

ROCHESTER CATHEDRAL

Witnessing to the love of God

ANNUAL REPORT

And Summary Accounts

2004/5



Rochester Cathedral



**Outward Looking
Forward Thinking**

Into the Unknown

2004 was an extraordinary year for Rochester Cathedral. As a newcomer I want to pay tribute to the inspirational hard work of so many people at the Cathedral as it found itself at the heart of the 1400th Anniversary celebrations for the Diocese. These celebrations set the agenda for last year and re-established the credibility of the Cathedral within the Diocese and the wider community.

Now we have a chance to build on this strong foundation as we look to the future. The Cathedral is a living community and our deep historical roots allow us to face the challenges of modern life with confidence and hope.

A deep and abiding pattern of prayer and worship underlies everything we are about. This emphasis on spirituality is counter-cultural, running against the tide of ever faster lifestyles. It slows us down as people. It connects us with the core of our being and it reminds us that, for all our activity, "unless the Lord builds the house, those who labour, labour in vain".

But this sort of trusting prayer will always inspire action, and the Cathedral is not short of opportunity to contribute significantly to human flourishing in Medway and beyond. Art, Spirituality, Education, Culture, Tourism, Social Outreach, Heritage, Community Development, Environment, Civic Society, Christian faith and formation - these are themes that will develop and grow over the coming years as we continue to look outwards and move forwards.

It is a personal privilege for me to be here at such an exciting time in the development of Rochester Cathedral. As you read this report, I hope you catch a glimpse of something that captivates and inspires you so that our vision for the future is owned and shared by the many people who regard Rochester Cathedral as their spiritual home.

When I arrived as Dean in January, I borrowed a cutting headline from the Daily Mail that questioned the relevance of the Church to the real and pressing issues of our time: **What is the point?** This is a question we must ask ourselves repeatedly as we carve out a vision for the future of Rochester Cathedral. How do we understand our role? What task do we believe God is laying before us?

Six months into my role as Dean I begin to sense the outline of a new and creative future for the Cathedral. In the coming year we must colour this in so that by the time of next year's Report we can present a clearly articulated vision and strategy to inspire us forward. In the meantime we travel in hope and expectation, for the God who draws us forward into the unknown has already got there before us.

Very Revd Adrian Newman
Dean

That Was The Year That Was

2004 saw the Cathedral at the centre of the celebrations marking 1400 years of the Rochester Diocese. What a year it was!

For many people associated with the Cathedral, the Pilgrimage to Rome - culminating in an audience with the Pope - will stay with them for ever. At the end of the Pilgrimage the return to Rochester was celebrated in style with a Service attended by Prince Charles and the Archbishop of Canterbury.

The rest of the year has been marked by an extraordinary number of significant highlights. The Cathedral has hosted a specially commissioned Jazz Mass. It has seen the Dedication of the new fresco. It has witnessed a play to mark the 1400th anniversary - *The Flight of Angels and Sparrows*. It hosted an exhibition in the Crypt. It has seen a vast concert in the Castle Gardens. There have been high-quality concerts too numerous to mention, along with Schools' Festivals, Awards Ceremonies, Ordination Services and a stunning Midnight Mass at Christmas. Over 70 special events were held in the cathedral over the course of the year.

Alongside all of these "specials", the core work of the Cathedral continued throughout the year. First and foremost this was evident in worship. On average 500 (adults and children) each week attended the regular daily pattern of Mattins, Eucharist and Evensong in the Cathedral. Altogether over 50,000 people attended services in the Cathedral throughout 2004 and a further 10,000 came to events, concerts and plays. All of this bears out the National research published by ECOTEC at the end of 2004, revealing growing attendances at UK Cathedrals.

The choral tradition continues to flourish with four choirs resourcing a wide variety of services. Amidst many high-profile big events this year, it remains a wonderful truth that the musicians continue to offer their best to God even on those low-profile occasions when there are very few gathered for worship.

Throughout the year over 60,000 visitors came to enjoy the Cathedral as we engaged with the Rochester Festivals and played host to a wide variety of community groups and activities. A jam-packed Cathedral diary bears witness to this special "Peoples' Cathedral". We remain open every day, a gift provided totally free to the citizens of Medway and beyond.

It was another successful year for the Education Department. Once again Rochester Cathedral punched well above its weight in terms of School visits - over 17,000 of them throughout the year, or 5% of the number of school children visiting a UK cathedral.

The close relationship with King's School continued to play an important role in the life of the Cathedral, with daily mid-week services in term time. The School supplies the choristers for the boys' choir and regularly holds major events and concerts in the Cathedral.

Behind the scenes, important things have been happening too. The Cathedral continued along the path of financial recovery, and an excellent Conservation Plan was published which sets a base-line for managing improvements to the property portfolio. As part of the rationalisation of our estate to secure and maximise our future funding, the sale of the previous Deanery to King's School was arranged, the Archdeaconry was sold to the Diocese, and Priors Gate House was refurbished as the new Deanery, incorporating a major repair of the collapsed medieval wall.

Towards the end of 2004 the Chapter commissioned a fund-raising campaign with a target of £10m. This campaign goes public at the end of September 2005 and is intended to provide the platform for an outward looking approach to the Cathedral's future.

The Chapter did a terrific job last year during a period marked by huge demands and the absence of a Dean. Our grateful thanks go to the 3 outgoing members of Chapter – Canon Anne Dyer who was appointed Warden of Cranmer Hall, Canon Jonathan Meyrick who was made Dean of Exeter, and Dr Ian Walker who completed 3 years as a non-residentiary.

We welcomed Catherine Staziker on to the Chapter, who has subsequently made a terrific contribution as Acting Administrator prior to considering the long-term future of this post later this year.



Back to the Future

Cathedrals were built to last so they always look forward to a future as yet unseen.

The coming year will set in place a number of crucial buildings blocks from which a coherent strategy will be fashioned.

We will clarify our vision and seek ways of communicating it clearly to all those who are closely associated with the Cathedral.

We will review our management of key resources - people, money and buildings. This will be done in order to liberate the energy of the Cathedral outwards.

The Personnel review will cover pay and conditions of service for all our staff, documentation, health and safety, and an independently commissioned review of administration.

The Finance review will cover policies and procedures, investments and future strategy.

The Estates review will build on the Quinquennial Report and the Conservation Plan. It will be facilitated by independently commissioned reports on Access, a "mini-plan" review of the appropriate configuration for an efficient use of our buildings, and an Options Paper for the refurbishment of Minor Canon Row.

Rochester has also been selected as one of two cathedrals to pilot a "Heritage Partnership Agreement" based on the National Heritage Review - aimed at streamlining the system of permissions and consents necessary for alterations and improvements within the Precinct.

Chapter will be considering a new Worship and Music Policy and thinking about appropriate patterns for Sunday and mid-week services.

Two new appointments have been announced as Residentiary Canons: Canon Jean Kerr and Canon Philip Hesketh are both installed on the 3rd October as Canon Missioner and Canon Pastor, respectively. Their arrival in the Autumn provides the springboard to develop exciting new work in the areas of Evangelism, Social Responsibility, Christian Formation and Adult Education.

We will also be developing an Interpretation Project later in the year, exploring the potential for a joint Interpretation Centre with the Castle that would significantly improve our facilities for Education and Visits. Alongside this, plans for the development of a Treasury display facility will be pursued.

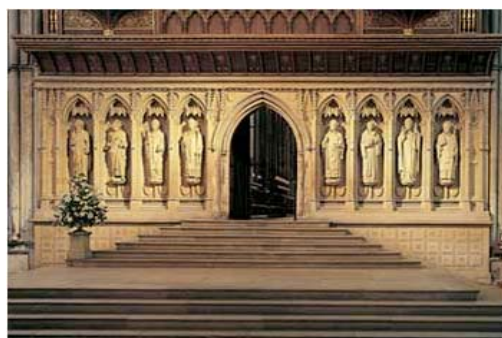
At the same time all other aspects of interpretation will be reviewed - publicity, marketing, brochures, literature, notice boards, signage, display, exhibition, gallery and the development of a new pilgrimage trail to encourage spiritual discoveries on a journey round the cathedral.

A partnership with the Kent Institute of Art and Design will lead to the launch of a new Website at the end of the summer and the production of a digital photographic library by the Spring.

The role of the Cathedral as "Mother Church" and the seat of the Bishop is being addressed as we look at our commitment to the Diocese. We aim to build on our existing role as a venue for major Diocesan events and as the base for residentiary clergy with significant ministerial roles across the Diocese.

The fund-raising campaign will move into an intensive phase in the coming year as we look to fund future plans around interpretation, education, music and conservation.

We will fill our outstanding non-residentiary place on Chapter later this year. With a full complement of Chapter members for the first time in many years and a shared vision to work with an outward looking, forward thinking agenda, Rochester Cathedral is well placed to face the coming year with hope and optimism.



Rochester Cathedral – Key Relationships and Partnerships

Mission statement

The mission of Rochester Cathedral is to witness to the love of God in Jesus Christ through its art and architecture, its worship and music, its welcoming openness to pilgrims, visitors and its local communities; and in particular to serve the Bishop and Diocese of Rochester.

The Chapter

The Chapter consists of the Dean, 4 Residentiary Canons (2 full-time, 2 Diocesan appointments offering 20% of their time to the Cathedral) and 3 non-Residentiary members recruited for their skills and expertise in specific areas of the cathedral's life. It is responsible for leadership, policy, and strategy. It provides the vision from which all the activity of the cathedral flows.

Administration

Each member of Chapter holds specific responsibility for a particular portfolio within the cathedral's life – mission and social responsibility, pastoral care and spiritual development, liturgy and music, education and visits, finance, personnel, estates and patronage. These departments are supported by committees drawing on expertise in the wider community, administrative teams, and an Administrator with overall responsibility for cathedral support services and resources.

Staffing and Volunteers

The cathedral employs staff to deliver its objectives – vergers, musicians, gardeners, education and visits officers, cleaners, caterers, shop workers, accountants, book-keepers, fundraisers and administrative support workers. In addition, over 200 volunteers provide invaluable support without which the cathedral could not function properly – stewards, welcomers, guides, chaplains, educationalists, embroiderers, sewers, retail and catering volunteers, musicians, flower arrangers, pastoral visitors, events organisers, brass polishers, choir helpers, servers, readers, intercessors, bell-ringers, cash-counters, committee volunteers, and many more besides.

The Cathedral Council

The Council is an advisory and consultative body, established to support the work of the Chapter and to ensure accountability to the wider community and Diocese. It provides a sounding board and guidance for Chapter as well as offering an informal 'watchdog' role to ensure that the cathedral fulfils its legal responsibilities. It also has a formal executive role if any amendments to the Cathedral's Constitution and Statutes should be proposed.

The College of Canons

The College consists of senior clergy from across the Diocese, and includes a number of lay and ecumenical canons. Its role is to ensure that the cathedral is open to informed opinions, observations and comment from across Medway, the Diocese and Kent.

The Bishop

The cathedral is the formal 'seat' of the Bishop of Rochester, and he is the official Visitor. The Bishop is a valued friend and advisor to the cathedral, which in turn seeks to support the Bishop's work of leading the Diocese in mission and ministry.

The Cathedral Forum

This is a quarterly meeting open to all members of the cathedral congregational community. It has no statutory powers but allows for open discussion of any issue of interest within the congregation.

The Fabric Advisory Committee

This committee is responsible for ensuring that any work to the fabric of the cathedral is done with proper regard to due and legal process. It includes the Cathedral Architect, consultant Archaeologist, and other experts in the conservation and repair of historic buildings.

Friends of Rochester Cathedral

The Friends is an independent network of people with an interest in the built heritage environment in general and Rochester Cathedral in particular. They have a membership of 885. They provide substantial and welcome financial support for the pressing work necessary on the fabric of the cathedral.

Rochester Cathedral Trust

The Trust is an independent body set up to receive money raised from appeals made on the cathedral's behalf and to make grants in accordance with the terms of the Trust Deed to support the development of the cathedral. The Trustees are drawn from across the region.

Rochester Cathedral Enterprises Ltd

The Chapter constitute the Board of Directors of RCE Ltd, an independent company set up to run the Cathedral Shop and Tea Rooms. Profits from the company are covenanted across to the cathedral as they become available.

Kings School Rochester

The King's School plays an important role in the life of the Cathedral, supplying the choristers for the boys' choir and regularly holding major events and concerts in the Cathedral. All Cathedral Residentiary Canons are Governors of the School, and the Dean is ex officio Chair of Governors.



Legal and Administrative Information

Governing Statute

Rochester Cathedral Constitution and Statutes dated 8 September 2000.

Chapter

Members of Chapter during the year to 31 March 2005 were as follows:

Dean: Very Revd Adrian Newman (from 15 January)

Canon Precentor: Canon Ralph Godsall

Canon Pastor: Canon Jonathan Meyrick (Acting Dean – until 15 January)

Archdeacon: Ven Peter Lock

Bishop's Appointee: Canon Anne Dyer (until December 2004)

Bishop's Appointee: Christopher Shepherd

Bishop's Appointee: Dr Ian Walker (until June 2004)

Bishop's Appointee: Ms Catherine Staziker (from July 2004)

Bankers:

Lloyds TSB Bank plc
142-146 High Street
Chatham, Kent ME4 4DQ

Bank of Scotland
600 Gorgie Road,
Edinburgh EH11 3XP

Solicitors:

Winch & Winch
5 New Road Avenue
Chatham, Kent ME4 6AR

Auditors:

Crossley & Co
The Precinct
Cathedral Close
Rochester, Kent ME1 1SZ

Stockbrokers:

Morgan Stanley Quilter
St Helen's
1 Undershaft
London EC3A 8BB

Carr Sheppards Crosthwaite Ltd
2 Gresham Street
London EC2V 7QN

Estate Advisors:

Harrisons
Oasis House
Ambley Green
Gillingham Business Park
Kent ME8 0NJ

Summary Financial Information

For the year ended 31 March 2005

	<u>2005</u>	<u>2004</u>					
Operational Income & Expenditure (£)							
Total income	640,346	626,478					
Expenditure by department							
Total Worship	268,155	222,677					
Total Property	78,550	89,350					
Total Education	61,933	60,875					
Total Administration	230,013	190,872					
Total Fundraising	79,805	0					
	<u>718,456</u>	<u>563,774</u>					
Operational Surplus / (Deficit)	(78,110)	62,704					
Cathedral Projects							
Total Income	11,110	56,706					
Total Costs	(295,433)	(139,835)					
Net Costs	(284,323)	(83,129)					
Total Cathedral Income	651,456	683,184					
Total Cathedral Costs	1,013,889	703,609					
Net outgoing resources (Deficit)	(362,433)	(20,425)					
Gains on revaluation and disposal of assets							
Property	3,330,593	10,302,039					
Investments	57,799	85,972					
Total gains	<u>3,388,392</u>	<u>10,388,011</u>					
Increase in funds for the year	3,025,959	10,367,586					
Balance Sheet							
As at 31 March 2005							
	Endowment Fund	Restricted Funds		Earmarked Fund	Unrestricted Fund	Total 2005	Total 2004
		Fabric	Others				
Property	19,080,851	-	-	-	-	19,080,851	16,048,920
Investments	373,471	408,645	-	-	-	782,116	718,898
Plant & Equipment	11,966	-	-	-	-	11,966	5,722
Cash at bank	289,027	52,690	-	-	-	341,717	129,871
Other net assets /(liabilities)	691,668	6,486	-	-	-	698,154	985,434
Due (to)/ from other funds	738,859	265,483	82,266	25,772	(1,112,380)	-	-
Cathedral Funds	21,185,842	733,304	82,266	25,772	(1,112,380)	20,914,804	17,888,845

The Finance Report

Results

The core activities of the Cathedral continue to be well controlled and produced a surplus of £36,414 in 2004/05.

From this surplus were then deducted the costs of fundraising for the Campaign (£79,805) and the transfer of redundant assets from Rochester Cathedral Enterprises Ltd. (£34,719). This produced a deficit of £78,110. The Campaign running costs should be recouped during the coming year and the writing-off of the RCE Ltd assets has provided the trading company with a more realistic balance sheet.

Income for the year included an increase of £13k in the grant from the Church Commissioners. School visits produced an extra £5k last year but offertory box donations fell by £3k. Administration expenditure reflected the cost of filling the Administrator's post.

Cathedral Projects during the year included the completion of the Fresco (£30k) the restoration of the Lady Henniker Monument (£7k funded by the Friends of Rochester Cathedral) and the conversion of Priors Gate House into the new Deanery (£242k). The conversion of Priors Gate House will be funded from the sale of the former Deanery and this will be reflected in the 2005/06 accounts.

Property and Investments

An improving stock market added £58k (8%) to the capital value of our investments.

The Dean and Chapter properties are included in the balance sheet at 100% of their insurance valuation. The sale in October 2004 to the Diocese of 80% equity in the Archdeaconry provided a revaluation gain of £50k and the sale of the former Deanery, although not completed until the current year, produced a revaluation of £333k and is shown in these accounts. The £2,315k insurance valuation of the College (which houses the Refectory, residential accommodation and classrooms) has now been reflected in the accounts.

Balance Sheet

The £289k Endowment Fund cash held at 31/03/05 reflects the deposit received for the sale of the former Deanery. Whilst held in a high interest account, this increased the creditors figure by £250k.

The General Fund has funded several Cathedral projects. In some cases, eg the Conservation Plan (£18k) this represents the balance after the receipt of outside funding.

The PGH conversion (£250k) will be funded from the receipt in the current year and the balance of the Fresco project (£124K) will be funded from the sale of investments. Transfers between the funds will be made in next year's balance sheet to reflect this. Similarly, the £82k (£80k Campaign) of earmarked schemes funded by the General Fund in 2004/05 will be transferred when the matching income is received.

Summarised Accounts

These summarised accounts are not the statutory accounts but a summary of information relating to both the statement of financial activities and the balance sheet. The full financial statements from which this summary is derived have received an unqualified opinion from the Cathedral's auditors, Crossley and Co. These summarised accounts do not contain sufficient information to allow a full understanding of the financial affairs of the Cathedral. The full financial statements were approved by the Chapter on 20 September 2005 and will be delivered to the Church Commissioners for England.

The full financial statements may be obtained from:

The Chapter Office
Garth House
The Precinct
Rochester
Kent ME1 1SX

Independent Auditors' Statement to the Dean and Chapter of Rochester

We have examined the summary Financial Statement of the Dean and Chapter set out in page 10 and 11.

Respective responsibilities of the Dean and Chapter and auditors

The Dean and Chapter are responsible for preparing the summarised annual report in accordance with applicable law. Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the summarised annual report with the full annual accounts. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the summary financial statement.

Basis of Opinion

We conducted our work in accordance with Bulletin 1999/6 "The auditors' statement on the summary financial statement" issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In our opinion the summary financial statement is consistent with the full financial statements for the year ended 31 March 2005.

Crossley & Co
Chartered Accountants & Registered Auditors
The Precinct
Cathedral Close
Rochester
Kent ME1 1SZ
20 September 2005

Rochester Cathedral Contact Details

Cathedral Offices
Garth House
The Precinct
Rochester
ME1 1SX
01634 843366

Website:
www.rochestercathedral.org

