

Rochester CATHEDRAL

Nurturing the radical hope
of human flourishing
in Jesus Christ



ANNUAL REPORT
and Financial Summary
2009/10

Rochester Cathedral Annual Reports and Statutory Accounts

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1 Introduction

Annual reports from across every sector in the United Kingdom will make fascinating reading for the year just gone. In a year of recession how can we make things sound better than they really are? But fortunately the Church of England has years of experience of talking itself up against a background of falling numbers, so we should have a headstart in this particular field!

But I genuinely don't have to exaggerate the achievements of this past 12 months. Despite all the gloomy economic indicators, Rochester Cathedral has had a good year.

What were the highlights? Top of the list would have to be the launch of the Interpretation Project after years of blood, sweat and tears - a suite of interpretive media that transforms the experience of visiting the cathedral. Other highly visible things would include the refurbishment of Minor Canon Row and the stunning new chairs in the nave. And although there has been a lot of scaffolding about throughout the year, it's all for a good cause - very soon we will see the wonderful new glazed entrances, the swish refurbished toilets, a glorious new memorial for the Royal Engineers, and the renewal of the Treasury roof.

Bricks and mortar are only a small part of what makes the Cathedral hum, and the year also gave us a number of champagne moments that revolved around people. The outreach work developed in a moving way, drawing in a number of Special Schools, including adults and children with special needs, and the chorister outreach project continued to delight all those it touched.

After a couple of years with an inward-looking focus, it was important to look outwards. Alongside the music and education outreach work we supported a project in Gudalur in South India, raising over £20,000 to build a new building in the village which will act as a school, a community centre and a church. At a local level the Cathedral got involved in Open Christmas, providing clothing and food for the homeless in Rochester, a project which has now extended into every Saturday.

Alongside the regular life of the Cathedral, with its heartbeat of prayer and worship, hospitality and welcome, we have said sad goodbyes to Peter and Sue Lock, and fond hellos to Simon and Julia Burton-Jones. And as we wait to welcome a new Bishop to Rochester after Bishop Michael Nazir-Ali's 16 years of leadership in the Diocese, the Cathedral is in good heart. Recession or no recession.

***The Very Reverend Adrian Newman
Dean of Rochester***

2 Overview of Main Activities

2.1 Liturgy And Music

In worship our principal role is to honour and please God, whilst at the same time being committed to the nurturing of the radical hope of human flourishing in Jesus Christ. Our work as a department takes up the tradition entrusted to us in liturgy and music, and presents us with the challenge to develop it as a living inspiration to the Diocese and world. Within the intense scheduling of the Church's year, we have endeavoured to use the riches of *Common Worship* alongside the offering of the *Book of Common Prayer*. This provides an immense and rich variety in the Cathedral services that reflect the seasons and the spiritual challenges of the present moment. A team of musicians, vergers, servers, embroiderers and office staff along with the Cathedral clergy are engaged in this way of life and alongside the daily, weekly and annual rhythms there are special services of welcome, farewell, celebration and dedication. The past year has seen these range from Charity Evensongs and outside radio broadcasts to British Armed Forces and Veterans' Day, the farewell service of Bishop Michael Nazir-Ali, the retirement of Peter Lock as Archdeacon of Rochester and Residentiary Canon and the Installation of Simon Burton-Jones as his successor.

Within the services, there is the opportunity to welcome new insights and ways of developing worship. At present we are piloting the *Pillar Lectionary* – a stand-alone set of readings devised to provide accessible and related passages of scripture for those who are merely visiting. We use this from Monday to Saturday at Evensong. We are also piloting two Additional Eucharistic Prayers for use when a significant number of children are present: these are prayed at the All-Age Cathedral Eucharist and questionnaires will be distributed to gain feedback. This work benefits us, as well as the Liturgical Commission and its *Transforming Worship* project from whence it comes. Experiment is indeed important and the department is committed to try out new ways of offering the liturgy, some of which take us back to our roots as well as trying to learn a new language which resonates with the contemporary.

The daily worship in the Cathedral continues to be very much at the heart of, and the priority of, the Liturgy and Music Department. It is the care taken in the daily offerings that makes us what we are and not the great Cathedral occasions. The day to day worship goes by with little comment, but do remember that every day we offer prayer and praise on behalf of the cathedral community, the people of Medway and the Diocese of Rochester whether they know about it or not. That being said there are obvious highlights in our work which should be mentioned.

During this last year the Cathedral Choir has been involved in a number of high profile radio broadcasts: BBC Radio Kent Carol Service and the Classic FM Christmas Concert featured the Full Cathedral Choir of boys, girls and men and a Choral Evensong broadcast for BBC Radio 3, the boys and men. The Classic FM broadcast even prompted a letter from the composer Bob Chilcott, whose music we featured, who was highly complimentary about the singing of the choir.



The full Cathedral Choir also recorded a CD of favourite anthems, "Sing Alleluia", in June which was launched on Advent Sunday. We are proud of the singing on this disc and pleased that it has sold well and seems to be popular with our visitors.

Concerts have proved to be a feature in the lives of our boy choristers, who within the last year have given two sponsored instrumental concerts and also a choral concert at Morden College (a long-standing charity which has been providing residential care in Blackheath for over 300 years). This concert has now become an annual event as a mark of gratitude to the College for assisting two of our Choristers in the cost of their schooling. Unfortunately, the girl choristers' Sponsored Concert which should have been held in January had to be cancelled because of the particularly inclement weather, but they did give an excellent concert at St Luke's Church, Sevenoaks, in October and they also sang a stunning Evensong at Westminster Abbey last July.

Recruitment of choristers is always a high priority and it is especially pleasing to report that there were seventeen boy choristers this year (out of a maximum of eighteen) and that we will actually reach the magic number of eighteen from September 2010. The Cathedral contributes towards scholarships for the boy choristers who attend the school. There were sixteen girl choristers and we are actively exploring ways to fill the two vacancies in 2010/11. The cathedral provides bursaries for all girl choristers. The pool of Deputy Lay Clerks continues to attract excellent singers from all over Kent and London and we were able to appoint another excellent Bass Choral Scholar, David Hansford, to join Tim Hill and Sam Corkin who have stayed with us for a further year.

Links with King's School music continue to strengthen – their new Director of Music, Douglas McIlwraith, is an enthusiastic and frequent member of the Lay Clerk team and we in turn are more and more involved in school musical projects. The boy choristers sing regularly each term at Preparatory School services and the recent school concert saw all three of our Choral Scholars involved and singing solos as well as the Director of Music at both organ and harpsichord.

In June last year we welcomed our musician friends from St George's Cathedral, Chennai - Leslie, Sam and Cleona. During their stay they, amongst other things, spent a significant amount of time observing the choir in rehearsal and service, having vocal or organ lessons, learning about organ building, music and liturgy. It was a real joy to have them with us.



The Chorister Outreach Project continued apace and reached somewhere in the region of 1200 children. Suzzie Vango, our charismatic animateur, has been joined by Michael Jamieson Smith (our excellent chorister vocal coach) and Matthew Jelf (who first joined us as Bass Choral Scholar last year) and together they make a formidable team offering 10 workshops per school as well as leading a "cluster day" based on vocal technique, which involves the choristers and a final exciting concert involving choristers, lay clerks and instrumentalists.

The Voluntary Choir has continued to sing its share of the services providing a different sound and repertoire from that of the Cathedral Choir. In August they had a successful tour across several venues in Germany.

Cathedral congregations, both on Sundays and during the week, continue to grow steadily. The comparative figures for 2007 to 2009 are as follows:

	2007	2008	2009
Cathedral Community Roll	469	472	509
Easter communicants	561	558	665
Easter attendance	808	815	913
Christmas communicants	918	1 389	875
Christmas Eve and Christmas Day	2 923	2 739	2 311
Baptisms	24	34	13

The lower Christmas congregations this year were largely due to inclement weather.

Amidst the regular daily rhythm of worship offered by the Cathedral and King's School there were another 104 special services and events throughout the year. Many of these one-off services were particularly demanding in terms of organisation, set-up and logistics. The burden of these tasks and the detail of planning and execution falls to a relatively small but highly skilled and dedicated team of voluntary and paid staff. Our gratitude goes to our exceptional team of volunteers and Vergers.

2.2 Education

This was an unusual and difficult year with the Senior Education Officer, Liz Simmons, on long-term sick leave. Four existing education volunteers were given casual contracts occasionally taking on extra duties where needed. The support and commitment of Education Volunteers throughout this period has been outstanding.

At the end of July the departmental office moved to Garth House. The move greatly assisted in team development across the department and wider organisation although it meant paying casual staff to cover the lunch rooms.

A close working relationship with staff on the reception desk was developed; their role in supporting departmental work being vital.

Several training courses and conferences on general and interpretation project related issues were attended including the Cathedrals Plus annual conference in Coventry, Education Officers' meetings, and courses run by Renaissance South East and The Museums' Association on working with minority and hard-to-reach audiences.

School visits

2009-10 saw 15,813 children visit bringing with them approximately 2,586 adults. This figure includes children and adults visiting as part of our family activities and uniformed group sessions. The total is a drop of 1,000 students on last year's figures, but still 1,000 above 2007-08. This drop can be attributed to several factors – reduced numbers visiting with our regular schools and cancellations as a result of the recession, snow causing schools to cancel and the postponement of our Brownie Badge Day, a very crowded cathedral diary (including closures during installation of new interpretation materials and additional events bookings during summer term 2009). It is worth noting that 2008-09 figures included the anomaly of two MASH festivals plus over 200 children attending the Classics for Kids event.

We continued to evaluate and improve on all of our workshops and activities in response to curriculum changes and visitor feedback. As usual our Creation Disco Days were oversubscribed.

We held an additional day for a school which brought its entire junior department. Regular customers continue to rebook and many new schools are contacting us as a result of our new HLF-funded newsletter and the recently-improved website pages.

Education Development post

In Liz's absence, Alf Philpott and Pam Alexander have assisted with the development and delivery of the Education aspects of the Interpretation Project. Sustainability of new initiatives has been to the fore of planning. Special Needs Groups – The Open Door Pass, handling collection and multisensory mini-tours are now all in operation and proving to be popular. Abbey Court Primary trialled phase 1 of our dance project helping children explore spirituality and space through dance. Author, trainer and special needs teacher, Keith Park, now regularly visits to deliver "Bible Stories in Cockney Rhyming Slang" sessions for special schools. Keith also delivered a workshop on working with special needs children to volunteers and staff.



Uniformed Groups – A two-year cycle of uniformed group events has been developed. Our Cub evening in October was oversubscribed. Snow caused the cancellation of a Brownie day in January and unfortunately no suitable date in the 2010 diary could be found to reschedule the event.

'Our Medway 2012' – Working with the LEA and partners across Medway, workshops have been delivered to local primary schools. Pupils and adults visiting the Cathedral as part of the project will be given discount vouchers for Family Audio Tours.



Family Activities – Holiday drop-ins are now well established. Photo-trails continue to be very popular with casual visitors. The Family Fun Day held in February attracted over 500 visitors, feedback was excellent. Eggie, our new mascot joined in with all the activities including morris dancing and parachute games.

Volunteer Training – A programme of regular meetings and training was established with volunteers contributing to the planning and evaluation of new and existing workshops. Day Leaders were invited to attend some training sessions alongside Education Volunteers.

2.3 Interpretation Project: Ancient Stones, Untold Stories

2009 saw great changes in the visits offering at the Cathedral. The long anticipated Interpretation Project, "Ancient Stones, Untold Stories", took shape and was 'soft' launched in June with the introduction of the new Welcome Desk, the general audio tour and the general leaflet.



The remaining elements were finalised and installed over the summer months and on the 26th September the formal launch took place with a day of celebration and a specially written play by local author Alis Hawkins; she added a further, vibrant and dramatic layer of interpretation with a series of short vignettes. Performed by actors from local groups, each was staged in a different area of the building and the audience's journey was, truly, a magical trip through time. It was a great start to an innovative project which benefits our visitors with three different audio tours, a vibrant range of audio-visuals projected directly on to the walls of the Cathedral, and a range of new literature and interpretative signage.

Feedback on the quality of the interpretation was overwhelmingly positive and came from visitors, press, tourism partners and fellow cathedrals. As with any major project there are teething problems but these are being addressed as we work with the new arrangements.

Alongside the permanent range of interpretation an ongoing plan of audience development and engagement began. 2009's major activity was a Tudor festival beginning with an entertaining and engaging re-enactment of Henry VIII's first encounter with wife number four, Anne of Cleves. This continued with a day of free Tudor dancing in the splendour of the de-chaired Nave. The events were supported by Medway Council who financed the re-enactors and the production of 5000 leaflets. These were distributed to publicise the events at various sites across Medway and at the annual 'Medway Mile' race. Throughout the month the Cathedral Tea Rooms produced a series of Tudor-themed dishes and these, combined with an exhibition curated by a recent graduate in History of Art from Sussex University, provided great breadth to the Tudor offering. Over 700 visitors came through our doors on the day of the main events (re-enactment and Tudor Dancing) alone. It was a great collaboration and kicked off a series of events designed to increase the profile of the Cathedral to the wider Rochester community.



Visits were, by and large, up on the previous year, with more guided tours pre-booked already for 2010/11 than were taken in the whole of 2009/10. January was difficult due to the snow but we were pleased to find that the audio guides were popular with groups especially, though sales were much lower than anticipated. This, however, started to provide a partial solution to the perennial problem of un-booked overseas parties.

In March 2010 we were fortunate to house for three weeks 'Mother' – a series of photographic studies of important and sometimes controversial women throughout history. It was pertinent to its setting in the Lady Chapel, not only because its creator, Professor Vaughan Grylls, is a Lay

Member of Chapter and Founding Executive Director of the University of the Creative Arts, but because it was our own pulpitum screen that inspired it into being. A challenging and thought-provoking exhibition, it caught the media's attention and a prime time slot on BBC Southeast news, as well as wide press coverage, bolstered numbers and raised our profile.



Additionally the Cathedral's artistic heritage has been re-invigorated with a group of local artists, all retired and registered blind, who form a Medway Art Group in association with Kent Association of the Blind. Initially we were simply providing a space for inspiration but the project has grown and now encompasses an element of performance and opera.

2.4 Sunday Club (children's work)

Sunday Club had another exciting year. The Club continued to thrive, with several new members swelling numbers to over 80. Children are divided into three groups, Seekers, Discoverers and Frogs and although many activities happen all together, main teaching happens in the different age groups. This year the leaders voted for a change and so the Club has been using new teaching material, "Light" by Scripture Union. As well as the regular Sunday sessions, with its usual mix of games, crafts, songs and teaching, a wide variety of activities have happened over the year. Some highlights include:

- The Exploring Holy Communion Course in 2009 which had 6 participants, of whom 5 went on to take Holy Communion in July 2009.
- A group of over 20 children and young people who attended the Diocesan Children's Festival "Angelfest" in June 2010.
- Pentecost celebrated with cake and kite flying in the Castle garden.
- A summer picnic on the Esplanade enjoyed by those who made it.
- A successful cake sale in the Autumn term to raise money for Bibles, new material and equipment; this was well supported by the Cathedral congregation and sparked further help with fundraising. As a consequence, the club now has 25 Good News Bibles, a new sound system and other equipment and materials.
- The writing and filming of a modern day nativity by the Frogs, entitled "A Frogensian Christmas Tale". The film premier was for Frogs and special invited guests only, with the first public showing being a charity event, with money raised going towards the India project. Our thanks go to local restaurant, Simply Italian, for their support, in the shape of an ample supply of pizzas.



- The annual Christmas Party with a new young entertainer who did juggling and magic
- The Nativity Play, with its cast of over 30, performed by the younger children, at the Blessing of the Crib service, following evensong on Christmas Eve.
- “The Gundulf code”- a mystery suspense thriller evening for Frogs joined by St Stephens youth group, held in the Cathedral and attended by over 40 young people .

- A group of 10 or so youngsters piled into Sugina’s kitchen for annual pancake making and eating, which marks the start of Lent.
- A games morning for all the children, with the opportunity to get to know each other and have fun together.
- A special Palm Sunday Stations of the Cross for children, held in Kings Orchard followed by donkey rides and hot cross buns.
- A Good Friday Workshop, with games, songs, crafts and fun, centred around the Holy week story. This last event was open to children from a local school as well as the Cathedral Sunday Club, and was attended by 20 young people.
- A special Easter Sunday Junior Worship for children, followed by an Easter egg hunt in the Garth, attended by well over 70 children.
- Junior Worship continues to happen on a bi-monthly basis, in the Ithamar Chapel. This is a relaxed, informal service for children and young people, accompanied by a music group and led by talented preachers including Rev Diane Rees, Rev Justine Allain Chapman, Canon Philip Hesketh and Captain Graham Nunn (Church Army).

As you can see, an immense amount goes on, as well as the regular Sunday activities, and none of this could happen without the dedication, skills and enthusiasm of the Sunday Club staff team – many, many thanks to all. Grateful thanks also go to Lisa Parish, for her invaluable administrative support and to those who have fund raised and made donations. As well as joy of equipment and materials, the boost in funds has made so much more possible.



2.5 Work with Adults

The nurture and growth of adults within the Cathedral community continues through a number of home groups and the Cathedral reading group. A weekly lent course was based on material from this year’s York Course and four study evenings in Church History were arranged for members of the post-confirmation network. The Canon Pastor continues to support and work closely with the Canon Theologian in organising events for the Rochester Theological Society. He also helps co-

ordinate a reading group for clergy under Continuing Ministerial Education. One of the highlights of the year was the Darwin Lecture at which Professor Michael Reiss was the speaker. This event, held in the cathedral quire, was extremely well attended and interest was voiced as to future events of this nature.

The Candlelit Pilgrimages continue to be very popular with parish groups and outside bodies, such as Kenwood. These are greatly appreciated and provide a valuable part of the cathedral's outreach and support programme for parishes in the diocese. To ease pressure on the cathedral diary they have been limited to two pilgrimages a month. Thought has been given as to how the reflective audio tour might be offered to parishes in providing a quiet day or self-guided retreat.

Five teenagers and seven adults were confirmed at the Easter Vigil. Two adults also came to confirmation through their involvement with the Exploring Holy Communion course.

2.6 Cathedral Volunteers

Great progress has been made in the revision and consolidation of our Volunteer recruitment, training and better procedures for supporting them. Over the early part of the year open days were held, a more formal induction process was put together and a new handbook written and, by the interpretation soft launch in June, some 26 new Welcomers had joined the team. The existing body of Welcomers greeted them warmly and, along with 15 more new starters in December, we now have a strong and dedicated team of around 70. The Welcomers have seen the majority of the changes on the Cathedral floor through with grace, patience and good humour. We are grateful to them for this and their support as we know that at times the last year has not always been easy! A few volunteers have stood down this year after many years of loyal service.

In the Autumn of 09 feedback from the Welcomers was taken on board and a new system of Day Leaders was trialled. This provides each rostered day of Welcomers with a direct point of contact and co-ordination in the form of a fellow Welcomer and the Day Leaders meet quarterly with Cathedral Staff to feedback, update and debrief. It was a successful strategy and has now been adopted formally.

Whilst the Welcomers are the largest team of volunteers, the Cathedral has 333 volunteers in total, helping with education, stewarding, brass cleaning, flowers, bell ringing, serving, guiding, pastoral care, the girls' and boys' choirs, finance, tea rooms and many other tasks as well as chaplains and priest vicars.

Planning for, training and co-ordinating so many volunteers is always a challenge but we are slowly becoming more organised. The willingness of so many to give freely of their time and enthusiasm plays a significant part in the life and ministry of the Cathedral.

2.7 Cathedral Prayer Group

The prayer group continued to meet in the library for informal prayer. Although numbers are now quite small the spirit is very strong. The Revd Stuart Aitkin, a priest vicar, now co-coordinates the group.

2.8 Charity Evensongs

The numbers of Charity Evensongs were reduced this year due to the amount of building work taking place in the Cathedral and also to ease the increasing pressure on the Cathedral diary. In addition to the Cathedral's regular charity giving programme special evensongs were held for Macmillan, Emmaus and Kent Association of Charities (which covers five local Kent charities). The Church Army was also supported and, in particular, the ministry of Captain Graham Nunn who preached at a morning service. Donations were also given to CHUMS, Kent Farmline, Royal Agricultural Benevolent Inst, Medway Human Rights Council, Anglican International Development, and First Step Drop-in Centre. In total £29,405 was given away in 2009-10, of which £11,500 was for the Chennai link.

2.9 Pastoral care

The Cathedral has a small but committed pastoral team of visitors who meet quarterly with the Canon Pastor. The Cathedral Pastoral Assistant, Annette Morgan, has developed an important and valued ministry taking the reserve sacrament to the sick and housebound.

Two people have been exploring vocations through the Diocesan programme and another person has completed a listening course with Acorn Healing Trust. The Cathedral Reader and lay member of Chapter, Catherine Staziker, was accepted for ordination training during the year and this will start in September 2010. Catherine has been deeply involved in the life and ministry of the cathedral for many years and we wish her well in this next step.

The concern about the provision for the homeless in the Rochester area led to an open meeting chaired by the Canon Pastor. The decision was made to work alongside the Society of Friends in Rochester providing food and clothing at an 'Open Christmas' event. The Friends' Meeting House was opened on 26th, 27th and 28th December. This was well received. More than £600 was received in goods and cash and 150 meals were served. Goodie bags were also provided of food, toiletries and clothing to more than 40 people in need. The joint project saw 50 volunteers from a wide number of community groups, including the cathedral and churches in the deanery.

In January another meeting was convened to discuss future plans and it was decided to open on Saturday afternoons to respond to the lack of agencies open at weekends. A steering committee was set up and initial funding was secured for a six-week pilot project. Sainsbury's in Chatham, who donated food over Christmas, have agreed to support the project on a weekly basis. In addition the cathedral continues to provide non-perishable items of food on request to those seeking assistance.

2.10 Rochester Cathedral link with Chennai

In May, the Dean of St George's Cathedral, Chennai, the Revd D C Premraj, visited Rochester to preach and to spend the day with members of the congregation. In June three members of St George's Cathedral, Chennai, were sponsored to come to Rochester with the intention of improving their musical skills. Cleona, the lead soprano at St George's, Lesley, the cathedral organist and Sam, a choir member but also the person responsible for maintaining their cathedral organ, which has less than 25% of the pipes working! He was given the opportunity to work alongside a local organ builder to learn practical skills. The three weeks proved very successful and established personal bonds of friendship.

In the February half-term the Canon Pastor led a group of 17 people to Chennai as part of our ongoing link and building programme in the village of Gudular. The group included five young people ages 13-19. Four will return to spend more time helping with projects in the summer.

To date, over £28,000 has been raised for the new church building in Gudalur and the group had hoped to be able to take part in the dedication of the new building. This was unfortunately not possible due to flooding and a lack of skilled labour which delayed the project. The Catechist's house, toilet block and bore well will be completed in the next few weeks. Many people have helped with this but particular thanks must go to Ian Rouse and Mark Lucas for taking the lead on both the fundraising and liaison with India for the building project.



The Bishop of Madras shared with the group his intention to start a pre-school nursery in the church and other educational activities in the evening. He also intends to set up a shelter for the very elderly to make sure they receive at least one meal a day as there is no state pension system and many go hungry once they are unable to work.

We visited the new school library at St Ebba's Church School (CSI), sponsored by the Joseph Williamson Mathematical School, and arrangements were established for future student links. A new link was also established between Rochester Rotary and Chennai Rotary in order to support the work of Rural Community Colleges.

The week was demanding and very challenging, but once again deeply rewarding. The Canon Pastor preached and presided at the 7.30 am Eucharist in the Cathedral at which there were 1,400 communicants. Breakfast was hosted by the Cathedral council and in the evening the group was invited to the annual Cathedral choir's supper and given gifts to take back to the Director and Assistant Director of Music at Rochester. The group also attended and assisted at the Ash Wednesday service at 7 am in the morning at which 189 people were ashed. Over 600 attended a similar service in the evening to mark the start of Lent.

The visit deepened and enriched the Christian faith of those involved. Despite the poverty of the church in the rural areas their faith was infectious and their hospitality humbling. One member of the group commented: 'I am so grateful for the opportunity to come along and feel that this has been one of the most stimulating and rewarding weeks in memory. It has certainly helped me to look at Christianity in a new way'.

2.11 Mission and Outreach

Mission for the Cathedral Chapter continues to be an interesting and, all too often, an absorbing challenge. In one sense we are orientated towards mission, God's mission, in everything we do yet we glimpse some wonderful opportunities to encounter both visitor and congregational members at those times when they are most open to exploring and encountering God's ever-present Holy Spirit in very different ways .

The Christmas Dickens weekend saw us working with a group of students training for ordination as we presented the 'Pause Project'. This was an invitation in the midst of a very busy time to simply pause and watch and hear the human stories caught up in the story of the birth of Christ . A four-minute slot in which to arrest the hurry of the season – quite a challenge but one that we would like to take further next year. We also enrolled in the national 'Putting yourself into the picture

campaign' where people literally put themselves into a picture of the nativity scene and had their picture taken, which they could then download from a website. There they also found opportunities to further explore the Christian faith. The crowds were such that we put on an impromptu second Carol service on the Sunday lunch time on this theme of putting yourself in the picture. Several times we again had to close the Cathedral because we were too full and those times gave us the wonderful experiences of simply being with people who were queuing up to come into the Cathedral.

At such times we continue to be grateful for the extra effort and support that is given by the vergers and the musicians. We have so much to offer here and so many opportunities to engage with people spiritually but even with the additional events stewarding team we needed the willing help of the Diocesan Evangelists .

The Classic FM concert gave us great opportunities to interact with visitors and the staff of John Lewis. Such events are a gift to us as a Cathedral. Scripture Gift Mission Life Words used our experiences of engaging spiritually with visitors with a big spread in their international magazine. Rochester Cathedral is very photogenic!

Among all the excitement of the big events, there are the day-to-day surprises of encounters with people who just happen to pop in. All describe this place as a place of peace and awe. Yes, we are very busy but within this hidden gem of a Cathedral lies a deep rooted centre of prayer.

2.12 Pioneer Curate

This year has seen achievements in the pioneering work, particularly in our aim of 'growing a thriving worshipping community', that we did not think possible only a few months ago. *The Gathering*, the name taken by the new church community, has continued to meet monthly but became too large to continue meeting comfortably in Rob Ryan's house. In April, *The Gathering* moved into the Ithamar chapel and continues to meet there on the second Sunday of the month for the next year at least. If everyone attends, there are around 15 people who see themselves as part of this exciting new community. We believe a more public space will encourage numerical growth.

As a growing community, *The Gathering* is learning how to worship together and has developed a format which allows creativity, flexibility, the asking of questions and the chance to contribute in a variety of ways. It has developed a web presence in the belief that people who are interested in exploring faith, but do not think the church is the place to find answers, do turn to the web to see if there is anything in their local area.

In addition to developing the community, Rob Ryan has become a regular presence in the High Street and in the art community, due mainly to his personal interests in coffee bar, arts and pub culture. He has been fortunate to be welcomed into various communities and continues to seek to serve these communities in any way that he can.

2.13 Engagement with the Diocese and the wider world

Chapter responsibilities

The Dean is a member of Bishop's Council and Bishop's Staff. He is a Church Commissioner, on the Board of Medway Local Strategic Partnership, a Director on the Medway Renaissance Board, Chair of the Rochester Heritage Interpretation Partnership, a Board member of Cathedrals as Partners in Adult Learning, a Trustee of Anvil, Chair of the Board of Governors of King's School Rochester, Patron of Medway Credit Union, Patron of Medway Hospital Special Baby Care Unit, and a member of the Association of English Cathedrals as well as chairing the Diocesan 2012 Steering Committee.

The Canon Pastor is the departmental head of the Education and Visits Department. He is a member of the Diocesan Board of Education, a Governor of King's School Rochester, acting as the Boarding Governor and governor for safeguarding children. He is also a Governor and Trustee of the Joseph Williamson Mathematical School, Vice President and Trustee of the Friends of Rochester Cathedral. He is a Trustee of Positive Contact Kentwide, an aids charity, and continues to act as a mentor to a number of clergy and other licensed lay workers in the Diocese. He leads the candlelit pilgrimages in the Cathedral for Diocesan, Deanery and Parish groups and has been recently appointed Canon Librarian.

The Canon Precentor is the chair of the Diocesan Liturgy and Worship Committee, a Governor of the King's School Rochester and serves on the Education Committee. He is also a member of the Diocesan Advisory Committee for the Care of Churches.

The Canon Missioner, within her remit for the cathedral, is a Governor of King's School Rochester, a Governor of Rochester Grammar School, responsible for patronage and on the Management committee for Street Pastors.

The Archdeacon, within his remit for the cathedral, is a Governor of King's School Rochester.

All residential members of Chapter undertake preaching and teaching engagements in the Diocese on a regular basis.

The Cathedral plays a full part in many local partnerships and organisations, including the Medway Tourism Association, Visit Kent, the Medway Renaissance Partnership, the Heritage Interpretation Partnership, the Rochester Association of Businesses, Medway's Local Strategic Partnership, The Time is Now Forum, Medway Credit Union, Medway Emmaus, the Homelessness Forum, King's School Governors, Rochester Grammar School Governors, Sir Joseph Williamson School Governors, Holocaust Memorial Day Committee and the World Aids Day Committee.

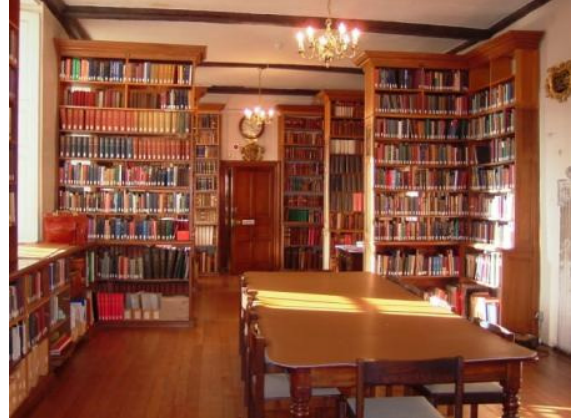
Parish Representatives

The Cathedral link with parishes was strengthened by the re-launch of the parish link programme (formally Proctors). An evening was arranged for parishes to send a representative to an evening at the cathedral to sample the new audio guides. This was a highly enjoyable evening with 25 parishes represented. Many positive comments were received both then and at a follow-up meeting. There are currently 66 named links in parishes around the Diocese. Mailings will be sent to these representatives concerning events in the Cathedral and we hope to meet three times a year.

2.14 Cathedral Library

On the retirement of the Archdeacon, The Venerable Peter Lock, Chapter appointed Canon Hesketh as the Canon Librarian with a view to reviewing the use of the library and bringing it within the overall interpretation of the cathedral. There is no funding for the library at present but we continue to purchase weekly, monthly and quarterly theological magazines and periodicals. We occasionally 'acquire' a new book!

Existing members of the library have been contacted to ask to return library books and the library will cease to lend books during a major stock check. It is expected that all the books will need to go into storage during the repair of the library roof. This allows for an opportunity to review the library and to undertake the necessary examination of the historic books and their future preservation. This is a major piece of work and is expected to happen over the next two years.



The library helpers also continued the herculean task of cataloguing the photographs as well as the stock check.

2.15 Patronage

The Dean and Chapter is patron of 28 benefices. Its responsibilities are mostly called upon when the incumbency of one of its parishes falls vacant or there are proposed boundary changes affecting a Chapter parish. Jean Kerr, as Canon Missioner, has taken over from The Venerable Peter Lock as the member of Chapter who oversees the vacancy process on behalf of Chapter.

In the first part of the year, Peter Lock oversaw the appointment and installation of Revd Graham Osborne at Leatherhead and Mickleham, Revd Gordon Oliver at Meopham with Nurstead and Revd Glyn Ackerley at Shorne.

During the past year one further parish became vacant, the benefice of Eynesford, Farningham and Lullingstone. With the splendid support of the Archdeacon of Tonbridge the process, which involved not only the usual meetings with the benefice representatives but a fair number of visits to preach and preside during the interregnum, was a smooth ride and Revd Gary John Owen appointed. By the time this report is printed Revd Owen will have been instituted and his wonderful family moved in to the vicarage. The year also saw the Revd Mandy Carr move from her status as Priest in Charge at Lamberhurst with Matfield to that of Vicar. Through the year visits to our Patronage parishes within the Diocese are happening in an attempt to build more concrete relationships with the people, so that we are better informed if an interregnum occurs and can make a better judgment if a suspension of living is requested.

2.16 Finance and Administration

An organisation the size and complexity of the Cathedral requires a substantial amount of administrative support just to keep things moving. We are fortunate in having a group of very

committed and hard working people who just get on with the mundane, from infestations of ladybirds to roof repairs, from typing and printing service sheets to dealing with innumerable booking requests, from counting gift aid envelopes to annual accounts, from entering visitor numbers to taking minutes, not to mention dealing with an immense number of queries, telephone calls and visitors.

During the course of this year an investment strategy was developed which details the basis on which it expects the investment advisors to manage its funds. The Cathedral still keeps a reasonable amount in readily accessible funds but has invested significant reserves in a managed portfolio combining a range of funds previously held separately. This also now includes the music endowment funds. This is expected to give the improved income needed for our everyday work as well as providing for some capital growth.

The Cathedral has also completed a comprehensive risk review across all departments which enables us to identify where further development work is needed to reduce or manage risks. This was a reassuring exercise in many ways as it articulated much of the work that had already gone on to ensure the cathedral is well managed: it also helped us to see where we need to focus our attention next.

2.17 Estates

During the year there were the external joinery and redecoration of Garth House and Cloister House, this included some roof repairs on Cloister House. This was followed by the replacement of the lead flat roof at Garth House and repairs to the glass dome. We also finished the external redecoration and repairs to Chertsey's Gate as it could not all be done when the main refurbishment work was undertaken a couple of years ago.

Some minor internal works were undertaken in Garth House to enable the office changes to take place and there were also some minor works for the Friends' new office above the Cathedral Tea Rooms.

The Canon Pastor's house received some attention dealing with a long standing damp problem and the Cathedral also contributed towards the work at the Archdeaconry.

Looking back on the year it is hard to believe how much money has to be spent on taps, toilets, showers, light fittings, pest control and other small items as well as regular safety checks.

Whilst no longer in the Cathedral's ownership, it is good to see Minor Canon Row slowly being restored and coming back to life.

2.18 Architect's Report

A considerable amount has been achieved during the past year, despite various setbacks and frustrations. However, it is with enormous relief that I can report that the glazed inner porches to the west and north doors are now nearing completion. This project has been beset with difficulties, including the insolvency of the original contractor, supply problems with the special, non-reflective, German glass, the late requirement for a concrete foundation slab beneath the north porch, and so on.

Reception and retail fittings are installed but the debate about their optimum siting continues. Audiovisual displays are working and audio guides are available. Internal and external signage and interpretation panels are in place alongside the new guides and leaflets. Fine-tuning goes on, as for example over the loss of visibility of the Wheel of Fortune presentation on sunny days, but, along with the visual impact of the new chairs in the Nave and Transepts, the whole cathedral is now more smartly, consistently and better presented.

Part of the whole Ancient Stones Untold Stories interpretation package was improvement of access for the disabled. The existing stair climber wheelchair lift in the South Quire Aisle was overhauled to perform up to its capacity. Sadly that capacity is inadequate to deal with modern motorised wheelchairs, which are both larger and heavier than traditional self-propelled chairs. We presented a feasibility study to explore various ways of overcoming this deficiency. The most favoured option entails replacing the stair climber with a vertical lift to serve the Crypt as well as Nave and Quire Transept levels.

Associated with the issues of access and interpretation has been the remodelling of the WCs in the Checker's Yard and the provision of a new, fully accessible WC within the former Shop Store opening off the South Quire Aisle. These projects are also creeping towards completion and will certainly offer improved facilities, including additional secure storage within Checker's Yard for the vergers.

The Royal Engineers have contributed financially to the improvements at the west end and their long association with the Cathedral has been marked by the installation of a new memorial to the Corps at the west end of the Nave South Aisle. This has given the opportunity to tidy up that end of the Aisle, after the removal of the old shop fittings, by demolishing a redundant flue, filling an old heating duct, making good wall plaster and floor paving and relime-washing. Kier Wallis, the contractors who picked up the contracts on the glazed porches and WCs, have included this preparatory work for the memorial. The memorial itself has been designed, made and installed by Paul Wehrle very economically and punctually. He is a pleasure to work with and his excellent letter-cutting now enhances several parts of the Cathedral.

The final major project still underway, and also being carried out by Kier Wallis following the insolvency of both Barwicks and Haymills, the second lowest tenderer, is the re-roofing and repair of the Treasury/Lapidarium. This contract includes the repair of masonry and glazing accessible from the considerable scaffolding necessary for carrying out the roof work safely. This is all relatively straightforward work but has also been accompanied by its own frustrations over the supply of stone and roofing slates. These have both involved some measure of collaboration with other cathedrals. Salisbury Cathedral use large quantities of the Chicks Grove stone which we need and a certain amount of horse-trading speeded up the order for the small volume we required. We had also hoped to help out St. Edmundsbury Cathedral by using some of their stock of random width, diminishing coursed, green Westmorland slates, surplus from their own recent Nave re-roofing project. Sadly this has not proved economically viable so we are getting new material direct from the quarry.

Last year's quinquennial survey raised an alarm over the roof of the Chapter Room Library. A further examination was carried out with Clive Dawson of Hockley & Dawson, structural engineers, and has confirmed that repairs are required both to the central truss and the roof covering in general. Although not quite as urgent as feared, they do need to be completed within the next 2 years. This would obviously impact on the sensitive contents of the room below. The contents

and use of the Library are currently under review and repair works above must obviously coordinate with reorganisation below.

The quinquennial survey also refers to the maintenance commitment of the considerable length of boundary walls around the Precinct. Some of these have been repaired during projects on precinct properties such as Prior's Gate House and Deanery Gate. One particular problem section of wall including substantial sections of the Roman City Wall in King's Orchard is shortly to receive grant-aided attention and is described more fully in Graham Keevill's report. When CFCE visited in connection with the Ancient Stones Untold Stories project they commented adversely on the appearance of the "back door" at the north side of Gundulf's Tower. A scheme to improve the appearance and security there is currently being costed although funding is uncertain. This includes repairing and raising the wall, making a solid gate to hide the wheelie bins, and providing bollards to protect the newly repaired Sextry Gate's doors. It is also hoped to provide iron gates to the archaeological residual spaces around the Sextry Gate, including the spiral stair to the former upper chamber, which sports rather stylish graffiti on its plywood blocking at present.

We have also prepared a scheme for the repair of the so-called Tudor Gate, set in the railings at the west boundary of the Cloisters area. The late mediaeval oak doorframe, of unknown origin, was set in a brick wall after the demolition of the adjacent prebendal house in 1937. Hugh Harrison, who repaired the Sextry gates, has estimated for the repair of the frame and we have obtained tenders for repairing the brickwork and replacing the present timber door with an independently supported iron gate, which will not impinge on the historic woodwork. Permissions are being obtained and funding is being sought.

Thanks to the availability of a flat within Minor Canon Row, the Cathedral was able to host the SPAB Scholars for their cathedral week, a scheme grant aided by the Cathedral Architects' Association, whereby these young professionals spend a week of their intensive nine-month course in and around a cathedral to learn about how these institutions operate in every department, as well as to analyse and discuss current repairs and wider conservation issues. The four young people had an enjoyable and constructive time and it was fun having them around. This year I have had an introductory day with the new crop of Scholars and the craft Fellows together looking at current projects. In the longer term these investments of time are an important initiation for the next generation to be entrusted with the care of these wonderful buildings. Several current cathedral architects are SPAB Letherby Scholars and many others have benefited from SPAB short courses.

Speaking of the next generation, I must pay tribute to my assistants, John Caselton, and now James Campen too, without whose dogged attention to detail, not to mention computer skills, I should be in very great difficulty coping with such a large programme of work. They add to the pleasure and fun of working with the whole Cathedral team nurturing these wonderful buildings, of which we are but the current custodians. *Ian Stewart, Cathedral Surveyor*

2.19 Archaeologist's Report

This has been a very busy year for all of us, and certainly for me it has been exceptionally rewarding. As usual there have been some small-scale projects – surveying the gravestones around the Catalpa Tree, for instance – but even then there has been a strong feeling of connection to the wider life of our community (Cathedral and City). Buildings and trees alike can be landmarks, familiar and loved, but equally in need of care if they are to be retained for the future.

On the larger scale, of course, the Cathedral has witnessed several major projects concurrently this year. From my perspective the excavations in the cloister always looked likely to be the most

interesting archaeologically. Initially, I have to admit that the results did not seem to live up to expectations (though this might have had something to do with the very wintry weather!). There was little of significance relating to either the Roman city (except a possible fragment of the defensive rampart) or the Anglo-Saxon cathedral. Nor did we find any human remains, as I had thought we might in this location, but that was beneficial – at least there was no delay while we dug up skeletons. Fortunately we did get good results for the medieval cloister itself, finding walls relating to the Lavatorium and Refectory, as well as tiled and paved floors on both the west and south sides of the cloister. These findings have added substantially to our store of knowledge about the Cathedral.

Elsewhere much of my work involved projects that had been through their design stages in 2008, and progressed into construction (or conservation) in 2009-10. These included the new glazed porches at the North and West Doors, and the various strands of the “Ancient Stones, Untold Stories” project. In general my role has been to make a photographic record of the areas we have been working on, and to maintain a watching brief when work has involved an unavoidable impact either in the ground or on the building itself. Fortunately both instances have been rare – largely due to the careful work we all did during the design stage – and the impacts have been kept to a minimum. On the excavation side, for instance, a large foundation had to be made over the whole area of the North Door porch. On this occasion we did find a few fragments of human bone, though they were not in their original resting place. Otherwise the pit contained remnants of the bedding for an earlier floor just below the current paving, but nothing else of interest. On the building side, small areas of plain masonry had to be removed in the old Shop Store off the South Quire Aisle so that the new disabled WC could be built. On occasions like this it is my job to make a complete record of what has to be lost, in this case involving both drawings and photographs.

Work continues apace, with several projects now complete or nearly so (the porches and the Royal Engineers’ Memorial, for instance) while others will have begun (eg on the Treasury Roof and the excavation on the Roman city wall in King’s Orchard) by the time this report is published, so I will certainly have more to report next year. *Graham Keevill, Cathedral Archaeologist*

2.20 Development Office

The Development Office works as part of the Trust, under the chairmanship of Lord Astor of Hever. Two new Trustees were appointed this year; Mr Michael Aiken and Mr Rory Sutherland. The direction of our fundraising was changed this year to be project driven and to raise revenue funding.



An amount of £213,649 was received by Rochester Cathedral Trust during the course of the year (excluding £150k for chair project as detailed below). £72k was dedicated to Music. This included events that were staged specifically to raise money for Music, i.e. the Dame Felicity Lott concert. £41,479 of this amount was transferred to the Music Endowment which currently stands at £329,701 and has been transferred from the Trust to the Cathedral investment fund managed by Quilters in order to obtain a better return. The bespoke cabinet for the Memorial Book

celebrating the Endow a day of Music scheme was installed and a blessing service was held.

Trusts & Legacies: Our first application for a Landfill Tax grant was successful and we were granted an award of £28,074 to be used in the restoration and conservation of the Roman Wall in Kings Orchard, this goes with a grant of £20,000 from English Heritage so that the project is fully funded.

Events: £45,377 was raised from events and undedicated gifts, with a further £7,516 received from HMRC in Gift Aid payments.

Business: The Business Guild continued in its plan of regular networking breakfasts and an annual dinner. Membership doubled in this second year.

Chairs: During the course of 2009 one of the projects started was the recharging of the Nave. This undertaking involved the purchase of 900 new chairs at a cost of £150,000. A loan was granted from Rochester Bridge Trust for £100,000 and The Friends of Rochester Cathedral contributed £50,000. Fund raising from individuals reached £62,728 and is ongoing.



2.21 Rochester Cathedral Enterprises

Cathedral Tea Rooms

During the year the Tea Rooms managed to continue growing and turnover has increased to £203,000 which is a 16% increase on the previous year. This was despite appalling weather during the winter. The number of private functions also increased. The Tea Rooms worked with the Interpretation Manager to provide catering for several of the new projects and this proved successful for both sides. We are hoping that people who come to these events will use our services in the future.

We are now in the second year of employing young offenders who are nearing the end of their sentence. This arrangement has been a great success. The young men have all been bright, eager to learn, polite and hardworking. It has been a successful enterprise all round as we have valuable staff at no cost, the young men get used to working and being out in society again and the Prison service has them gainfully employed.

We are still striving to improve our menu and services to the public and the Cathedral.

Cathedral Shop

It is sad that after many years of trading, we had to close the Cathedral shop in May. The shop had not been operating profitably for some years, and the shop store was urgently needed to create toilet facilities for disabled visitors.

Welcome Desk

We opened up our brand new Welcome Desk at the North Entrance in June, offering an opportunity for visitors to hire our new audio guides and to buy a limited range of publications and souvenirs. The staff transferred from the Shop have done a tremendous job in adapting to their new role, providing invaluable support for volunteers, vergers and others working in the Cathedral. Although the take-up of audio guides has been disappointingly slow to start with, we have been gradually developing a new attractive range of souvenirs, sales of which have exceeded our

expectations. We plan to expand our retail offer over the next year, further develop our merchandise and promote more vigorously our excellent audio tours, especially to group bookings.

2.22 Related Organisations

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 had a total membership of 948 at the end of the year. 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 and the Director of Operations constitute the Board of Directors of RCE Ltd, an independent wholly-owned company set up to run the Cathedral Shop and Refectory. Profits from the company are paid across to the Cathedral as Gift Aid.

King's 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. The King's School pays a commercial rent for Dean and Chapter buildings they use. The Cathedral is provided, without charge, for King's School for services, speech days and one concert per term. The Cathedral contributes towards scholarships for the boy choristers who attend the school.

3 How have we done against our stated aims this year?

Each year we try to assess what we have managed to achieve against the aims we set at the start of the year. What follows is a summary – more details can be found in the body of this report.

Aim 1: Grow a thriving, worshipping community

- Through the work of the Pioneer Curate, a new church community, *The Gathering*, has been established and is now meeting on a monthly basis.
- The work on reviewing the nature and content of the Cathedral Eucharist is ongoing.

Aim 2: Support episcopal mission and ministry

- Whilst Bishop Michael left us during the year we still await the appointment of a new Bishop of Rochester. The Cathedral has worked with the Bishop of Tonbridge on a range of key services including confirmation, ordination, christening and the installation of the new archdeacon.
- The new Cathedral Parish Link scheme has seen significant development this year with 66 named representatives.

Aim 3: Liberate the building to better mediate the gospel

- The Cathedral was delighted to see the introduction of new audio-guides and audio-visuals along with new guidebooks and leaflets. The feedback on all of these has been extremely positive and they make a great difference to what we offer to visitors. Training has been introduced for new volunteers and has been very well received.
- The installation of the glass doors and upgrading of the toilets have been more problematic but they were nearing completion by the end of the year, a major achievement given the original contractor went into administration during the year.
- The work on the new Royal Engineers Memorial was well on the way and will be complete by the time this report is published.
- During the year it became clear that a simple upgrade of the chair lift at the Kent Steps would not be adequate and so the issues of disabled access to all levels was revisited and a new scheme developed with a lift between Quire, Nave and Crypt.
- The repair work on the Treasury Roof and stonework and glazing repairs in the same area began in early 2010 and is due for completion in the summer.
- The Cathedral was able to buy 900 new Howe 40/4 chairs for the nave of the cathedral and these have made an enormous difference to the vergers as well as being more aesthetically pleasing and more comfortable than the old chairs which were successfully sold on e-bay!
- Grants were received and project planning began on the work to record and stabilise the Roman City Wall in King's Orchard.
- Work to repair the leaking roof on Garth House, restore the cupola and re-paint the external woodwork was completed.

Aim 4: Extend our educational commitment to children and adults

- The Education Officers re-located to Garth House and, whilst the move wasn't without its challenges, there have been great benefits in having all the department in one place as well as helping communication with other departments.
- On the education front this year new initiatives have included workshops on working with children with special needs and children's spirituality, events for children with special needs, a

family fun day attended by over 500 visitors, and a cycle of events for uniformed groups established.

Aim 5: Engage gospel values with our local and regional community

- The Music Outreach Project was funded for another year and is very successful.
- Three musicians came from Chennai on an exchange and £28,000 was raised to build a new community school/church in Gudalur.
- Work with the homeless providing food at the Friends Meeting House was initiated over Christmas and the work has continued on Saturday mornings.

Aim 6: Promote the Arts within Mission

- December 2009 saw another Classic FM Carol concert which was successful despite the challenge of complex logistics.
- The Deo Gloria panels have continued to provide a place of reflection for visitors and Vaughan Grylls' exhibition, "Mother", was very successful.

Aim 7: The efficient management of resources

- Considerable progress has been made in developing a clear investment policy which means that the Cathedral can now work towards a combined property and investment strategy.
- This year has seen the transfer of information on to the new property management software which makes it much easier to keep track of all the details and requirements as well as records of repairs.
- During the year there was a major office reshuffle with the Friends moving to above the Refectory and the vast majority of people in Garth House changing offices as well as the Education Officers coming to join them.

4 Plans for the Coming Year

The year ahead promises to be another full one. Alongside sustaining the normal and everyday ministry of the Cathedral (a big enough task in itself!) the significant plans for the next 12 months include:

Aim 1: Grow a thriving, worshipping community

- Continue to develop the Cathedral Eucharist and to commission a new portable Nave altar.
- To continue the development of *The Gathering* so that it becomes more sustainable.

Aim 2: Support episcopal mission and ministry

- Engage in developing all-age eucharistic worship as a model for the diocese.
- Installation of the new Bishop and developing a good working relationship with him as the new Visitor to the Cathedral.
- Continue the candle-lit pilgrimages for parishes.

Aim 3: Liberate the building to better mediate the gospel

- The biggest project expected to start in the forthcoming year is the long awaited access project to the Crypt but planning work will also begin for the work to the library roof.
- Given that the new glazed porches are finally reaching completion, further work is needed on the positioning of reception furniture and the arrangements at the North and West entrances.
- Work begun on internal signage and general branding guidelines is to be completed.
- Funds will be sought for the repair of the Tudor Gate and the section of wall and entrances to the Vergers' yard.
- Continue to raise funds to cover the cost of the new chairs.
- Continue the evaluation of the cathedral's spaces for the offering of worship in the context of re-ordering.

Aim 4: Extend our educational commitment to children and adults

- Areas for development over the next year include investigating outreach programmes to local schools and the Medway Secure Training Centre, establishing links with local secondary schools, provision for overseas student groups, and the launch of the Special Educational Needs dance project.
- Seek to identify different funding sources that will enable the music outreach to continue.

Aim 5: Engage gospel values with our local and regional community

- The link with Chennai will continue and we anticipate seeing the building work on the new church completed.
- The ongoing work with the homeless will continue.
- Our Pioneer Curate intends to try out groups that may engage with people in a fresh way.

Aim 6: Promote the Arts within Mission

- Arrange a Christmas concert to raise money for the music endowment fund.
- Continue the exploration of the relationship of cathedral worship with the world and specifically in art and language.
- Work with the local Council on joint summer events.

Aim 7: The efficient management of resources

- Continue work towards a combined property and investment strategy.
- Continue to raise money for the music endowment and fabric projects.

5 Financial Review

A striking feature of Cathedral life and work is its long-term perspective: since Rochester Cathedral is the second oldest foundation in the land, that is long-term indeed! The clergy and staff at the Cathedral are very conscious that as temporary stewards we hold an immense responsibility to pass on to our successors a building that is in good repair, and an organisation that is healthy and well able to adapt to, and indeed to lead, change in future times. The finances of the Cathedral are a crucial element in enabling us to do this.

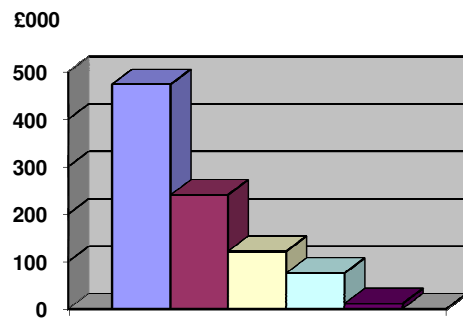
In last year's Annual Report, we explained that the finances of the Cathedral are in a transitional phase. When we set our budget, we do so against the background of a 5-year rolling financial plan. We had allowed for two years of losses in 2008/9 and 2009/10 on the basis that we would be able to break even in the third year. As we reported last year, despite the most severe recession for decades, we delivered a result on our ordinary activities that was £71,000 better than the budget. We are also pleased that this year (2009/10), although we incurred a loss of £17,000, this was an improvement on the budgeted loss of £59,000. This means that our general reserves now stand at £431,000, which is significantly higher than we had allowed for, and stands us in good stead as we aim further to improve our results in future years.

This year was important in that it was a year in which we were further developing a strategy to improve our income base for the future. The year saw the first implementation of the interpretation elements of our Heritage Lottery (HLF) funded project and the start of the building phases, which will greatly improve the Cathedral as a visitor attraction. In spite of the recession and considerable disruption within the Cathedral, visitor-related income rose by £5,000 to £240,000. A stewardship campaign was launched during the year with congregational giving and gift aid rising by £8,000. Hire fees increased by £12,000. Although our investment income was badly hit by plummeting interest rates, we restructured our investment portfolio and now have a more balanced fund that is designed to provide future income growth. The endowment for music had built up to £328,000 by the end of the year and was transferred to the Cathedral from Rochester Cathedral Trust. Further support for music will come from the sale of a property left to the Cathedral by Miss M Smith last year.

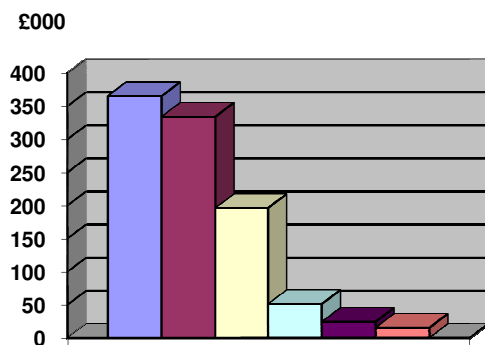
Expenditure was well controlled during the year and contributed to the improved result. A number of large projects were undertaken. In addition to the £580,000 spent on the HLF-funded project, we replaced the seating in the Cathedral (£150,000) and spent £75,000 on repairing the Treasury roof, work grant aided by English Heritage. Other work included work to the Royal Engineers' memorial (£28,000 to date), repairs to clergy housing (£14,000) and roof repairs to the administrative offices (£34,000). Projects undertaken during the year totalled £956,000.

In summary, we feel that, despite the difficulties of a deep recession, this year has been one in which we have set in place some important initiatives to maintain and improve income levels in future years. We have emerged ahead of plan and have been able to spend nearly £1m on improving the Cathedral and its supporting properties. It is a solid position to be in to start a year which will be a crucial one in the path to turn round the state of the Cathedral's finances.

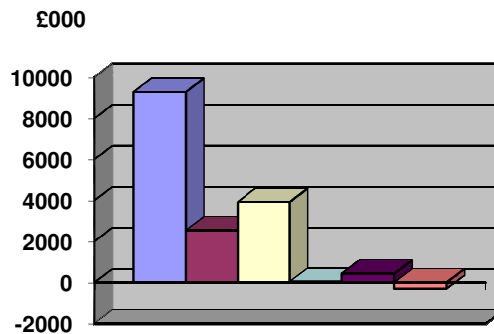
Unrestricted income		£000
From property & investments	473	
From activities generating funds	240	
Voluntary income	121	
Charges arising in course of mission	75	
Grants receivable	11	
TOTAL	920	



Unrestricted Expenditure		£000
Cost of generating funds	365	
Ministry & music	334	
Cathedral & precincts upkeep	196	
Education & outreach	51	
Community & congregation	24	
Governance & other	15	
TOTAL	985	



Total assets		£000
Investment property	9286	
Other investments	2531	
Non-investment property	3917	
Fixed assets	39	
Current assets	433	
Current liabilities	-307	
TOTAL	15899	



The legal and administrative information for the year, together with the full audited statutory accounts and commentary, are available in Part 2 of this publication from the Cathedral office, Garth House, The Precinct, Rochester ME1 1SX on request.

The Revd Canon Dr Philip Hesketh
Canon Pastor

ROCHESTER CATHEDRAL

Nurturing the radical hope
of human flourishing
in Jesus Christ



ANNUAL REPORT
Statutory Accounts
2009/10

Rochester Cathedral Annual Report and Statutory Accounts – Part 2

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Part 2

Part 2 of the Annual Report contains all the information the Cathedral is required to disclose by statute and regulation. Part 1 of the report describes the wide range of activities undertaken by the Cathedral over the year, and measures them against our present and future plans.

6. Legal and administrative information

6.1 Legal name of the Cathedral

The legal name of the Cathedral is: Cathedral Church of Christ and the Blessed Virgin Mary
Name commonly used: Rochester Cathedral

6.2 Chapter Office

Garth House
The Precinct
Rochester
ME1 1SX
Telephone: 01634 843366
Email: administrator@rochestercathedral.org

6.3 Chapter

Members of Chapter during the year to 31 March 2009 were as follows:

<i>Dean:</i>	The Very Revd Adrian Newman – 2005
<i>Canon Precentor:</i>	The Revd Canon Neil Thompson (Commissioners' Canon) - 2008
<i>Canon Pastor:</i>	The Revd Dr Canon Philip Hesketh (Commissioners' Canon) - 2005
<i>Archdeacon of Rochester</i>	The Ven Peter Lock (20% Cathedral and 80% Diocese) – 2000 – 2009 The Ven Simon Burton-Jones (20% Cathedral and 80% Diocese) - 2010
<i>Canon Missioner:</i>	The Revd Canon Jean Kerr (20% Cathedral and 80% Diocese) - 2005
<i>Bishop's Appointee:</i>	Ms Catherine Staziker - 2004
<i>Bishop's Appointee:</i>	Professor Vaughan Grylls - 2006
<i>Bishop's Appointee:</i>	Dr Jane Broadbent - 2008

6.4 Other key appointments

Administrator Appointed 2006	Director of Operations Dr Edwina E Bell
Surveyor to the fabric Appointed 2006	Mr Ian Stewart Messrs Carden & Godfrey 33 Clerkenwell Close, London EC1R 0AU
Archaeologist Appointed 2006	Mr Graham Keevill Keevill Heritage Consultancy 85 Kynaston Road, Didcot, Oxon OX11 8HA
Director of Music Appointed 2008	Mr Scott Farrell

6.5 Finance Committee

External members	Mr Richard Webb – 2005 (Chair from 2007) Mr Graeme King – 2000 Mr John Sands - 2008
Internal members	The Very Revd Adrian Newman The Revd Dr Canon Philip Hesketh Ms Catherine Staziker Dr Edwina Bell Mr Jeremy Bowden

6.6 Fabric Advisory Committee

Appointed by CFCE	Julian Limentani (Chair) Dr John Physick Mr Allan Brodie Mr David Baker
Appointed by Chapter	Mrs Annaliese Arnold Mr Peter Miall (until June 2009) Mrs Heather Newton Mrs Marie-Louise Sauerberg (from January 2010)
Secretary	Mr Edward Darwin (until September 2009) Mrs Sue Malthouse (from September 2009)

The Dean, Director of Operations and the Head Verger attend all FAC meetings. All members of Chapter are invited to attend FAC meetings when they are able. The Cathedral Archaeologist and Surveyor to the Fabric also attend all FAC meetings.

6.7 Auditors

The Cathedral auditors, appointed in 2007, are haysmacintyre.
haysmacintyre
Fairfax House
15 Fulwood Place
London WC1V 6AY

6.8 Banker and other professional advisers

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 New Road Avenue Chatham, Kent ME4 6AR Cripps Harries Hall Wallside House 12 Mount Ephraim Road Tunbridge Wells, Kent, TN1 1EG

Investment Managers	Quilter St Helen's 1 Undershaft London EC3A 8BB
Estate Advisors	Smiths Gore Stuart House City Road Peterborough PE1 1QF
Surveyor (general)	John Daffarn J.A. Warner & Partners 14 High Street Rochester Kent ME1 1PU
Rent Advisors	
Commercial	Harrisons Oasis House Ambley Green Gillingham Business Park Kent ME8 0NJ
Residential	Kent Residential Lettings 151 New Rd Chatham Kent ME4 4PT

7. Structure, governance and management

7.1 Governing Statute

The Cathedral is governed by the Rochester Cathedral Constitution and Statutes dated 8 September 2000 and updated in December 2009.

7.2 Relationship with the Diocese

The Diocesan Bishop, the Rt Revd Dr Michael Nazir-Ali, retired during the year, and a successor is currently being appointed. The Suffragan Bishop of Tonbridge is the Rt Revd Dr Brian Castle

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 is the mother church of the Diocese and a centre of worship and mission within and beyond the Diocese. It is also a venue for civic events, concerts and graduation ceremonies.

7.3 Corporate body

The members of the Chapter, Council, and College of Canons form the corporate body of the Cathedral.

The Chapter

The Chapter consists of the Dean, 4 Residentiary Canons (these are the on-site clergy of whom 2 are full-time, and 2 are 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, strategy and vision.

Residentiary members of Chapter are responsible for different portfolios within the Cathedral's life – mission and social responsibility, pastoral care and spiritual development, education and visits, liturgy and music and patronage. These departments are supported by a range of committees and teams, and a Director of Operations with overall responsibility for cathedral support services and resources.

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 and lay members from across the Diocese, appointed by the Bishop, along with a number of ecumenical canons (representatives from other denominations). Its role is to ensure that the Cathedral is open to informed opinions, observations and comment from churches within and beyond the Diocese.

7.4 Finance Committee

This committee is responsible for advising Chapter in connection with its responsibilities in the field of financial and investment management.

7.5 Other key groups

In addition to the corporate body there are two other key groups of people:

The Cathedral Forum

This is a quarterly meeting open to all members of the Cathedral's congregation and community. It has no statutory powers but allows for open discussion of any issue of interest within the life of the Cathedral.

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 Surveyor to the Fabric, the consultant Archaeologist, and other experts in the conservation and repair of historic buildings.

7.6 Chapter appointments and training

The Dean and two Canons (Canon Precentor and Canon Pastor, called Commissioners' Canons) are appointed by the Crown.

The other two Residentiary Canons (Archdeacon and Canon Missioner) are diocesan appointments.

The non-residentiary members of Chapter are appointed by the Bishop, usually on the recommendation of the Dean and Chapter.

New members of Chapter are provided with key documents such as the Constitution & Statutes and links to the Cathedrals Measure 1999. Informal discussions are used to brief them on their role and to help them understand the different aspects of the Cathedral's work. Where possible external training courses provided by the Association of English Cathedrals are used.

7.7 Chapter responsibilities

The Chapter is responsible under requirements laid down by the Church Commissioners under the powers given to them by Section 27 of the Cathedrals Measure 1999 for

- preparing and publishing an annual report and audited accounts which give a true and fair view of the financial activities for each financial year and of the assets, liabilities and funds at the end of each financial year of the Cathedral and its connected entities
- stating that they have complied in all material respects with the Accounting and Reporting Regulations for English Anglican Cathedrals prepared by the Cathedral Administrators and Finance Association (CAFA) specified by the Church Commissioners or describing which recommendations have not been complied with and giving reasons for the non compliance
- selecting suitable accounting policies and then applying them consistently
- making judgements and estimates that are reasonable and prudent
- keeping proper accounting records from which the financial position of the Cathedral can be ascertained with reasonable accuracy at any time, and
- safeguarding the assets of the Cathedral and taking reasonable steps for the prevention and detection of fraud and other irregularities.

7.8 Clergy and senior staff changes

The Archdeacon, Peter Lock, retired in October 2009 and was replaced by Simon Burton-Jones.

7.9 Related organisations

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 had a total membership of 899 at the end of the year. 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 constitutes the Board of Directors of RCE Ltd, an independent wholly owned company set up to run the Cathedral's catering and retail operations. Profits from the company are paid across to the Cathedral as Gift Aid.

King's 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. The King's School pays a commercial rent for Dean and Chapter buildings they use. The Cathedral contributes towards scholarships for the boy choristers who attend the school.

7.10 Investment Powers

Under the Cathedrals' Measure 1999 the Chapter may invest the Cathedral's funds in any of the following: Land Funds administered for the Central Board of Finance of the Church of England by CCLA Investment Management Ltd; investments in which trustees may invest under the general power of investment in the Trustee Act 2000; the improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself and its ancillary buildings.

7.11 Public Benefit

Although it is not a reporting requirement of the Church Commissioners, nevertheless Chapter confirm that they have complied with section 4 of the Charities Act 2006 to have regard to public benefit guidance published by the Charity Commission in determining the activities of the Cathedral. The Cathedral maintains a policy of free access to all members of the public. It not only serves the community daily in its religious and charitable work, but is an active resource of national importance in the promotion of religion, music, education, history and architecture.

7.12 Risk analysis

During the year a detailed risk management register and policy was developed which details, by department, the risks and the actions taken to reduce and manage them. Each department will be responsible for developing a clear action plan for risk mitigation where further work is required. The risk register will be reviewed annually by Chapter. The register enables Chapter as well as departments to see quickly and easily where further action is needed. It has been reassuring to confirm that the vast majority of risks already have clear risk reduction and mitigation in place. Of course a risk register can never be comprehensive as the small matter of an Icelandic volcano has recently demonstrated!

7.13 Staffing and Volunteers

The Cathedral employs staff to deliver its objectives – vergers, musicians, gardeners, education officers, cleaners, caterers, shop workers, accountants, book-keepers, fundraisers and administrative support workers. More than 350 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, envelope stuffers and many more besides.

8. Financial review

8.1 Major sources of finance

Investment income

The Cathedral owns 46 (2008/9 46) properties, both commercial and residential, within the town of Rochester. Property is the principal source of investment income and in 2009/10 rents accounted for £446,131 (2008/9 £434,983) (19% of total income). Other investment income from shares, stocks and interest amounted to £36,835 (2008/9 £58,518). A review of investment performance is given in a separate section below.

Grants

Grants are received from the Church Commissioners under Section 23 of the Cathedrals' measure 1999 towards Cathedral administrative salaries. These amounted to £91,825 in 2009/10 (2008/9 £86,692), which is included within the total figure of £210,192 (2008/9 £194,423) – the balance represents the Commissioners' contribution to the stipends of the Dean and Residentiary Canons (£111,335 – 2008/9 £104,052) and a 2/3 contribution to the cost of repairing parish church chancels (£7,031 – 2008/9 £3,679).

2009/10 was the second year of the project Ancient Stones Untold Stories, grant-aided by the Heritage Lottery Fund (HLF). Grants amounted to £467,082 (2008/9 £210,507) during the year. Grants were also receivable during the year from English Heritage for the Treasury Roof of the Cathedral (£61,500) and for repairs to the Roman Wall (£422). £22,256 (2008/9 £19,556) was receivable from the Choir Schools Association for music outreach, and £8,380 from the All Churches Trust (2008/9 £10,000). Grants were also received under the Listed Places of Worship scheme of £4,929 (2008/9 £4,372), which related to VAT reclaimed on building work to the Cathedral. Grants from Medway Council totalled £850.

Voluntary income

The total received for congregational giving, donations and gift aid amounted to £134,701 (2008/9 £119,608) during the year, which included £20,419 raised for an appeal to build a church/school in a village near Chennai in India. In addition, £18,646 (2008/9 £23,290) was received from the Friends of Rochester Cathedral to support specific projects and the maintenance of the grounds. The other significant source of voluntary income was from Rochester Cathedral Trust for specific projects. This amounted to £537,399 (2008/9 £202,449) during the year, which included the transfer to the Cathedral of an endowment for music of £327,897 and a grant for the purchase of chairs in the Cathedral (£150,000). A further legacy instalment from the estate of Mr HJ Hoby valued at £52,853 was received in the year, the income from which is to be applied to fabric or music.

Trading

The Cathedral's trading company, Rochester Cathedral Enterprises Ltd (RCE Ltd), operates a Refectory serving lunches and teas in the College adjacent to the Cathedral. It also operates a small retail operation from the Cathedral's Welcome Desk.

RCE Ltd turnover for the year was £223,361 (2008/9 £220,541). The company made a gift-aided payment to the Dean & Chapter from its annual profits of £11,000 (2008/9 £nil).

Other income

This includes lettings of the Cathedral, charges for educational visits, guided tours, concerts and recitals, filming and recording fees, etc. Excluding the gift-aid payment from RCE Ltd mentioned above, total income from these sources amounted to £85,985 (2008/9 £77,813).

8.2 Reserves Policy

Reserves are needed both to maintain the level of the Cathedral's current activities and to enable the completion of long-term projects.

The commentary on the 2009/10 accounts explains why a deficit was expected this year. In 2010/11 the plan is to break even and then start building up reserves again. During the year the general fund deficit of £17,977 reduced reserves from £448,719 to £430,739. The deficit was considerably less than we had forecast in the budgets. Reserves represent just over 5 months of ordinary activity.

In the longer term the Dean & Chapter consider that the Cathedral should aim to hold unrestricted reserve levels to cover at least six months of ordinary activity, which at the present time would be approximately £500,000.

8.3 Investment Policy

The Dean & Chapter aim to keep a balanced portfolio of investments that is risk averse and appropriate to the purposes of the funds that are represented by them.

Investments in property are to be either capable of efficient local management or in the form of managed property funds. Performance is measured against income yield on the CBF Property Fund, the property fund managed by CCLA Investment Management Ltd on behalf of the Central Board of Finance of the Church of England.

A medium to low risk profile is taken on equities and performance is measured against total returns on the FTSE APCIMS Stockmarket Balanced Portfolio Index, a private investor portfolio index established in 1997 that uses different combinations and weightings of existing FTSE indices to achieve a good benchmark of performance for these type of private investment portfolios.

Restricted Funds.

These funds usually arise from legacies and donations, and are required for spending on defined purposes. The policy is to achieve a balance between capital growth and the ability to realise assets within a given timescale.

Unrestricted Funds.

These funds are used for managing fluctuations in the ordinary operations and to fund future projects. The policy is to achieve a mixed portfolio of assets with capital growth and those providing high yields and easy liquidity.

Endowment Funds.

Where the capital is to be retained, the policy is to achieve long-term income growth, with less emphasis on liquidity.

8.4 Investment Performance

Property Investments.

The Dean and Chapter own property to house clergy and staff, and to use for offices. Other property is held for investment purposes and is rented out on a commercial basis where possible to generate funds for the day-to-day operation of the ministry of the Cathedral. Properties were fully revalued at market value during 2006/7 and were revised for values at 31st March 2010 with reference to external benchmark data.

	£'000
Rental income	446.1
Professional services	(5.7)
Other costs	(52.8)
Major repairs	(15.5)
Net income	372.1

Yield on investment properties	£'000
Capital value investment property	£9,286
Net income yield	4.0%
CBF Property Fund income yield	6.6%

Several of the investment properties, including Deanery Gate, are subject to historic protected tenancies that currently yield a low rate of return. The other factor that depresses the overall rate of return is the amount of repair and maintenance work the Cathedral has to undertake on the properties to catch up on insufficient investment in past years. We believe however that we have now caught up to a good degree, and therefore the cost of major repairs should diminish over the medium term. To improve property investment decisions in the future, the Cathedral now operates a property management system and we are currently writing an estate management plan to determine levels of spend over a ten-year period.

Other investments

The performance of the Cathedral's other investments is shown below:

<i>Gross income from other investments</i>	<i>Equities</i>	<i>Fixed interest</i>	<i>Variable interest</i>	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	£'000
Listed in the UK	20.3	2.1	9.7	32.1
Listed overseas	0.5	-	-	0.5
Cash deposits	-	-	3.6	3.6
	20.8	2.1	13.3	36.2
Gains/(losses) on revaluations/disposals	159.1	3.9	-	163.0
Total return on other investments	179.9	5.0	13.3	199.2

<i>Return on other investments</i>	£'000
Market value of other investments	2,531.0
Return	7.8%
FTSE APCIMS Stockmarket Balanced Portfolio Index	32.5%

In February 2010 we created a new endowment fund with Quilter that is set up in accordance with the Dean & Chapter's Statement of Investment Policy and bound by the Church of England's ethical guidelines. The fund was set up with an initial £1.4m, and with the addition of the Music Endowment was valued at £1.82m at 31st March 2010. The relatively low return on our investments during the year is because the fund had only been in operation for 6 weeks before the end of the year. Before that, £1.1m had been invested in money market funds, which were earning low rates of interest. The return on the Quilter endowment fund was £43,400 by the end of the year.

At 31st March 2010, our investments, excluding property, totalled £2.53m, of which 48% were held in listed equity funds, 6% in fixed interest stocks and 46% in money market funds. The cash proportion will decrease when the investment of the endowment fund is completed.

8.5 Maintenance Plan for the Cathedral and its Precincts

A plan for regular routine maintenance of the Cathedral is in place and is managed by the Head Verger.

A list of costed priorities for more major pieces of work arising from the quinquennial inspection carried out during the year is used as the basis for seeking grant funding to enable the work to be undertaken.

As mentioned elsewhere in the Report, much progress has been made in reviewing the property portfolio and developing a clear estate strategy. An investment and a maintenance plan are currently being drawn up, based on the results of the survey and review.

8.6 Commentary on the 2009/10 results.

Last year's Annual Report explained that the finances of the Cathedral are in a transitional phase in which we are establishing new building blocks to ensure a firm financial base for the future. 2008/9 saw the award of a major Heritage Lottery Fund (HLF) grant to improve the Cathedral as a visitor attraction, the disposal of a large investment property with a very large repair liability and the receipt of a substantial legacy which was dedicated to support music in the Cathedral.

In 2009/10 we have further developed these initiatives to improve our financial operating base. This year we were charged with making the HLF project work, attracting new audiences and increasing visitor income. We have overhauled our investments by setting up a new endowment fund (£1.8m), including an endowment for music, which has now reached £0.3m. In addition to these new tasks, there is steady progress in improving what we already do: we have started a stewardship campaign to encourage regular giving and make the most out of gift-aid; we are improving trading results from the Refectory; we have set up new systems to help us make better decisions on our investment properties; we are improving and consolidating our energy procurement and reviewing our banking arrangements.

In our 5-year plan, we recognised that until all the measures were in place we would need to use reserves in 2008/09 and in 2009/10 to maintain our current levels of operations. Despite a background of recession and economic upheaval over those periods, we were able last year significantly to reduce the planned draw from reserves. The same is also true for 2009/10. The general fund deficit was reduced from a budgeted £59k to £17k, and consolidated general fund reserves now stand at £431k, which represents just over 5 months of ordinary activity, against our target of £500k (6 months). Next year 2010/11 will be the critical year in which we aim to break even and start building up reserves again.

Total income increased by £278k from £2.05m to £2.33m. A large part of this increase (£256k) is attributed to HLF grant (£467k – 2008/9 £211k). This is the second year of the HLF project and one that encompassed the start of the building work, as well as the completion of the interpretative elements. 73% of the grant has now been claimed. Another major source of income were grants from Rochester Cathedral Trust, which including a transfer of the Music Endowment to the Cathedral (£328k), amounted to £538k in total. Grants from the Church Commissioners increased by £16k from £194k to £210k. Of this the Section 23 grant to cover support costs rose £5k from £87k to £92k. English Heritage grants were £62k for the renewal of the Treasury Roof, an increase of £8k compared with 2008/9.

Rents increased to £446k from £435k. There were a number of rent reviews in the period, and voids accounted for 1.2% of the rent roll despite difficult conditions in the High Street. Congregational giving and gift-aid was up by £9k, which was encouraging considering the launch of the Stewardship campaign only took place late in the year. Income from appeals rose by £17k from £3k to £20k – this was the appeal to fund a church and school building near Chennai, India. Income from legacies was £53k. The amount received this year was an instalment of the HJ Hoby Bequest for fabric and music. Investment income fell £20k from £56k to £36k. This was because at the beginning of the year, a large proportion of our investments (79%) was in money market deposits, which served us well while share prices were plummeting. However interest rates for a prolonged period at an all-time low had a negative impact on our income from this source. Visitor income increased by £12k from £63k to £75k. This was mainly due to a considerable rise of £13k in Cathedral hire and lettings.

Rochester Cathedral Enterprises Ltd, had a promising year. Despite the closure of the shop at the beginning of the year, company turnover actually increased by £5k from £235k to £240k. This was due to a 17% increase in the turnover of the Refectory from £170k to £204k. The Refectory now operates 7 days a week throughout the year and is gaining in reputation. Having established such excellent turnover levels, we need to concentrate harder on the bottom line by controlling wage levels and gross margins. The latter slipped by 3% over the year. In June we opened the Welcome Desk, offering hire of audio guides and a limited retail range. Although the retail side performed better than expected, hire of audio guides was disappointingly slow and the operation made an initial loss, offset by the final weeks' trading in the shop, of £3k. We are confident of turning this round in a full trading year.

Operating expenditure was well controlled during the year and ended up within budget in every department. We were also able to undertake some significant projects. £580k was spent on the HLF funded interpretation project, Ancient Stones Untold Stories, with work beginning on the glazed porches and lavatory improvements. £150k was raised to replace seating in the Cathedral and work started on repairing the Treasury roof (£75k), grant aided by English Heritage. Other work included work to the Royal Engineers' memorial (£28k), repairs to clergy housing £14k and roof repairs to the administrative offices £34k. Projects undertaken during the year totalled £956k.

Investments in equity funds more than regained the losses incurred last year. Investments increased in value by £163k (2008/9 £149k loss). Generally property values increased. Residential properties in the Medway area increased by 4.3% over the year, and commercial properties fared better with an average increase of 7.6%. However, despite this the overall value of our property portfolio decreased by £361k (2.7%) owing to materially revised valuations on two specific properties.

Funds reserved for restricted purposes fell by £36k, because during the year we used up grants received last year for the HLF project. However, the stock market improvement helped increase our major fabric repair fund, the Father Smith Bequest, by £64k to £390k. This is a fund we are likely to have to rely on in the next 2 years. We have also put a further instalment of £10k in a sinking fund for chancel repairs at parishes for which the Cathedral is responsible.

In summary, 2009/10 was the second of two transition years in which we had forecast in our 5-year plan that we would incur losses while we established a financial regime that would generate sufficient income to deliver our current level of operations. Despite extremely difficult and volatile economic conditions, losses in both years have been considerably less than we had allowed for, and we have emerged with general reserves £110k higher than planned, delivered an ambitious capital programme, restructured our non-property investments and are in a strong position to create that stable financial basis we need for moving forward into the future.



The Revd Canon Dr Philip Hesketh
Canon Pastor

9. Statutory Accounts

THE DEAN AND CHAPTER OF ROCHESTER

FINANCIAL ACCOUNTS

FOR THE YEAR ENDED
31st MARCH 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CATHEDRAL CHAPTER OF ROCHESTER CATHEDRAL FOR THE YEAR ENDED 31 MARCH 2010

We have audited the financial statements of Rochester Cathedral for the year ended 31 March 2010 which comprise the consolidated Statement of Financial Activities, the Consolidated and Entity-only Balance Sheets and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Cathedral Chapter, as a body, in accordance with section 27 of the Cathedrals Measure 1993. Our audit work has been undertaken so that we might state to the Dean and Chapter those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Cathedral Chapter as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Dean and Chapter and the auditors

As described in the Statement of the Financial Responsibilities the Dean and Chapter is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the Cathedral Chapter has not kept proper accounting records, if we have not received all the information and explanations we require for our audit.

We read the Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Dean and Chapter in the preparation of the financial statements, and of whether the accounting policies are appropriate to its circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Cathedral's and group's affairs as at 31 March 2010 and of its consolidated incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the regulations specified by the Church Commissioners under the powers given to them by section 27 of the Cathedrals Measure 1999.

haysmacintyre
Registered Auditors

2010

Fairfax House
15 Fulwood Place
London
WC1V 6AY

The Dean and Chapter of Rochester

Consolidated Statement of Financial Activities
for the year ended 31 March 2010

	Notes	Unrestricted Funds	Earmarked Funds	Restricted Funds	Endowment Funds	Total Funds 2009/10	2008/09
		£000	£000	£000	£000	£000	£000
Incoming resources	11						
Voluntary income		121	8	286	328	743	763
Grants receivable		11	4	775	-	790	498
Charges and fees arising in the course of mission		75	-	-	-	75	63
Income from activities generating funds		235	-	-	-	235	235
Income from property and investments		473	-	10	-	483	494
Total incoming resources		915	12	1,071	328	2,326	2,053
Costs of generating funds	12	360	-	69	-	429	418
Net incoming resources available for mission		555	12	1,002	328	1,897	1,635
Resources expended on mission	13						
Ministry & music		334	2	163	-	499	525
Cathedral and precincts upkeep		196	3	289	-	488	323
Education and outreach		51	1	48	-	100	61
Community, parish and congregation		24	(1)	3	-	26	26
Other expenditure on mission		6	-	599	-	605	265
Total resources expended on mission		611	5	1,102	-	1,718	1,200
Governance costs		9	-	-	-	9	10
Net incoming (outgoing) resources		(65)	7	(100)	328	170	425
Other recognised gains (losses)							
Property	16/18	-	-	(10)	(351)	(361)	(4,191)
Investments	17	58	-	73	32	163	(149)
Gross transfers between funds		(10)	10	-	-	-	-
Net movement in funds		(17)	17	(37)	9	(28)	(3,915)
Total funds brought forward		448	28	894	14,557	15,927	19,842
Total funds carried forward	23/24/25	431	45	857	14,566	15,899	15,927

The notes numbered 1 to 35 form part of these accounts.

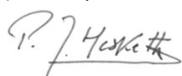
The Dean and Chapter of Rochester

Consolidated Balance Sheet
as at 31 March 2010

	Notes	Unrestricted Funds	Earmarked Funds	Restricted Funds	Endowment Funds	Total Funds 2009/10	2008/09
		£000	£000	£000	£000	£000	£000
Fixed Assets							
Investment assets							
Property	16	-	-	350	8,936	9,286	9,837
Other investments	17	334	20	452	1,725	2,531	2,203
		<u>334</u>	<u>20</u>	<u>802</u>	<u>10,661</u>	<u>11,817</u>	<u>12,040</u>
Non investment assets							
Property	18	-	-	-	3,917	3,917	3,720
Plant & equipment	19	39	-	-	-	39	43
		<u>39</u>	<u>-</u>	<u>-</u>	<u>3,917</u>	<u>3,956</u>	<u>3,763</u>
Total fixed assets		373	20	802	14,578	15,773	15,803
Current Assets							
Stocks	20	7	-	-	-	7	5
Debtors	21	92	-	165	-	257	180
Short term deposits		45	25	-	-	70	130
Cash at bank and in hand		99	-	-	-	99	51
		<u>243</u>	<u>25</u>	<u>165</u>	<u>-</u>	<u>433</u>	<u>366</u>
Liabilities due within one year							
Bank overdraft		-	-	-	-	-	-
Creditors	22	(185)	-	(110)	(12)	(307)	(242)
		<u>(185)</u>	<u>-</u>	<u>(110)</u>	<u>(12)</u>	<u>(307)</u>	<u>(242)</u>
Net current assets		58	25	55	(12)	126	124
Net assets		431	45	857	14,566	15,899	15,927
		-	-	-	-	-	-
Funds							
	3						
General Fund		418	-	-	-	418	436
Rochester Cathedral Enterprises		13	-	-	-	13	12
Father Smith Bequest		-	-	390	-	390	326
Mary J Smith Bequest		-	-	340	-	340	387
Ancient Stones Untold Stories (HLF)		-	-	-	-	-	113
Other funds		-	45	127	-	172	96
Endowment		-	-	-	14,566	14,566	14,557
Total funds	23/24/25	431	45	857	14,566	15,899	15,927

The notes numbered 1 to 35 form part of these accounts.

Approved by the Dean & Chapter on 5th July 2010 and signed on its behalf



The Revd Canon Dr Philip Hesketh
Canon Pastor

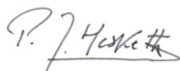
The Dean and Chapter of Rochester

Balance Sheet - Dean & Chapter only
as at 31 March 2010

	Notes	Unrestricted Funds	Earmarked Funds	Restricted Funds	Endowment Funds	Total Funds 2009/10 £000	2008/09 £000
		£000	£000	£000	£000	£000	£000
Fixed Assets							
Investment assets							
Property	16	-	-	350	8,936	9,286	9,837
Investments	17	334	20	452	1,725	2,531	2,203
		334	20	802	10,661	11,817	12,040
Non investment assets							
Property	18	-	-	-	3,917	3,917	3,720
Plant & equipment	19	19	-	-	-	19	22
		19	-	-	3,917	3,936	3,742
Total fixed assets		353	20	802	14,578	15,753	15,782
Current Assets							
Debtors	21	98	-	165	-	263	181
Short term deposits		44	25	-	-	69	129
Cash at bank and in hand		88	-	-	-	88	44
		230	25	165	-	420	354
Liabilities due within one year							
Creditors	22	(165)	-	(110)	(12)	(287)	(221)
		(165)	-	(110)	(12)	(287)	(221)
Net current assets		65	25	55	(12)	133	133
Net assets		418	45	857	14,566	15,886	15,915
Funds							
	3						
General Fund		418	-	-	-	418	436
Father Smith Bequest		-	-	390	-	390	326
Mary J Smith Bequest		-	-	340	-	340	387
Ancient Stones Untold Stories (HLF)		-	-	-	-	-	113
Other funds		-	45	127	-	172	96
Endowment		-	-	-	14,566	14,566	14,557
Total funds	23/24/25	418	45	857	14,566	15,886	15,915

The notes numbered 1 to 35 form part of these accounts.

Approved by the Dean & Chapter on 5th July 2010 and signed on its behalf



The Revd Canon Dr Philip Hesketh
Canon Pastor

The Dean and Chapter of Rochester
Notes to the Accounts
Accounting Policies

1. Basis of preparation

The accounts have been prepared under the historical cost convention as amended by the inclusion of properties for Cathedral use and of investments at current valuation, with the exception of the Cathedral, and are stated in accordance with the provisions of the November 2006 Regulations on Accounting and Reporting by English Anglican Cathedrals prepared for the Association of English Cathedrals and specified by the Church Commissioners under section 27 of the Cathedrals Measure 1999.

2. Basis of consolidation

The consolidated financial statements comprise those of the Chapter and of its wholly owned subsidiary company Rochester Cathedral Enterprises Ltd.

3. Type of funds

A fund is a pool of expendable resources, held and maintained separately from other pools because of the circumstances in which the resources were originally received and the way in which they have subsequently been treated. Funds are divided into:

- Restricted funds. These have specific conditions attached to the expenditure of capital or income.
- Endowment funds. These are restricted funds where the capital must be held permanently.
- Unrestricted funds. The Dean and Chapter have the discretion to spend both capital and income.
- Earmarked (or designated) funds. These are unrestricted funds reserved for specific purposes.

4. Property

Property valuations have been included on the Balance Sheet on the following basis:

- Investment properties – market value
- Non – investment properties – existing use value

The Cathedral's properties were revalued by Robert Wickham FRICS, an external valuer, as at March 2007 and revised for values up to March 2010 with reference to external benchmark data. The Cathedral's policy is to revalue the properties every five years.

No value has been attributed in the balance sheet to the Cathedral buildings nor to items in the Inventory prepared under section 13(1) of the Care of Cathedrals Measure 1990 as being of architectural, archaeological, artistic or historical interest.

5. Investments

Investments are included at market value based on their mid market value.

Realised gains and losses on sale of investments represent proceeds of sale less the appropriate proportion of the opening carrying value and are shown in the Statement of Financial Activities

Unrealised gains and losses on revaluation of investments are also shown in the Statement of Financial Activities.

The majority of the Cathedral's equity and stock investments are held in managed funds overseen by fund managers Quilter.

6. Fixed assets

Computer equipment and other assets over £500 are capitalised and written off on a straight line basis over the life of the asset. The rates generally applicable are:

Computer & IT equipment	3 years
Other plant, machinery, furniture or fittings	5 years

7. Stock

Retail and catering stocks are stated at the lower of cost and net realisable value.

8. Legacies are accounted for when received.

9. Grants

Grants are defined as sums receivable from trusts and public bodies, payment of which is determined by compliance with determined criteria. Grants are accounted for when due.

10. Third Party receipts and payments

The Church Commissioners and the Diocese pay the stipends of the Dean, the Precentor and the Canon Pastor. The posts of Archdeacon and Canon Missioner are shared (20%) with the Diocese (80%). The amounts are shown in a Restricted Fund in the Statement of Financial Activities, both under grants received and under clergy costs.

11. Incoming resources	Unrestricted	Earmarked	Restricted	Endowment	Total	2008/09 £000
	Funds £000	Funds £000	Funds £000	Funds £000	Funds £000	
(i) Voluntary income						
Congregational collections and giving	64	-	-	-	64	57
Donations	29	7	-	-	36	48
Income from appeals & fundraising	-	-	20	-	20	3
Tax recovered under Gift Aid	12	1	1	-	14	12
Income from supporter groups & trusts						
Friends of Rochester Cathedral	6	-	12	-	18	23
Rochester Cathedral Trust (see note below)	10	-	200	328	538	203
Legacies	-	-	53	-	53	417
	<u>121</u>	<u>8</u>	<u>286</u>	<u>328</u>	<u>743</u>	<u>763</u>
(ii) Grants receivable						
Church Commissioners	-	-	210	-	210	194
Diocese	-	-	14	-	14	15
English Heritage	-	-	62	-	62	44
Heritage Lottery Fund	-	-	467	-	467	211
Other grants	11	4	22	-	37	34
	<u>11</u>	<u>4</u>	<u>775</u>	<u>-</u>	<u>790</u>	<u>498</u>
(iii) Charges and fees arising in the course of mission						
Fees	75	-	-	-	75	63
	<u>75</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75</u>	<u>63</u>
(iv) Income from activities generating funds						
Charges to visitors	11	-	-	-	11	15
Retail	20	-	-	-	20	50
Catering	204	-	-	-	204	170
	<u>235</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>235</u>	<u>235</u>
(v) Income from investments						
Investment property income	446	-	-	-	446	435
Other investment income	27	-	9	-	36	56
Interest from short-term deposits	-	-	1	-	1	3
	<u>473</u>	<u>-</u>	<u>10</u>	<u>-</u>	<u>483</u>	<u>494</u>
	<u>915</u>	<u>12</u>	<u>1,071</u>	<u>328</u>	<u>2,326</u>	<u>2,053</u>

Income from Rochester Cathedral Trust included a transfer of £328k from the Music Endowment, which has now been added as a separate endowment to the Cathedral's existing endowments. (see note 25).

12. Costs of generating funds	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Facilities for visitors	9	-	-	-	9	9
Services directly recoverable	12	-	-	-	12	8
Retail	22	-	-	-	22	70
Catering	190	-	-	-	190	150
Marketing costs	2	-	-	-	2	2
Investment property costs						
Estate projects (Note 14)	46	-	38	-	84	58
Other investment property costs	59	-	-	-	59	69
Investment management	-	-	2	-	2	3
Support costs	20	-	29	-	49	49
	<u>360</u>	<u>-</u>	<u>69</u>	<u>-</u>	<u>429</u>	<u>418</u>
13. Expenditure on mission						
	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
(i) Ministry & music						
Clergy stipends and working expenses	1	-	126	-	127	120
Clergy housing costs	12	-	-	-	12	11
Clergy support costs	36	-	-	-	36	33
Services and music	262	2	3	-	267	299
Ministry support costs	23	-	34	-	57	62
	<u>334</u>	<u>2</u>	<u>163</u>	<u>-</u>	<u>499</u>	<u>525</u>
(ii) Cathedral and precincts upkeep						
Major projects (note 14)	4	-	269	-	273	113
Maintenance and interior upkeep	117	3	-	-	120	117
Insurance	22	-	-	-	22	21
Precincts security and gardens upkeep	39	-	-	-	39	39
Support costs	14	-	20	-	34	33
	<u>196</u>	<u>3</u>	<u>289</u>	<u>-</u>	<u>488</u>	<u>323</u>
(iii) Education and outreach						
Educational activities	36	-	-	-	36	41
Archives & library	1	-	-	-	1	1
Charitable giving	10	1	12	-	23	3
Music outreach project	-	-	31	-	31	7
Support costs	4	-	5	-	9	9
	<u>51</u>	<u>1</u>	<u>48</u>	<u>-</u>	<u>100</u>	<u>61</u>
(iv) Community, parish and congregation						
Community, parish and congregation costs	22	(1)	-	-	21	21
Support costs	2	-	3	-	5	5
	<u>24</u>	<u>(1)</u>	<u>3</u>	<u>-</u>	<u>26</u>	<u>26</u>
(v) Other expenditure on mission						
Interest and similar charges	3	-	-	-	3	3
Repair of chancels	3	-	7	-	10	5
Development initiatives	-	-	12	-	12	2
Interpretation project (HLF) (Note 14)	-	-	580	-	580	255
	<u>6</u>	<u>-</u>	<u>599</u>	<u>-</u>	<u>605</u>	<u>265</u>
	<u>611</u>	<u>5</u>	<u>1,102</u>	<u>-</u>	<u>1,718</u>	<u>1,200</u>

Charitable giving includes £11,500 given to support the construction of a church and school in Chennai from funds raised for that purpose through the Cathedral's Chennai Appeal.

14. Major Projects - gross cost

	<i>Start date</i>	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
Estate Projects						
Chertsey's Gate repairs	2009/10	7	-	-	-	7
Garth House alterations	2009/10	9	-	-	-	9
Garth House roofing and ext. decorations	2009/10	15	-	34	-	49
Archdeaconry refurbishment	2009/10	8	-	-	-	8
E Canonry bathroom improvements	2009/10	5	-	-	-	5
Others under £5,000		2	-	4	-	6
		46	-	38	-	84
Cathedral major projects						
	<i>Start date</i>	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000
New chairs	2009/10	-	-	150	-	150
Treasury Roof repairs	2009/10	-	-	75	-	75
Royal Engineers' Memorial	2009/10	-	-	28	-	28
Sextry Gate conservation repairs	2009/10	-	-	12	-	12
Crypt disabled access	2008/9	-	-	1	-	1
Others under £5,000		4	-	3	-	7
		4	-	269	-	273

Heritage Lottery Fund project

In April 2008, the Cathedral was awarded a grant of £931,000 by the Heritage Lottery Fund for improving access and interpretation in the Cathedral. The total value of the project entitled "Ancient Stones Untold Stories" is £1,295,000, of which £940,074 was spent by 31st March 2010. The costs recorded in 2009/10 include work to the glazed porches at the north and west entrances, and also lavatory improvements.

15. Support costs

Support costs, which are the running costs of the administration department, are allocated to the different expenditure headings on the basis of the number of full-time staff in each department. The support costs are apportioned as follows to the main expenditure headings:

	Direct costs £000	Support costs £000	Total £000	2008/09 £000
Funds generation	380	49	429	418
Ministry	442	57	499	525
Cathedral and precincts upkeep	454	34	488	323
Education and outreach	91	9	100	61
Community, parish and congregation	21	5	26	26
Governance	9	-	9	10
	1,397	154	1,551	1,363

16. Investment property

	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Value at 1st April 2009	-	-	360	9,477	9,837	14,816
Additions	-	-	-	7	7	439
Reclassifications	-	-	-	-	-	(594)
Disposal proceeds	-	-	-	-	-	(1,510)
Loss on disposals	-	-	-	-	-	(640)
Loss on revaluation	-	-	(10)	(548)	(558)	(2,674)
Value at 31st March 2010	-	-	350	8,936	9,286	9,837

The properties were revalued at market value as at 31st March 2007 and revised as at 31st March 2010. Additions are further conversion works at Deanery Gate (£7k).

All properties are held at freehold value, and none are held by the subsidiary company.

17. Other investments	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Value at 1st April 2009	313	28	510	1,352	2,203	990
Additions/ disposals	(37)	(8)	(131)	341	165	1,362
Net increase on disposals and revaluation	58	-	73	32	163	(149)
Value at 31st March 2010	<u>334</u>	<u>20</u>	<u>452</u>	<u>1,725</u>	<u>2,531</u>	<u>2,203</u>
Listed fixed interest stocks	2	-	30	121	153	75
Listed equity securities	-	-	185	744	929	169
CBF Investment shares	268	-	19	-	287	224
Money market investments	64	20	218	860	1,162	1,735
	<u>334</u>	<u>20</u>	<u>452</u>	<u>1,725</u>	<u>2,531</u>	<u>2,203</u>

No individual equity holding amounts to over 5% of the total value of investments.
No investments are held by the subsidiary company.

18. Non- investment property	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Freehold value at 1st April 2009	-	-	-	3,720	3,720	4,003
Reclassifications	-	-	-	-	-	594
Net increase/(decrease) in revaluation	-	-	-	197	197	(877)
Freehold value at 31st March 2010	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,917</u>	<u>3,917</u>	<u>3,720</u>
For Cathedral use	-	-	-	3,771	3,771	3,582
For Trading purposes	-	-	-	146	146	138
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,917</u>	<u>3,917</u>	<u>3,720</u>

No investment properties are held by the subsidiary company.

19. Plant and equipment	Plant £000	Computer Equipment £000	Fixtures & Fittings £000	Total £000	2008/09 £000
Cost brought forward at 1st April 2009	45	23	42	110	85
Additions	3	3	-	6	25
Disposals	-	-	-	-	-
Cost carried forward at 31st March 2010	<u>48</u>	<u>26</u>	<u>42</u>	<u>116</u>	<u>110</u>
Depreciation brought forward at 1st April 2009	25	20	22	67	56
Charge for year	6	2	2	10	11
On disposals	-	-	-	-	-
Depreciation carried forward at 31st March 2010	<u>31</u>	<u>22</u>	<u>24</u>	<u>77</u>	<u>67</u>
Net book value	<u>17</u>	<u>4</u>	<u>18</u>	<u>39</u>	<u>43</u>

Of the above, a net book value of £19.8k is held by the subsidiary company.

20 Stocks	Retail £000	Catering £000	Total £000	2008/09 £000
Value at lower of cost or net realisable value	4	3	7	5
All the stocks above are held in the subsidiary company.				

21 Debtors due within one year	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Trade debtors	67	-	-	-	67	34
Rochester Cathedral Trust						
Campaign expenditure	-	-	-	-	-	43
Grant debtor	-	-	14	-	14	2
Grants			145	-	145	86
Other	20	-	6	-	26	10
Prepayments	5	-	-	-	5	5
	<u>92</u>	<u>-</u>	<u>165</u>	<u>-</u>	<u>257</u>	<u>180</u>

Of the above, £0k are held in the subsidiary company.

22. Creditors falling due within one year	Unrestricted Funds £000	Earmarked Funds £000	Restricted Funds £000	Endowment Funds £000	Total Funds £000	2008/09 £000
Trade creditors	20	-	-	-	20	53
Other	25	-	39	12	76	73
Accruals and deferred income	140	-	71	-	211	116
	<u>185</u>	<u>-</u>	<u>110</u>	<u>12</u>	<u>307</u>	<u>242</u>

Of the above, £20.3k are held in the subsidiary company.

23. Earmarked Funds	Balance at 2008/9 £	Income £	Expenditure £	Investment Movements £	Transfers £	Balance at 2009/10 £
Concert	4,485	2,628	(2,241)			4,872
Precentors Fund	653	-				653
Music Outreach Fund	-	3,529				3,529
Pastor's Fund	512	200	700			1,412
Stewards Fund	222	55				277
Dean's Fund	1,211	100	(500)			811
Junior Church Fund	532	787	(687)			632
Missioner Fund	801	-	1,500			2,301
Angel Space	567	4,000	(564)			4,003
Cathedral lighting	1,000	-				1,000
Chancels Sinking Fund	10,000	37			10,000	20,037
Friends of RC Cherry picker	8,386	-	(2,850)			5,536
	<u>28,369</u>	<u>11,336</u>	<u>(4,642)</u>	<u>-</u>	<u>10,000</u>	<u>45,063</u>

Earmarked Funds - description

Concert	To sponsor music in the Cathedral
Precentors Fund	Canon Precentor's discretionary fund
Music Outreach Fund	To support the music outreach programme
Pastor's Fund	Canon Pastor's discretionary fund
Stewards Fund	To support costs and training of cathedral stewards
Dean's Fund	Dean's discretionary fund
Junior Church Fund	To support costs and set-up of Junior Church
Missioner Fund	Canon Missioner's discretionary fund
Angel Space	To promote the Angel Space event in the Cathedral.
Cathedral lighting	To improve lighting within the Cathedral
Chancels Sinking Fund	To provide for future repairs to parish church chancels (note 32)
Friends of RC Cherry picker	A gift in 2007 to buy the Cathedral cherry picker. The expenditure charged to the fund is the annual depreciation on the asset.

24. Restricted Funds	Balance at 2008/09	Income	Expenditure	Investment Movements	Transfers	Balance at 2009/10
	£	£	£	£	£	£
Father Smith Bequest	325,753	7,300	(11,491)	68,786	-	390,348
HJ Hoby Bequest	16,422	54,788	-	4,155	-	75,365
Church Commissioners' Restricted	-	224,949	(224,949)	-	-	-
Cathedral Projects fund	13,877	293,556	(301,160)	-	-	6,273
Music fund	-	2,589	(2,589)	-	-	-
Ancient Stones Untold Stories (HLF)	112,777	467,082	(579,655)	-	-	204
Organ Sinking Fund	5,601	61	-	-	-	5,662
Peters Bequest	20,261	180	-	-	-	20,441
Embroidery fund	4,188	20	(1,870)	-	-	2,338
Chennai project fund	6,627	21,460	(11,500)	-	-	16,587
Mary J Smith Bequest	387,493	-	(37,682)	(10,000)	-	339,811
Library Fund	752	9	-	-	-	761
	893,751	1,071,994	(1,170,896)	62,941	-	857,790

Restricted Funds - description

Restricted Funds - description		Income/ capital
Father Smith Bequest	This fund derived from the will of Revd CL Smith. It is to be applied in constructive work in connection with the Cathedral, for example the reconditioning of a Chapel. Both income and capital may be used.	Both
HJ Hoby Bequest	This fund derived from the estate of HJ Hoby. The balance represented here is to be applied to produce income for the upkeep of the Cathedral fabric.	Residue - income only
Church Commissioners' Restricted	To meet stipends and associated costs of clergy	Both
Cathedral Projects Fund	For projects specifically funded by outside bodies	Both
Music Fund	For the provision of music. From the Music Endowment	Both
Ancient Stones Untold Stories (HLF)	For the interpretation project funded by the Heritage Lottery Fund. It includes grants from the HLF and Rochester Cathedral Trust	Both
Organ Sinking Fund	For the future refurbishment of the organ	Both
Doris Colmore Peters Bequest	For work with youth and children	Both
Embroidery Fund	For restoration of the Library curtains and other embroidery projects	Both
Chennai project fund	For constructing a church near Chennai, India	Both
Mary J Smith Fund	For supporting music in the Cathedral	Both
Library Fund	For purchases and running costs of the library	Both

25. Endowment Funds	Balance at 2008/09	Income	Expenditure	Investment Movements	Transfers	Balance at 2009/10
	£	£	£	£	£	£
General endowment	14,556,927	-	-	(319,079)	-	14,237,848
Music endowment	-	327,898	-	-	-	327,898
	14,556,927	327,898	-	(319,079)	-	14,565,746

Endowment Funds - description

Endowment Funds - description		Income/ capital
General endowment	Permanent endowment to generate income for the Cathedral	Income only
Music Endowment	Raised by Rochester Cathedral Trust for the provision of music	Income only

26. Staff numbers

The average full time equivalent number of paid staff working for the Cathedral during the year was 29 (2008/09 30)

	No.
Funds generation	7.5
Ministry	9.0
Cathedral and precincts upkeep	5.8
Education and outreach	1.6
Community, parish and congregation	0.9
Governance	-
Administration and finance	2.8
Heritage Lottery Fund project	1.5
	<u>29.1</u>

Of the above, members of Chapter numbered 3.4 (2008/09 4.4)

27. Staff costs

Salaries & Stipends £000	Employers' NI £000	Employers' Pension £000	Total £000	2008/09 £000
700	51	47	798	721

The aggregate remuneration of Chapter members included above was £126k (2008/09 £119k). See note 30.

28. Pensions

The Cathedral participates in the Church of England Defined Contributions Scheme, part of the Church Workers Pension Fund. The assets of the scheme are held separately from those of the Dean and Chapter in an independently administered fund. The costs of the scheme are charged in the accounts and are shown in note 26.

29. Emoluments of higher paid staff

No member of staff was paid more than the disclosure limit of £60,000.

30. Remuneration of members of Chapter

The remuneration of the members of Chapter lay within the following bands:

	Employers' Pension %
The Dean	£30k - £35k 32%
Canon Precentor	£20k - £25k 33%
Canon Pastor	£20k - £25k 33%
Archdeacon (20% attributable to the Cathedral)	£0k - £5k 44%
Canon Missioner (20% attributable to the Cathedral)	£0k - £5k 32%

The remuneration and pension provision of clerical members of Chapter are paid in accordance with scales laid down annually by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board. No remuneration was paid to lay members of Chapter in their capacity as Chapter members.

£5,311 (2008/09 £7,737) in expenses were paid in total to the 8 (2008/09 8) members of Chapter during the year. Expenses comprised travel, entertainment, gifts and departmental expenses.

31. Auditors remuneration

Auditors' remuneration for audit services amounted to £8,450 (2008/09 £8,250)

32. Commitments

The Dean & Chapter had the following contractual commitments at the end of the year:

	Committed for future £000
Glazing of North & West Doors	46.2
Checkers Yard lavatories	6.4
Treasury Roof repairs	187.9
Royal Engineers' Memorial	24.0

33. Contingent Liability

The Dean & Chapter have a legal responsibility for the maintenance and repair of 25 parish church chancels. They are entitled to claim 66.6% of the costs incurred from the Church Commissioners.

34. Consolidated entities

Rochester Cathedral Enterprises Ltd is wholly owned by the Dean & Chapter, and its results and assets have been consolidated into these accounts. The company gift-aided £11,000 to the Dean & Chapter during the year (2008/09 £0).

35. Connected entities

Two entities exist which are wholly for the benefit of the Cathedral, but which are not under its control: being Rochester Cathedral Trust and Friends of Rochester Cathedral.

Only income received or receivable from the entities is included in the accounts.

Relevant information about their income and assets is:

	Friends of Rochester Cathedral		Rochester Cathedral Trust	
	y/e 28.2.10 £000	y/e 28.2.09 £000	y/e 5/4/10 £000	y/e 5/4/09 £000
Gross income	42	46	370	251
Net income	154	(208)	(220)	(3)
Amount paid to the Cathedral	36	41	537	203
Gross Assets	1,125	981	134	385
Net Assets	1,117	963	115	335