monies or other assets that have been given with the specific instruction that only the income from them may be spent and that the capital must be retained intact permanently. Details of the various funds are shown below –

Unrestricted funds

Cathedral House Designated Fund

This represents a fund created to collect the surpluses on the letting of Cathedral House, 42/44 Mosley Street.

Cathedral Property Fund

This represents funds from the sale of a property bequeathed to the Cathedral which has been designated for the purpose of maintaining Cathedral properties.

Unrestricted – other connected entities

Church Lands of St Nicholas

These represent the income net of expenditure received by Church Lands of St Nicholas.

Ecclesiastical Charity of William Moulton

These represent the income net of expenditure received by the charity for the purpose of charitable giving to those in need.

Restricted funds

Church Commissioners Clergy Stipends, Section 23 and Sustainability

These represent funds provided by the Church Commissioners for clergy stipends and the upkeep of the Cathedral.

Cathedral Charities

This represents income donated for the specific purpose of onward giving for charitable purpose.

Fabric Fund

This fund represents funding received for Cathedral repairs.

Mission and Ministry

This fund represents funding received for furtherance of the mission and ministry of the Cathedral.

Ditchburn Flower Fund

This represents funding received for the provision of flowers for the Cathedral.

Notes to the financial statements for the year ended 31 December 2025

17. Funds *(continued)*

Walton Brown Memorial Fund

This was originally bequeathed with the instruction that the income should be used for the provision of flowers for the Cathedral. The Cathedral Chapter has obtained an amendment to the Scheme whereby income not required for the provision of flowers is to be used to further the religious and other charitable work of the Church of England within the Cathedral.

Music Fund

This fund represents donations and grants received for Cathedral music.

Organ Appeal

This fund represents donations and grants received for refurbishment of the organ.

Endowment funds

General Endowment Fund

The interest and dividends on the investments of the General Endowment Fund are to be used for the general purposes of the Cathedral and are credited to the General Fund as unrestricted income.

Properties Endowment Fund

The properties endowment fund is established to maintain the value of the Cathedral's properties

Endowment funds – other connected entities

Church Lands of St Nicholas

This represents permanent capital, and the charity scheme of 1972 requires the income to be used to maintain buildings, with the balance of any income to be used for maintenance, repairs and insurance and specified salaries and wages of the Cathedral.

Old Parish Room and School

This represents permanent capital, the income of which is to be used for the spiritual and physical development of the parish.

Ancient Charities

This represents permanent capital, the income of which is to be used for the spiritual and physical development of the parish.

The Stanley Walton Brown Memorial Fund

This represents permanent capital, the income of which is to be used for the spiritual and physical development of the parish.

18. Transfers between funds

Transfers between various endowment funds in the year to 31 December 2024 have been included to reflect the value held by both the Cathedral and Connected Entities more clearly.

Following a review of restricted funds balances in 2024 Chapter agreed to transfer some funds to unrestricted funds as restrictions were no longer applicable.

In 2024 Chapter agreed that the two designated funds, Cathedral House Fund and Cathedral Property Fund were no longer required and balances were therefore transferred to general unrestricted funds.

There have been no transfers in 2025.

Notes to the financial statements for the year ended 31 December 2025

19. Connected entities

Members of Chapter by virtue of their position as such control a number of trusts in their capacity as trustees. Details of these are set out below;

The Church Lands of St Nicholas

This trust at one time owned a number of properties down the West side of Dean Street. Most of these were sold and only two remain – no 23 Dean Street and no 14 St Nicholas Churchyard, which is above no 23 Dean Street. The trustees also hold investments and bank balances at 31 December 2025 with a market value of £323,524. The balance of this fund of £330,000 is held in property. Under the terms of the trust the trustees are to apply the income of the trust to meet the maintenance and other costs of the trust and to apply the remaining income towards the maintenance, repairs and fire insurance costs of the Cathedral and, subject thereto, towards the maintenance of the services of the Cathedral.

The Old Parish Room and School Trust

This trust was constituted in 1936 to hold the proceeds of the sale of the Parish Room and Church of England School in Hanover Square. The trustees held investments and bank balances with a market value of £88,420 at 31 December 2025 of which £88,420 was permanent capital and £nil was accumulated income. The trustees are to apply the income of the trust for such purposes in connection with the religious, educational or other charitable work of the Church of England in the ecclesiastical parish of St Nicholas as the trustees may select.

The Ancient Charities

This is a convenient collective name for a number of ancient charities, where the original documentation is no longer available. They hold investments and bank balances with a market value at 31 December 2025 of £14,798. The income is distributed annually to charities.

The Stanley Walton Brown Memorial Fund

This charity is controlled by members of Chapter. The trustees hold the investments and bank balances with a market value of £202,674 at 31 December 2025. The trustees are to apply the income for the Cathedral flowers or if not required for the flowers, then for general purpose of the Cathedral.

Ecclesiastical Charity of William Moulton

This charity is controlled by members of Chapter. They hold bank balances at 31 December 2025 of £5,613. The funds are to be used for the purpose of charitable giving to those in need.

20. Split of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total 2025
	£	£	£	£
Group				
Investments	286,478	181,134	1,211,037	**1,678,649**
Other fixed assets/properties	918,736	-	2,207,694	**3,126,430**
Net current assets	53,863	548,718	-	**602,581**
	1,259,077	729,852	3,418,731	**5,407,660**

	Unrestricted funds	Restricted funds	Endowment funds	Total 2025
	£	£	£	£
Cathedral				
Investments	286,478	181,134	629,872	**1,097,484**
Other fixed assets/properties	918,736	-	1,877,694	**2,796,430**
Net current assets	-	548,718	-	**548,718**
	1,205,214	729,852	2,507,566	**4,442,632**

Notes to the financial statements for the year ended 31 December 2025

21. Financial performance of the connected entities

The following were connected entities of the charity:

Name of connected entity	Nature of business	Class of shares	% Held Direct
The Church Lands of St Nicholas	Trust holding investments to maintain church buildings	N/A	100
The Ancient Charities	Trust holding monies for a number of ancient charities	N/A	100
The Old Parish Room and School Trust	Trust holding sales proceeds of sale of Parish Room and School	N/A	100
Ecclesiastical charity of William Moulton	Trust holds funds restricted for charitable giving	N/A	100

The financial results of the connected entities were as follows:

The Church Lands of St Nicholas	**2025** £	**2024** £
Income	**43,633**	44,586
Expenditure	**(38,667)**	(96,614)
Revaluations	**(215,000)**	-
Gains/losses on investments	**17,733**	105,925
Profit / (loss) for the year	**(192,301)**	(53,897)
Net assets	**653,524**	845,825
The Ancient Charities		
Net assets	**14,798**	13,866
The Old Parish Room and School Trust		
Net assets	**88,420**	82,744
The Walton Brown Memorial Fund		
Net assets	**202,674**	189,926
Ecclesiastical Charity of William Moulton		
Income	**3,546**	6,822
Expenditure	**(1,675)**	(3,080)
Profit / (loss) for the year	**1,871**	3,742
Net assets	**5,613**	3,742

Notes to the financial statements for the year ended 31 December 2025

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net income / (expenditure) for the year	**(121,852)**	(178,278)
Adjustments for:		
Depreciation	**53,255**	51,370
Income from property and investments	**(160,555)**	(155,229)
Property managers costs	**109,567**	71,443
Investment managers costs	**4,650**	5,067
(Increase) / decrease in stocks	**639**	1,772
(Increase) / decrease in debtors	**100,146**	(25,949)
Increase / decrease in creditors	**(41,223)**	(48,911)
Net cash provided by operating activities	**(55,373)**	(278,715)

23. Analysis of changes in net debt

	At 1 January 2025	Cash flows	Other non-cash changes	At 31 December 2025
	£	£	£	£
Cash at bank and in hand	**139,842**	89,894	-	**229,736**
Cash held with investment managers for reinvestment	**1,330**	963	-	**2,293**
	141,172	90,857	-	**232,029**