DURHAM
CATHEDRAL

THE CATHEDRAL CHURCH OF CHRIST, BLESSED MARY THE VIRGIN AND ST CUTHBERT OF DURHAM

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2026

Registered Charity Number 1205971

DURHAM
CATHEDRAL

The Cathedral Church of Christ, Blessed Mary the Virgin and St. Cuthbert of Durham ("Durham Cathedral") is a Christian Church of the Anglican Communion, the shrine of St Cuthbert and the seat of the Bishop of Durham. It is a focus of pilgrimage and spirituality in North East England.

Our Mission
Inspired by our saints, Cuthbert and Bede, the mission of Durham Cathedral is to offer everyone the opportunity to encounter God and know God's love in Jesus Christ.

Our Vision 2033
We have identified four priorities for us as a cathedral looking ahead to 2033. In 2033 we want Durham Cathedral to be known locally and internationally as:

- a welcoming and engaging place for people to encounter God
- a leading destination and resource for life-transforming pilgrimage for people of all stages of life and faith
- a leading centre for the learning and practice of prayer
- a leading focus for world-engaging discussion, witness and proclamation in the name of Christ

In each of these areas, and in the vital enabling priorities which underpin them, we have identified specific goals for the years 2025-2027, so that we can work together on seeing our vision becoming a reality. Our prayer is that Vision 2033 will enable more people to be impacted positively by the story of Durham Cathedral, its saints and the faith that inspired this extraordinary building.

What We Do
The Cathedrals Measure 2021-which has underpinned the governance of Durham Cathedral since August 2023, sets out provision around the governance, management, property and financial affairs of Cathedrals. It sets out the following three objects of a Cathedral which define what we exist to do:

1. Advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
2. Care for and conserve the fabric and structure of the Cathedral church building;
3. Any other charitable purposes which are ancillary to the furtherance of these two purposes.

The operational and management structures of the Cathedral are aligned to these Objects.

Our Values

Our values help guide us in recognising how we fulfil our vocation as a Cathedral. They reflect the qualities we believe are essential to our life and work as a 21st century cathedral. We use them to highlight the necessity of working in ways motivated by wisdom, responsibility and ethics. In all things, we are inspired, motivated and challenged by the Christian faith and the values of the Gospel.

Spirituality
We recognise and respond to God's presence in our world and among us, practicing a reflective approach to what we do.

Respect
We recognise the image of God in all human beings, honour their dignity and treat them with courtesy.

Justice
We deal fairly in our personal and collective behaviours, work to the highest ethical standards, and are honest in our speech and behaviour. We think, speak and act with integrity, are professional in our conduct, and are publicly accountable for our actions.

Collaboration
We are a community founded on trust that prizes teamwork and builds partnerships that contribute to the common good.

Sustainability
We recognise and respond to God's presence in our world and among us, practicing a reflective approach to what we do.

Welcome
We are welcoming and hospitable to all. We show Christian love and care to our guests and those who need our help.

Aspiration
We are an outward-facing Cathedral that reaches for the future with energy and courage, and reaches out to our communities in the hope of personal and social transformation.

Constitution

The Cathedral is governed by the Constitution and Statutes of the Cathedral Church of Christ, Blessed Mary the Virgin and St Cuthbert of Durham, which were most recently amended on 4 August 2023.

The Cathedral is an ecclesiastical corporation and a registered charity (number 1205971).

The Chapter

The members during the year were:

The Very Revd Dr Philip Plyming	*The Dean*
The Revd Canon Michael Hampel	
The Revd Canon Charlotte Allen	
The Revd Canon Professor Simon Oliver	
The Revd Canon Michael Everitt	*Resigned 1 August 2025*
Canon Paul Chandler	*Senior Non-Executive Member of Chapter*
Canon Dr Maria Cockerill	
Canon Jonathan Ward	
Canon Professor Stefanie Sheen	
Canon Dr Apollo Tutesigensi	
Canon Alice Ambrose-Thurman	
The Revd Canon Jane Maycock	*(Installed 3 May 2026)*

The Executive Leadership Team

Mr Guy Sampson	Chapter Clerk & Chief Operating Officer
Mr George Carter	Chief Finance Officer
Mr Andrew Usher	Chief Officer: Visitor Experience & Enterprise
Mrs Susie Doyle	Director of Development *(resigned 3 November 2025)*
Ms Caroline Hayward	Head of Human Resources
Ms Clare Knowles	Head of Marketing and Digital *(resigned 13 February 2026)*
Mr Michael Corkhill	Head of Facilities
Mr Gary Holliday	Head of Works
Ms Hannah Ellis	Head of Enterprise
Mrs Rebekah Best	Head Verger
Mr Daniel Cook	Master of the Choristers and Organist
Mr Paul Smith	Director of Development *(Appointed 26 May 2026)*
Ms Catherine Poucher	Head of Communications and Marketing *(Appointed 3 August 2026)*

In addition to these, the residentiary clergy who have executive roles complete the other members of the ELT:

The Very Revd Dr Philip Plyming	The Dean
The Revd Canon Michael Hampel	Vice-Dean and Canon Precentor
The Revd Canon Charlotte Allen	Canon Chancellor
The Revd Canon Michael Everitt	Canon Pastor *(Resigned 1 August 2025)*
The Revd Canon Jane Maycock	Canon Missioner *(Installed 3 May 2026)*

The College of Canons

The members during the year were:

The Very Revd Dr Philip Plyming	*The Dean*
The Revd Canon Charlotte Allen	
The Revd Canon Michael Hampel	
The Revd Canon Michael Everitt	*(Resigned 1 August 2025)*
The Revd Canon Jane Maycock	*(Installed 3 May 2026)*
The Revd Canon Professor Simon Oliver	
Canon Paul Chandler	*Senior Non-Executive Member of Chapter*
Canon Alice Ambrose-Thurman	
Canon Jonathan Ward	
Canon Dr Maria Cockerill	
Canon Professor Stefanie Sheen	
Canon Dr Apollo Tutesigensi	
The Venerable Katharine Bagnall	
The Revd Canon Dr Alan Bartlett	
The Revd Canon Dr Mark Bonnington	
The Revd Canon Tom Brazier	
The Revd Canon Kate Brooke	
Canon Dr Jocelyn Bryan	
The Revd Canon Janet Burbury	
The Revd Canon Dr Nichola Carla Chater	
The Right Revd Sarah Clark	*As Bishop of Jarrow (Resigned 17 April 2026)*

The Revd Canon Dr Steph Clark		
The Venerable Robert Cooper		*Archdeacon of Sunderland (Resigned 24 Jan 2026))*
The Revd Canon Caroline Dick		*(Retired April 2026)*
The Revd Canon Adrian Gatrill		
The Revd Canon Yvonne Greener		*(Retired May 2026)*
The Revd Canon Alec Harding		
The Revd Canon Eileen Harrop		*(Retired June 2026)*
Canon Professor Mike Higton		
The Revd Canon Colin Jay		
The Revd Canon Paul Kennedy		
The Revd Canon Danie Lindley		
The Revd Canon Clare MacLaren		
Canon Susan Marshall		
Canon Dr Margaret Masson		
The Revd Canon Kyle McNeil		
The Revd Canon Mark Miller		
The Revd Canon Dr Justin Mihoc		
Canon James Morgan		
Canon Professor Paul Murray		
The Revd Canon Remi Omole		
The Revd Canon Dr Emma Parker		
The Revd Canon Sarah Parkinson		
Canon Dr Ruth Perrin		
Canon James Ramsbotham		
Canon Andrew Rogers		
Canon Professor Anna Rowlands		
The Venerable Richard Simpson		*Archdeacon of Auckland (Resigned 7 June 2026)*
Canon Prof Mike Snape		*Michael Ramsay Professor*
Canon Frances Stenlake		
The Revd Canon Matthew Paul Tarling		
The Revd Canon David Tolhurst		
Canon Margaret Vaughan		
The Revd Canon Professor David Wilkinson		
The Venerable Elizabeth Wilkinson		*Archdeacon of Durham*
The Revd Canon Gavin Wort		
Canon Nigel Wyrley-Birch		*(Retired in-year)*

In attendance:

Ms Sian Bell	*Secretary*	*(resigned 30 April 2026)*

Fabric Advisory Committee

The members during the year were:

Mr Humphrey Welfare	*Chair*	
Mr Andrew Boyce		
Dr Mary Brooks		
Ms Sarah Brown		
Mr David Carrington		
Mr Colin Haylock		*(Retired 1 May 2026)*
Dr Julian Luxford		*(Retired 1 May 2026)*

Mr Thomas Pearson		*(Retired 1 May 2026)*
Mr Martin Roberts		
Professor Emily Williams		*Appointed 1 May 2026*
Ms Kate Wilson		*Appointed 1 May 2026*
In attendance:		
Ms Alison Cullingford		
Mr Norman Emery		
The Revd Canon Michael Hampel		
The Revd Canon Michael Everitt		*(Resigned 1 August 2025)*
The Very Revd Dr Philip Plyming		
Canon Dr Apollo Tutesigensi		*(Appointed 1 January 2026)*
Mr Guy Sampson		
Ms Sian Bell	Secretary	*(Resigned 30 April 2026)*

Audit and Risk Committee
The members during the year were:

Canon Alice Ambrose-Thurman	
Ms Ann Hall	*Chair*
Canon Dr Maria Cockerill	*(Resigned 31 December 2025)*
The Revd Canon Michael Everitt	*(Resigned 1 August 2025)*
Canon Stefanie Sheen	*(Appointed 1 January 2026)*
Canon Jonathan Ward	*(Appointed 1 January 2026)*
Ms Catherine Winfield	
Mr Michael Weaver	
In attendance:	
Mr Guy Sampson	
Mr George Carter	
Mr Simon Still	*Special Advisor to the Committee (Retired in-year)*
Ms Sian Bell	*Secretary (resigned 30 April 2026)*

Investment and Property Committee
The members during the year were:

Canon Alice Ambrose Thurman	
Mr Stephen Hall	*(Retired 29 May 2026)*
Mr Mark McKelvey	
Mr John Newlands	*Chair, (Retired 15 October 2025)*
Mr Edward Peat	*Chair from 15 October 2025*
Miss Kate Rankine	
In attendance:	
Canon Paul Chandler	
The Very Revd Dr Philip Plyming	
Mr Guy Sampson	
Mr George Carter	
Ms Sian Bell	*Secretary* *(resigned 30 April 2026)*

Finance Committee
The members during the year were:

Canon Alice Ambrose-Thurman (Chair)	*Chair*
Mr William Baker Baker	
Mr Jonathan Brown	
Canon Dr Maria Cockerill	*(Appointed 1 January 2026)*
The Hon. Canon James Ramsbotham	
Canon Dr Apollo Tutesigensi	*(Appointed 1 January 2026)*
The Revd Canon Michael Everitt	*(Resigned 1 August 2025)*
Canon Jonathan Ward	*(Resigned 31 December 2025)*

In attendance:

The Very Revd Dr Philip Plyming	
Mr Guy Sampson	
Mr George Carter	
Ms Sian Bell	*Secretary (resigned 30 April 2026)*

Strategic Safeguarding Committee
The members during the year were:

Dr Victoria Brown	*Chair*	
The Very Revd Dr Philip Plyming		
The Revd Canon Michael Hampel		
The Revd Canon Michael Everitt		*(Resigned 1 August 2025)*
Mr Guy Sampson		
Ms Caroline Hayward		
The Revd Canon Jane Maycock		*(Appointed 3 May 2026)*
Ms Beth Miller		
Ms Sharon Lewis		
Ms Isabel Owens		

In attendance:

Ms Sian Bell	*Secretary*	*(resigned 30 April 2026)*

Nominations Committee
The members during the year were:

The Revd Canon Charlotte Allen		*(Appointed 1 January 2026)*
Canon Paul Chandler	*Chair*	
Canon Dr Maria Cockerill		
Professor Adekunle Adeyeye		
The Hon. Canon James Ramsbotham		
Ms Sue Winfield		
The Revd Canon Professor Simon Oliver		*(Resigned 31 December 2025)*

In attendance:

Mr Guy Sampson		
Ms Sian Bell	*Secretary*	*(resigned 30 April 2026)*

Title: The Cathedral Church of Christ Blessed Mary the Virgin and St Cuthbert of Durham.

Address	The Cathedral Office The College Durham DH1 3EH	**Investment managers**	Cazenove Capital Management Limited 12 Moorgate London EC2R 6DA
Auditors	Armstrong Watson Audit Limited One Strawberry Lane Newcastle NE1 4BX		Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Index **Page(s)**

The Chapter's annual report	9 - 16
• Financial review	11 – 15
• Statement of the Chapter's responsibilities	15 – 16
Report of the Auditors	17 – 19
Consolidated statement of financial activities	20
Consolidated balance sheet	21
Charity balance sheet	22
Consolidated statement of cashflows	23
Notes to the accounts	24 - 51

Definitions

Durham Cathedral	Working name of The Cathedral Church of Christ, Blessed Mary the Virgin and St Cuthbert of Durham
DCT	Durham Cathedral Trading Limited
DCOT	Durham Cathedral Open Treasure Limited
FY26	Financial year ended 31 March 2026
PYA	Prior year actual

THE CHAPTER'S ANNUAL REPORT

The Chapter presents its report and the Cathedral's audited financial statements for the year ended 31 March 2026.

Role and Organisation

Durham Cathedral, or to give it its full title, 'The Cathedral Church of Christ, Blessed Mary the Virgin and St Cuthbert of Durham', is a Christian Church in the Diocese of Durham and the Church of England. It is the home of two prominent northern saints, Cuthbert and Bede, and a focus of pilgrimage and prayer in North East England. The Cathedral's governing Constitution and Statutes were most recently amended on 4 August 2023, in accordance with the Cathedrals Measure 2021.

The Chapter is the governing body of the Cathedral, providing strategic direction and oversight. The objects of the Chapter are, under the terms of the Cathedrals Measure 2021, to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England, to care for and conserve the fabric and structure of the Cathedral Church building, and to advance any other charitable purposes which are ancillary to the furtherance of the above two purposes.

Chapter is formed of both clergy and lay people who act as executive and non-executive members respectively. The Dean and all Residentiary Canons are executive members. The Bishop appoints a non-executive member who is not a Residentiary Canon to serve as Senior Non-Executive Member. The Chapter, with the approval of the Bishop, appoints further non-executive members, and the Chapter must have more non-executive than executive members. As of 31 March 2026 there were six non-executive members (including the Senior Non-Executive Member). The Chapter is chaired by the Dean.

All new Chapter members are encouraged to undertake an Association of English Cathedrals Programme of Induction, which provides training covering Cathedral legislation, governance, Cathedral finances and property management.

Chapter met eight times in the course of 2025/2026.

Chapter is further supported by the committees listed on pages 4 to 7 of this document as well as by the Executive Leadership Team which makes operational decisions under the delegated authority of the Chapter. In addition, the work of Chapter is supported by approximately 500 volunteers, providing approximately 44 full time equivalent roles across a range of positions within the Cathedral.

The members of Chapter would like to acknowledge and thank all members of the bodies that have supported its work over the past year; their contribution has been invaluable to the achievements set out in this report.

The Chapter of Durham Cathedral plays an active role across the Diocese of Durham supporting the work of the Bishop, sharing our skills and knowledge, and working with communities and partners to further our mission. The Dean is a member of the Bishop's Leadership Team. Chapter works with the Diocese and Parishes to promote the role of Durham Cathedral as a place of pilgrimage and spiritual renewal in North East England.

Public benefit

Chapter confirm that they have complied with section 4 of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission determining the activities of the Cathedral. The Cathedral 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.

Missional and Operational Review

The financial year 2025/2026 was a year of significant ongoing development at Durham Cathedral. Key to this was the development of Vision 2033, the Cathedral's vision and strategy for the years leading up to the 900th anniversary of the building's completion in 1133. Over 200 internal and external stakeholders contributed to the consultation process, which led to a public launch across a range of events in Hospitality Week in June 2025

Vision 2033 is focused on four priorities – Encountering God: Pilgrimage, Prayer and Proclamation, underpinned by the enabling priorities of empowering our people, growing our resources and caring for our fabric and collections. Key goals have been identified for the period 2025-2027 and these inform the Cathedral's strategic planning.

The Cathedral was honoured to be invited to serve as the host for the Office of the Royal Maundy which took place in April 2025. The visit of HM The King and HM The Queen represented a chance to give thanks for examples of Christian service throughout local communities. The Cathedral welcomed 1,100 guests from across the region to a service where music was sung by the Cathedral Choir.

Alongside the regular rhythm of worship and prayer, the following represent key highlights / achievements of the financial year 2025/2026:-

- The Cathedral's three copies of Magna Carta were at the centre of an exhibition which attracted almost 30,000 visitors in summer 2025, who were also invited to reflect and pray through our art and prayer installations. A Durham Cathedral Institute event was hosted in connection with the exhibition where speakers included law academics from Durham and Newcastle Universities
- Special services were held to mark 200 years of the start of the railways in the North East, those who are in recovery from addiction and people living with the impact of suicide and road traffic accidents
- The Cathedral hosted three Explore evenings in Jan/Feb 2026 for those wishing to explore faith, which were attended by 30 people. Some of these were among the 29 candidates who were confirmed at Easter 2026
- Lent Talks speakers on the theme Encountering God in the Creative Arts included Sir Gregory Doran, Sir James Macmillan, Catherine Fox, Mel Howse and Prof Jolyon Mitchell
- A Pentecost Praise event was hosted for the first time at Durham Cathedral, which saw over 500 people joining from a range of churches across the region
- Guest speakers and preachers included broadcaster and author Rhidian Brook, RAF chaplain Wing Commander Dr Kate Bruce, and Professor David Wilkinson
- The Revd James Shelton started in July as Director of the Cuthbert Centre for Pilgrimage and Prayer, a key strand within Vision 2033. The Centre itself will be based in new facilities being transformed under the Deanery, and was given a soft launch in Feb 2026
- It was announced in March 2026 that Tom Holland had been appointed as the inaugural honorary Bede Librarian of Durham Cathedral, a role designed to expand knowledge of the story of Bede and the significance of the archives and collections at Durham Cathedral
- As part of Vision 2033, a new Canon Missioner was appointed to lead on the Proclamation strand of Vision 2033. The Revd Canon Jane Maycock was appointed in January 2026
- The Cathedral hosted special services of thanksgiving and farewell for Dame Susan Snowdon, HM Lord Lieutenant for County Durham and Bishop Sarah Clark, Acting Bishop of Durham and newly-appointed Bishop of Ely

- The Cathedral hosted a 24 hours of prayers in December 2025 to support the appointment process for a new Bishop of Durham. Subsequent to this, the College of Canons met in the Chapter House in March 2026 to elect the Venerable Rick Simpson as the new Bishop of Durham and to assure him of their prayers
- The Cathedral received the results of an external safeguarding audit in summer 2025. Undertaken by INEQE of both Durham Cathedral and Durham Diocese, the audit stated that the cathedral has a robust safeguarding framework underpinned by strong leadership and a palpable commitment from all levels of staff. Recommendations were made to embed further improvements
- Durham Cathedral was awarded a Silver Eco-Church Award in October 2025, a sign of its commitment to careful stewardship of resources as part of God's creation

Financial review

These accounts have been prepared in accordance with the Charities (Accounts and Reports) Regulations 2008.

The accounts have been prepared in thousands of pounds, and this may result in rounding differences of £1k.

Income & Expenditure

At the start of the financial year, the Cathedral's investment portfolio was restructured from being predominantly in directly held securities to utilising managed funds. This greatly simplifies the governance and management of investment risk whilst retaining a high confidence in meeting the investment objectives. This change, however, means that all of the investment return is now recorded as a 'net gain on investment'. Previously the return would be recorded partly as investment income and partly as net gain on investment. This is a presentational change rather than substantive. It is for this reason that accounts appear to show a reduction in investment income from £2.2m in the prior year to £1.3m in this year.

In practice, however, the cashflows are largely the same. The listed investment portfolios provided a monthly cashflow of £82k (£1m over the year), but this is now captured within the net gains on investment figure. Adjusting for this change, like-for-like income is around £0.2m higher this year than last.

Donation & Legacy income was largely flat at £1.5m. However, this ignores the fact that last year we had a one-off exercise to include some legacy fund balances that were previously outside of the financial reporting (£329k), so on a like-for-like income basis the financial year 2025/26 delivered an increase from the prior year. Conversely, general revenue grants were lower this year, and this is something we are looking to address with the appointment of a new Director of Development.

Trading income and chargeable events increased by £0.3m partly as a result of a new charging model for Tower Climbs, and partly due to increased activity within the shop.

Expenses increased by £0.5m (6.6%) to £8.5m largely as a result of i) a continued effort to progress repairs to the Cathedral and precincts, and ii) an increase in staff costs as a result of pay increases and the Employer's National Insurance bill increase due from the change in Government taxation. Counteracting these events to some degree has been good cost management in a number of areas, and ongoing discipline in expense management.

Two particular events during the year are worthy of note from a financial perspective. The first was the Royal Maundy service which resulted in one-off costs of around £25k. These were largely covered from grants and donations, but a shortfall of around £7k was picked up by the Cathedral. Secondly, the Magna Carta exhibition was extremely well received and resulted in the museum generating nearly £200k of income, and whilst there were costs of around £90k directly attributable to running the exhibition it generated a profit greater than expected. It should be noted however, that with so many visitors paying to visit the exhibition we did notice a reduction in voluntary donations, but notwithstanding this slight substitutionary effect, the exhibition was a success both in financial and engagement terms.

Going Concern

Chapter has considered the current position of the Cathedral and is satisfied that the Cathedral will continue to be able to meet its liabilities as they fall due. Over the year, there was a net positive increase in funds which was a result of stronger than budgeted gains from the listed investment portfolios. Whilst such strong investment performance cannot be expected each year, the Cathedral does have a strong expectation of further capital gains to be made from the future sale of property assets which will both fund future projects directly and also increase the size of the endowment thereby generating higher future income.

Financial strategy

Chapter has agreed the broad structure of the financial strategy that will operate throughout the period over which Vision 2033 is delivered, and beyond. Under this strategy, Cathedral income and expenditure are being managed within two distinct 'Revenue' and 'Capital' budgets.

Under this strategy, capital receipts arise from increases in investment asset values largely associated with property disposals for development at above existing use value. The Cathedral's strategy is that the proceeds from any property sales will be treated as follows: Firstly, the current balance sheet value of the asset will be re-invested back into the property part of the endowment investment portfolio to maintain the revenue potential from property assets. Secondly, any 'uplift' in value will be split 50/50 such that half the proceeds will be invested with the permanent endowment investment funds to grow the asset base from which income is derived, and half will be allocated towards capital works on the Cathedral and ancillary buildings. This proportionate split may vary over time depending on financial needs.

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 Cathedral has a large pool of highly liquid investment assets (circa £32m of non-restricted assets are in liquid investment funds, cash and short term deposits). Furthermore, the Unapplied Total Return (£33.4m) can be utilised as Chapter sees fit, thus providing significant flexibility in balancing the needs of current and future expenditure. As noted above in the Financial Strategy section, Chapter anticipates that this figure will grow substantially over the next decade, thus increasing the financial security of the Cathedral.

Accordingly, the Cathedral has more than sufficient liquid reserves to meet its annual budget commitments.

Total return investment policy

A resolution was passed at the meeting of Chapter in March 2020 adopting a total return approach to investments.

At the time of the resolution, the Trust for Investment was determined at £20.6m based on the 1996 book value of endowed assets, adjusted for inflation and new capital received from that date to 31 March 2020. The value of the Trust for Investment will be increased annually in line with CPI to maintain its real value. Applying the annual rate of CPI of 3.3% at 31 March 2026 and also allowing for £150k of new capital donated to the endowment, the value of the Trust for Investment was £27.3m (2025: £26.3m).

During the year, the Cathedral's unrestricted income (£3.1m) was lower than the unrestricted expenditure (£5.5m). The difference between these figures was reconciled with a transfer from the endowment funds (from the Unapplied Total Return UTR). Chapter has a standing policy of automatically transferring all net rental income and 4% of the value of the investment funds to Unrestricted funds, and in addition, further sums can be re-allocated from the UTR to meet budgeted costs over the year.

Somewhat complicating the transfer of funds this year was the creation of two new linked charities. Previously these funds had been known as 'special trusts' and formed part of the Restricted & Endowment Funds. With the creation of two new independent charities these assets are now held separately from the Cathedral's own assets, (see note 22) but are reported on a consolidated basis wholly within the endowment assets. This has resulted in the accounts showing a £0.3m transfer of funds from Restricted to Endowment (in addition to the £0.6m transfer of funds from Restricted to Unrestricted).

Overall, the net result is that £1.8m was transferred out of the UTR to the unrestricted funds (see note 16).

After allowing for the increase in the Trust for Investment, the application of income to cover operating costs, the re-allocation between Restricted and Endowment funds and the impact of realised and unrealised gains and losses, the value of the unapplied total return at 31 March 2026 stood at £33.4m. (2025 re-stated: £33.4m). Over time, Chapter will make further allocations of unapplied total return resulting from capital growth on a sustainable basis, balancing the interests of current and future generations.

Investments & Property

The investment objective for the listed investment portfolios is to achieve CPI+4% per annum after expenses over the longer term. This should allow Chapter to draw a sustainable sum of 4% each year whilst maintaining the real value of the funds over the long-term. Chapter will set a fixed drawdown from the portfolios at the start of each financial year based on this principle but using a smoothed asset figure to avoid large movements year-on-year from capital asset value movements.

Durham Cathedral owns property to house clergy, staff, and Cathedral offices. Other property is held for investment purposes and is rented out on a commercial basis. The investment property portfolio includes commercial buildings, property rented to Durham Cathedral Schools Foundation for educational purposes, farms, houses and sundry property including garages and allotments.

During the year, the Cathedral's Endowment Funds purchased a portfolio of properties from the Restricted Funds. This was done for a variety of reasons including i) to simplify the property portfolio being accounted for as a single entity rather than splitting elements between Restricted & Endowment, and ii) to provide liquidity to the Restricted Fund so that it will be better placed to meet potential future cashflow needs in funding its stated purposes. The transaction was done on an arms length basis at a value specified by an independent valuer. This was also done as part of a wider rationalisation and tidy-up of the Restricted Funds whereby some assets that had previously been held in consolidated accounts were moved to separately held and individually identifiable accounts. Together this explains the elevated level of additions and disposal in note 6b of the accounts.

Separately, the Chapter is trustee for three separate independent trusts. The Academic Fund, the Durham Cathedral Trust for the Relief of Poverty and the Durham Cathedral Trust for Education. These second two trusts were formed from the amalgamation of a number of longstanding and legacy trusts (previously referred to as 'Special Trusts') and were lodged with the Charities Commission during the 2025/6 financial year. The investment assets for all these Trusts are invested with Sarasin LLP utilising the same fund as used for the Cathedral's wider endowment portfolio.

Each of these three Trusts are independent legal charitable entities. However, they have been lodged as 'Linked Charities' with the Charities Commission to enable simpler consolidated reporting within the Cathedral's accounts. This has resulted in the 2025 comparator figures being re-stated to allow for this change.

Overall, the investment property and listed investment portfolios increased in value over the year from £65.9m to £66.7m despite the operational deficit for running the Cathedral over the year and the ongoing investment in repairs and capital works programmes to maintain the fabric of the Cathedral. This therefore represents a successful financial year for the Cathedral and we should use these years of stronger investment returns to help build resilience for the inevitable weaker years that will occur from time to time.

Plans for future periods

The Budget for 2026/27 was approved in March 2026 by Chapter. The underlying assumptions reflecting the economic outlook meant that the budget shows an operating deficit of £1.2m, which will be met by a drawdown from the Cathedral's Unapplied Total Return. A re-forecasting exercise will take place during the year.

Chapter remains committed to reducing the structural deficit as part of the wider financial strategy, and in a manner aligned with the overall organisational vision and strategy. Income growth, cost reduction and margin improvement remain high priorities for the current and future years.

Chapter has also provided a separate budget (funded from the UTR) for the delivery of the 2033 strategic vision which was formally launched at the hospitality week in June 2025. Whilst the strategic vision is an integral part of the day-to-day activities of the Cathedral it was deemed prudent to separately budget for this. The budget for 2026/7 was £177k (2025/6: £159k).

In addition to the long-term endowment portfolios of property and investments, Chapter has also set aside two separate funds (currently held in money market funds) for i) Capital works and ii) Reinvestment of base capital value. The Capital works fund currently receives 50% of the value of any uplift in the holding value of a property which is sold (the other 50% of the uplift being invested in the long-term endowment investment portfolios). This Fund is used for supporting the ongoing major capital expenditure projects. The Reinvestment of base capital value fund receives the balance sheet value of any property sold. This is not intended to be a long-term holding, but rather is set aside to be re-invested in the property portfolio to maintain its real value and income generating power over time. At the time of writing, the Cathedral is expecting to complete the purchase of a farm adjacent to an existing land holding in the autumn of 2026 which has been purchased using funds from the Reinvestment of Base Capital.

Chapter has also agreed that a capital budget envelope of £3m for the financial year 2026/27 as part of a longer-term plan for capital works that ties in with the recommendations of the Quinquennial Inspection of the Cathedral's fabric. This work includes both the development work to bring existing assets back into commercial operation as well as non-commercial fabric repair. At this stage the larger projects are still being scoped, and this year's work will contribute to more detailed costs and timeframes being identified.

Key Risks and Uncertainties

The principal financial uncertainty is unexpected repair work/damage to the Cathedral's properties and land. With responsibility not only for the Cathedral church, but a number of other grade 1 listed buildings and heritage land around the Durham peninsula, large costs can arise in short time frames putting a significant pressure on cashflow and endowment assets.

In addition, the short and medium-term risk of above-inflation cost expansion (whether staff costs, driven by the labour-market response to cost-of-living pressures, or non-wage costs driven by external factors) make closing the gap on the annual revenue budget much harder. This problem was compounded last year by the Government's imposition of higher NI costs for employers, which added nearly £100k p.a. to the Cathedral's core operating costs. This has been compounded this year with the Government's removal of the Listed Places of Worship (LPOW) VAT relief scheme which will no longer enable the Cathedral to reclaim the VAT on repairs to the Cathedral building. This will add millions of pounds to the amounts needed to be raised to complete the essential repairs identified in the quinquennial inspections.

The major risks to which Durham Cathedral is exposed are assessed on a regular basis based mainly on a specific risk register. The Chapter considers that systems are in place which mitigate (but do not eliminate) those risks. Monitoring of risk is undertaken throughout the course of the year by the Chapter, the senior management team and the Audit and Risk Committee.

Investment powers

Under the Cathedrals Measure 2021, the Chapter may invest the Cathedral's funds in the following categories:

- Land;
- 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 or its ancillary buildings;
- Funds administered by the Central Board of Finance of the Church of England by CCLA Investment Management Limited; and
- Investments in which trustees may invest under the general power of investment under the Trustee Act 2000.

Statement of the Chapter's responsibilities

Collectively, members of Chapter are responsible for preparing the Chapter's annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, Chapter are required to:

a. Select suitable accounting policies and then apply them consistently;
b. Observe the methods and principles of the Charities SORP (FRS 102);
c. Make judgements and accounting estimates that are reasonable and prudent;
d. State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
e. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Chapter is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution and Statutes. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

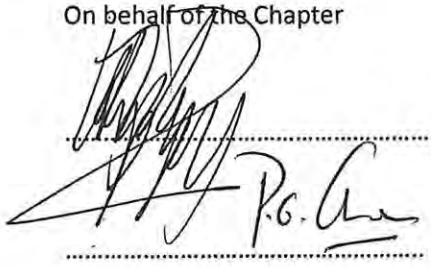
In so far as the Chapter is aware:

- there is no relevant audit information of which the auditor of Durham Cathedral and its subsidiaries is unaware; and
- the Chapter members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Chapter re-appointed Armstrong Watson Audit Limited as auditors.

On behalf of the Chapter



..... The Very Revd Dr. Philip Plyming, Dean

..... Canon Paul Chandler, Senior Non-Executive Member/Vice Chair of Chapter

Date: 15 September 2026

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CATHEDRAL CHURCH OF CHRIST, BLESSED MARY THE VIRGIN AND ST CUTHBERT OF DURHAM

Opinion

We have audited the financial statements of The Cathedral Church Of Christ, Blessed Mary The Virgin And St Cuthbert Of Durham for the year ended 31 March 2026 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the Cathedral's affairs as at 31 March 2026 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the guidelines specified by the Church Commissioners under the powers given to them by section 30 of the Cathedrals Measure 2021 and in accordance with the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our

knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Cathedrals Measure 2021 and Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Cathedral's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, such as the Cathedrals Measure 2021 and the Charities Act 2011;
- we identified the laws and regulations applicable to the Cathedral through discussions with Trustees and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Cathedral's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- tested the operating effectiveness of key controls over key transaction cycles such as income, purchases and wages; and
- reviewed the application of accounting policies including the application of capitalisation of tangible assets

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

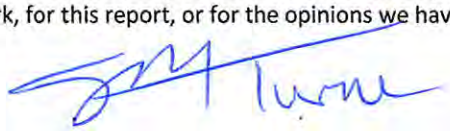
- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or noncompliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the Cathedral's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Cathedral's Trustees those matters we are required to state to them in an auditors' 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Turner (Senior Statutory Auditor)
For and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Newcastle
Date: 22-9-2026

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006

Consolidated Statement of Financial Activities for the year ended 31 March 2026

	Note	Unrestricted funds	Restricted funds	Endowment funds	**Total 2026**	Total 2025 (restated)
		£'000	£'000	£'000	**£'000**	£'000
Income and endowments from:	4					
Donations and legacies		910	556	-	**1,466**	1,545
Grants in support of mission		380	140	149	**668**	809
Charges and fees in the course of mission		70	-	-	**70**	70
Trading and chargeable events		1,710	2	-	**1,712**	1,423
Investments		7	228	1,036	**1,271**	2,189
Other income		23	-	-	**23**	12
Total income		3,100	925	1,185	**5,210**	6,048
Expenditure on:	5					
Raising funds		(1,578)	(107)	(435)	**(2,119)**	(2,382)
Ministry		(1,960)	(26)	-	**(1,987)**	(1,557)
Education and outreach		(327)	(81)	(53)	**(461)**	(598)
Cathedral and precincts upkeep		(1,650)	(703)	(1,562)	**(3,915)**	(3,420)
Total expenditure		(5,515)	(917)	(2,050)	**(8,482)**	(7,957)
Net (outgoing)/incoming resources before investment gains/(losses)		(2,415)	8	(865)	**(3,272)**	(1,909)
Net gains on investments		-	185	3,735	**3,920**	1,185
Net (expenditure)/income		(2,415)	193	2,870	**648**	(724)
Transfer between funds	16	2,415	(903)	(1,512)	**-**	-
Net movement in funds		-	(710)	1,358	**648**	(724)
Funds brought forward (restated)	16	2,328	8,269	65,242	**75,839**	76,563
Funds carried forward	16	2,328	7,559	66,600	**76,487**	75,839

The revised consolidated SOFA for the year ended 31 March 2025 (by fund type) is included as Note 18.

The notes on pages 24 to 51 and the Special Trust accounts on page 50 form part of these Financial Statements.

Consolidated Balance Sheet as at 31 March 2026

	Note	Unrestricted funds	Restricted funds	Endowment funds	**Total 2026**	Total 2025 (restated)
		£'000	£'000	£'000	**£'000**	£'000
Fixed assets						
Investment assets						
Property	6a	-	-	29,740	**29,740**	29,027
Listed Investments	6b	630	7,576	28,766	**36,972**	36,840
		630	7,576	58,506	**66,712**	65,867
Non-investment assets						
Property	7a	-	-	6,815	**6,815**	6,640
Inventory	7b	-	-	-	**-**	716
Intangible fixed assets	7c	1	-	-	**1**	15
Tangible fixed assets	7d	829	-	-	**829**	929
		830	-	6,815	**7,645**	8,300
Total fixed assets		1,460	7,576	65,321	**74,357**	74,167
Current assets						
Stocks	9	142	-	-	**142**	120
Debtors	10	567	13	146	**726**	746
Short term deposits		-	-	-	**-**	454
Cash at bank and in hand		932	104	1,634	**2,670**	1,656
Intra-fund loan		82	-	-	**82**	3,115
		1,723	117	1,780	**3,620**	6,091
Liabilities due within one year						
Creditors	11	(735)	(100)	(453)	**(1,288)**	(1,174)
Intra-fund loan		-	(34)	(48)	**(82)**	(3,115)
Net current assets		988	(17)	1,279	**2,250**	1,802
Total assets less current liabilities		2,448	7,559	66,600	**76,607**	75,969
Liabilities due after more than one year						
Creditors	12	(120)	-	-	**(120)**	(130)
Net assets		2,328	7,559	66,600	**76,487**	75,839
Funds						
Unrestricted		2,328	-	-	**2,328**	2,328
Restricted		-	7,559	-	**7,559**	8,269
Endowment		-	-	66,600	**66,600**	65,242
Total funds	16.1	2,328	7,559	66,600	**76,487**	75,839

The financial statements were approved by the Chapter on 15 September 2026 and signed on their behalf by:

The Very Revd. Dr. Philip Plyming
Dean

Canon Paul Chandler
Senior Non-Executive Member/Vice Chair of Chapter

The notes on pages 24 to 51 and the Special Trust accounts on page 50 form part of these Financial Statements.

Durham Cathedral Balance Sheet as at 31 March 2026

	Note	Unrestricted funds	Restricted funds	Endowment funds	**Total 2026**	Total 2025 (restated)
		£'000	£'000	£'000	**£'000**	£'000
Fixed assets						
Investment assets						
Property	6a	-	-	29,740	**29,740**	29,027
Listed Investments	6b	630	7,575	28,766	**36,971**	36,806
Investment in subsidiary	6c	-	1	-	**1**	1
		630	7,576	58,506	**66,712**	65,834
Non-investment assets						
Property	7a	-	-	6,815	**6,815**	6,640
Inventory	7b	-	-	-	**-**	715
Intangible fixed assets	7c	-	-	-	**-**	12
Tangible fixed assets	7d	23	-	-	**23**	29
		23	-	6,815	**6,838**	7,396
Total fixed assets		653	7,576	65,321	**73,550**	73,230
Current assets						
Stocks	9	2	-	-	**2**	4
Debtors	10	969	13	146	**1,128**	1,231
Short term deposits		-	-	-	**-**	487
Cash at bank and in hand		846	104	1,634	**2,584**	1,482
Intra-fund loan		82	-	-	**82**	3,116
		1,899	117	1,780	**3,789**	6,320
Liabilities due within one year						
Creditors	11	(561)	(100)	(453)	**(1,114)**	(982)
Intra-fund loan		-	(34)	(48)	**(82)**	(3,116)
Net current (liabilities)/assets		1,338	(17)	1,279	**2,600**	2,222
Total assets less current liabilities		1,991	7,559	66,600	**76,150**	75,452
Liabilities due after more than one year						
Creditors	12	(120)	-	-	**(120)**	(130)
Net assets		1,871	7,559	66,600	**76,030**	75,322
Funds						
Unrestricted		1,871	-	-	**1,871**	1,811
Restricted		-	7,559	-	**7,559**	8,269
Endowment		-	-	66,600	**66,600**	65,242
Total funds	16.2	1,871	7,559	66,600	**76,030**	75,322

The financial statements were approved by the Chapter on 15 September 2026 and signed on their behalf by:

The Very Revd. Dr. Philip Plyming
Dean

Canon Paul Chandler
Senior Non-Executive Member/Vice Chair of Chapter

The notes on pages 24 to 51 and the Special Trust accounts on page 50 form part of these Financial Statements.

Consolidated statement of cashflows for the year ended 31 March 2026

	Note	2026		2025 (restated)	
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities	17.1		(3,760)		(869)
Returns on investments					
Rents received net of costs		558		896	
Interest and dividends received net of costs		278		711	
			836		738
Capital expenditure & financial investment					
Purchase of investments		(11,886)		(15,848)	
Sales and transfers of investments		14,152		15,335	
Purchase of investment properties		(2,847)			
Disposal of investment properties		3,368		-	
Disposal of inventory		716			
Additions to fixed assets		(19)		(20)	
			3,484		(533)
Cash (outflow)/inflow before management of liquid resources and financing			560		205
Management of liquid resources					
Net (increase)/decrease in short term deposits			454		(61)
(Decrease)/Increase in cash	17.3		1,014		(8,533)

The notes on pages 24 to 51 form part of these Financial Statements.

Notes to the accounts for the year ended 31 March 2026

1. Accounting policies

The accounting policies which affect items that are material in determining the financial position of the Cathedral and its subsidiary entities are set out below. These policies form part of the notes to the financial statements.

Basis of accounting
The financial statements have been prepared under the historical cost convention except for the valuation of investments and certain investment and non-investment properties that are carried at fair value. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The accounts are presented in £ sterling, which is considered to be the functional currency, and are rounded to the nearest £'000.

The Cathedral is classed as a public benefit entity.

Basis of consolidation
The group financial statements consolidate the accounts of Durham Cathedral and its wholly owned subsidiary undertakings Durham Cathedral Trading Limited and Durham Cathedral Open Treasure Limited, and also three linked charities – The Durham Cathedral Academic Charity, The Durham Cathedral Educational Trust and The Durham Cathedral Trust for the Relief of Poverty. They all have financial year ends of 31 March. Transactions between group entities are eliminated on consolidation. No Statement of Financial Activities ("SOFA") is presented for Durham Cathedral alone as permitted by the Regulations.

There are three linked charities – The Durham Cathedral Academic Charity, The Durham Cathedral Educational Trust and The Durham Cathedral Trust for the Relief of Poverty. We have applied merger accounting for all three of these charities and the prior year figures have been restated on that basis.

The Academic Charity was reported last year as a Trust of which the Cathedral was a custodian trustee. Advice has now been received confirming that it should be treated as a linked charity.

Last year we had the legacy 'Special Trusts' which during the year were merged into two new trusts (Education and Relief of Poverty) and these were set up at the outset as Linked Charities and are now being recorded as such.

Going Concern
Having considered budgets and cash flow projections, the Chapter is confident that the Cathedral will continue to be able to meet its liabilities as they fall due for the foreseeable future and will have sufficient levels of liquid reserves to cover short-term fluctuations in income. The Chapter therefore considers that it is appropriate to prepare the accounts on a going concern basis. Over the year, there was a net positive increase in funds which was a result of stronger than budgeted gains from the listed investment portfolios. Whilst such strong investment performance cannot be expected each year, the Cathedral does have a strong expectation of further capital gains to be made from the future sale of property assets which will both fund future projects directly and also increase the size of the endowment thereby generating higher future income.

Incoming resources
All incoming resources are included in the SOFA when the Cathedral is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants given towards the capital cost of assets are credited as income to a restricted fund and the depreciation of the asset acquired is charged against the fund over the useful economic life of the associated asset.

Grants awarded for revenue costs are credited to the SOFA when the Cathedral has entitlement to the grant, receipt is probable and the value of the grant can be measured reliably.

Legacies
The recognition of income from legacies is dependent upon establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Chapter has sufficient evidence that a gift has been left to it (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the legacy in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be when the expected cash amount to be distributed to Chapter can be reliably measured.

Resources expended
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure on repairs, restoration and maintenance of the Cathedral is charged as incurred, with the cost of major repairs and restoration being charged against the Fabric Fund, a restricted fund as disclosed in Note 16. Expenditure on Investment Property is charged against revenue unless the work results directly in a substantial increase in the value of the property and also an increase in rental income when it is capitalised. Irrecoverable VAT has been added to the item of expenditure giving rise to it.

Allocation of support costs
The Regulations require allocation of the support costs to those activities which they directly support. Support costs have been allocated to departments on the basis of headcount.

Cathedral and Inventory

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

Heritage Assets
The Chapter considers that obtaining valuations for all of the books, manuscripts and artefacts and other heritage assets in its care would involve disproportionate cost compared with the benefit derived by users of the accounts. Consequently no values are attributed to heritage assets in the balance sheet. Disclosure regarding heritage assets is given in Note 8.

The Chapter has a policy of retaining its heritage assets for the long term and cannot dispose of such assets held within Endowment Funds without the agreement of the Cathedral Fabric Commission for England (CFCE) and/or the Church Commissioners. Heritage items are generally acquired by donation.

Total return approach to investment
The Chapter passed a resolution on 23 March 2020 to adopt a total return policy in respect of permanently endowed funds. The Church of England (Miscellaneous Provisions) Measure 2014 received Royal Assent on 14 May 2014. This enabled Cathedrals to adopt a total return approach to investment.

This approach allows any increase in the value of an investment to be used as income. The decision was taken to ensure that Chapter invests in a way that has appropriate regard to the furtherance of its aims both now and in the future.

Chapter identified the relevant funds and apportioned it into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). The calculation of the value of the investment fund on the date of adoption was based upon the book value of assets in 1996, adjusted for inflation and additions since that date. Chapter used their best endeavour to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

All endowed investment returns are designated as unapplied total return until Chapter decide how it is to be used. At the discretion of Chapter, some of the total unapplied return may be allocated to the income fund to be spent on its aims.

Chapter may allocate an amount of the unapplied total return to the investment funds. The amount that can be allocated to the investment fund is capped. The cap is calculated by using the rise in inflation from a particular date, being either the date of resolution if no previous allocation has been made or date of the last allocation to the investment fund.

Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised when the asset is available for use. Amortisation is provided on all intangible assets so as to write off the cost of an asset over its estimated useful life as follows:

Software	20% pa straight line

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation, less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use. Details of the basis of valuation adopted as at 31 March 2026 are given in Notes 6a and 7a.

Non-investment properties, which are occupied by clergy and lay employees of the Cathedral, the offices, library and stone yard are included at open market value at the last valuation date.

The Chapter considers that the properties (non-investment) need not be depreciated due to the policy of maintaining these assets to such a high standard that they retain a high residual value. Investment properties are not depreciated in accordance with FRS 102.

Equipment, plant and facilities are written off to the Revenue Account in the period in which the expenditure is incurred, except that capital expenditure (typically determined as being items with a cost in excess of £2,500) is capitalised at cost and depreciated over its useful economic life.

Depreciation rates

Capitalised tangible fixed assets are written off at the following rates:

Land and buildings	2% to 6.67% pa straight line
Plant and equipment	5% to 33% pa straight line
Fixtures and fittings	2% to 20% pa straight line
Motor vehicles	25% pa straight line
IT equipment	20% to 33% pa straight line

Investment properties

Investment properties are measured at fair value at each reporting date, with any changes in fair value recognised in the statement of financial activities incorporating income and expenditure account. Investment properties are not depreciated.

Financial Instruments

The Chapter only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances, bank loans and loans to and from related parties, including fellow group companies.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/ (losses) on investments" in the statement of financial activities incorporating income and expenditure account.

Stock

Stock is valued at the lower of cost and net realisable value.

Fund accounting
Endowment funds are funds which are held for the permanent benefit of the Cathedral.

Chapter has adopted a total return approach to investments, the permanent endowment. Assets are invested to produce an investment return without regard to whether that return is in the form of income or capital appreciation. An allocation is made each year from unapplied total return to Trust for Investment to ensure that the capital value of assets in trust are not eroded over time.

Gains and losses on the sale of properties and investments and changes in the value of properties and investments, together with any related costs, are transferred to the Endowment Fund which has been designated as a separate fund not available for allocation as part of the surplus for the year. Chapter may, however, determine which part of the unapplied total return may be applied for the purposes of the Cathedral and which part should be available for accumulation as part of investments.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the Cathedral. Restrictions arise when specified by the funder or when funds are raised for a specific purpose.

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Chapter.

Designated funds are funds set aside by the Chapter out of the unrestricted general fund for specific purposes or projects.

Pensions
The Chapter operates a stakeholder pension scheme that is open to all staff. Under pension legislation, all eligible staff are auto-enrolled in the stakeholder pension scheme after three months service. From October 2026 auto-enrolment will apply for all new employees from the 1st of the month after they commence service Contributions are paid to approved funds and are charged as expenditure in the year in which they accrue.

2. Key areas of judgement and estimation uncertainty
The preparation of financial statements requires management to make judgements, assumptions and estimates that affect the application of accounting policies and amounts reported in the statement of financial activities and balance sheet. Such decisions are made at the time the financial statements are prepared and adopted based on the best information available at the time. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

The key areas of judgements in the audited accounts are regarding property valuations, total return, accounting for grant income, and provisions for debtors.

Investment and non-investment properties are subject to an external professional valuation every 3 years. Between the external valuations Chapter assess whether there have been any material changes to the valuation. At 31st March 2026 approximately one third of the properties were valued by 3rd party valuers at fair value, ignoring any hope value and not accruing any value for potential change of use unless planning permission had been obtained. It is likely that the value of the properties would be higher if marketed.

On passing the resolution to adopt a total return policy in 2020, Chapter identified the relevant funds and apportioned them into the value of the original endowment (which forms the Investment Fund) and the unapplied investment return (which forms the unapplied total return). Chapter used their best endeavour to arrive at the value of the original endowment but acknowledge the inherent uncertainty caused by lack of records documenting ancient endowments.

Project specific grant income is accrued when conditions for capital and revenue grants have been fulfilled. Such grants are claimed in arrears. Other capital grants are accounted for on receipt of the grant, with the grant conditions having been fulfilled in advance.

3. Employees

The average number of employees (both by full time equivalent and headcount) during the year was as follows:

Full time equivalent	**2026 Number**	2025 Number
Dean and Chapter	**90**	77
Durham Cathedral Trading Limited	**-**	-
Durham Cathedral Open Treasure Limited	**-**	-
Total	**90**	77

Headcount	**2026 Number**	2025 Number
Dean and Chapter	**120**	118
Durham Cathedral Trading Limited	**-**	-
Durham Cathedral Open Treasure Limited	**-**	-
Total	**120**	118

The total cost of all paid staff of the Cathedral was:

	2026 £'000	2025 £'000
Salaries and stipends	**2,955**	2,723
Employer's National Insurance costs	**331**	245
Employer's pension costs - stakeholder pensions	**101**	128
Total	**3,387**	3,096

In the financial year 2025/26, there were three employees who received remuneration between £60,000 and £70,000 (FY25:1), no employees who received remuneration between £70,000 and £80,000 (FY25:1) and one employee who received remuneration between £80,000 and £90,000 (FY25:0).

Members of Chapter received the following remuneration for the year ended 31 March 2026:

	Salary or stipend	Employer's NIC contributions	Pension contributions	**Total**
	£'000	£'000	£'000	**£'000**
The Very Revd Dr Philip Plyming	44	5	8	57
The Revd Canon Charlotte Allen	35	5	6	46
The Revd Canon Michael Hampel	35	5	6	46
The Revd Canon Michael Everitt	15	1	3	19
The Revd Canon Prof Simon Oliver	1	-	-	1
Total	130	16	23	169

Comparative figures for the year ended 31 March 2025 are as follows:

	Salary or stipend	Employer's NIC contributions	Pension contributions	**Total**
	£'000	£'000	£'000	**£'000**
The Very Revd Dr. Philip Plyming	42	3	8	**53**
The Revd Canon Charlotte Allen	34	3	7	**44**
The Revd Canon Michael Hampel	34	3	7	**44**
The Revd Canon Michael Everitt	41	5	8	**54**
The Revd Canon Prof Simon Oliver	8	1	-	**9**
Total	159	15	30	**204**

Clergy stipends and pensions are set in accordance with the scales laid down by the Church Commissioners, the Archbishops' Council and the Church of England Pensions Board. The Canon Professor's salary and pension, however, are set, and provided for, by Durham University and the Cathedral only provides housing and a contribution towards overall remuneration. In addition, the Dean and Residentiary Canons receive an allowance towards the cost of running clergy housing.

None of the lay members of Chapter received remuneration in either year, other than reimbursement of travel and subsistence costs, as disclosed below.

Five members (FY25: four) of the Chapter were reimbursed a total of £4,406 (FY25: £3,343) in respect of expenses whilst carrying out the business of the Chapter.

4. Income	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total 2026 £'000**	Total 2025 (restated) £'000
Donations and legacies					
Congregational collections and giving	84	-	-	**84**	76
Donations	706	27	-	**733**	845
Income from appeals and fundraising	-	-	-	**-**	329
Tax recoverable under gift aid on voluntary donations	110	-	-	**110**	162
Income from Friends and local trusts	-	329	-	**329**	98
Legacies	10	200	-	**210**	35
	910	556	-	**1,466**	1,545
Grants in support of mission					
Church Commissioners	161	-	-	**161**	160
Other revenue grants	218	140	149	**507**	649
	379	140	149	**668**	809
Charges and fees in the course of mission					
Facility and other fees	70	-	-	**70**	70
	70	-	-	**70**	70
Trading and chargeable events					
Charges to visitors	218	-	-	**218**	170
Income from shop, restaurant and other trading activities	1,493	2	-	**1,495**	1,253
	1,710	2	-	**1,712**	1,423
Investments					
Investment property	-	-	889	**889**	1,196
Investments	-	213	(3)	**210**	859
Interest receivable on short term deposits	7	15	150	**172**	134
	7	228	1,036	**1,271**	2,189
Other sundry income	23	-	-	**23**	12
Total income	3,100	925	1,185	**5,210**	6,048

Please refer to Note 18 for the FY25 SOFA analysed by fund type.

5. Expenditure	Unrestricted funds	Restricted funds	Endowment funds	**Total 2026**	Total 2025 (restated)
	£'000	£'000	£'000	**£'000**	£'000
Raising funds					
Shop, restaurant and other trading costs	1,183	2	-	**1,185**	1,320
Marketing and development	296	11	-	**307**	287
Investment property	-	-	435	**435**	402
Allocated support costs	99	94	-	**193**	373
	1,578	107	435	**2,120**	2,382
Ministry					
Clergy stipends and working expenses	194	-	-	**194**	204
Clergy housing costs	44	-	-	**44**	19
Services, music and congregational costs	1,188	26	-	**1,214**	1,073
Allocated support costs	534	-	-	**534**	260
	1,960	26	-	**1,986**	1,557
Education and outreach					
Educational activities	100	49	37	**186**	153
Archives and library	182	3	-	**185**	229
Charitable and other giving	-	3	3	**6**	13
Allocated support costs	45	26	13	**84**	203
	327	81	53	**461**	598
Cathedral and precincts upkeep					
Major repairs and restoration	-	395	1,331	**1,726**	1,149
Maintenance and interior upkeep	766	232	125	**1,123**	1,226
Utilities	193	5	-	**198**	215
Cathedral insurance	97	-	59	**156**	224
Precincts, security and gardens upkeep	108	23	-	**131**	88
Allocated support costs	486	47	48	**581**	519
	1,650	703	1,562	**3,915**	3,421
Total expenditure	5,515	917	2,050	**8,482**	7,957

Please refer to Note 18 for the FY25 SOFA analysed by fund type.

6. Investment assets
Consolidated and Charity

6a. Investment property at valuation	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total 2026 £'000**	Total 2025 £'000
At 1 April	-	**2,718**	**26,309**	**29,027**	28,753
Additions			2,846	**2,846**	3
Disposals	-	(2,718)	(364)	**(3,082)**	-
Transfers	-	-	-	**-**	(470)
Net increase on revaluations	-	-	949	**949**	741
At 31 March	-	-	29,740	**29,740**	29,027

Basis of property valuation

All investment properties are freehold. The Regulations recommend that an independent formal professional valuation is carried out at least every five years with material movements between valuations being included in the accounts.

Approximately one third of the properties were valued by independent 3rd party surveyors at 31st March 2026. Valuations reflect the opinion of fair value in FRS 102: *The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants.* In the years in which a 3rd party survey valuation is not completed an internal review of value for reasonableness is undertaken.

6b. Listed Investments

Consolidated and Charity	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total 2026 £'000**	Total 2025 (restated) £'000
Investments at market value 1 April	-	2,657	34,149	**36,806**	35,993
Additions	-	5,954	5,835	**11,787**	15,887
Disposals	-	(1,148)	(11,718)	**(12,880)**	(16,158)
Net increase/(decrease) on revaluation	-	117	1,126	**1,258**	1,084
Transfer	630	(5)	(625)	**-**	-
Investments at market value 31 March	630	7,575	28,766	**36,971**	36,806

Analysed as follows:	**£'000**	£'000
UK equities	**844**	847
Overseas equities	**20,705**	19,398
UK fixed interest	**1,977**	1,260
Overseas fixed interest	**1,152**	1,030
Cash/Money market funds	**6,685**	8,664
Other investments	**5,609**	5,605
Total investments	**36,971**	36,806

6c. Subsidiary Undertakings

The subsidiary undertakings of the Cathedral comprise:

Entity	Company registered number	Percentage shareholding	Net assets/(liabilities) as at 31 March 2026 £'000	Profit/(Loss) for year ended 31 March 2026 £'000
Durham Cathedral Trading Limited	06366806	100	452	253
Durham Cathedral Open Treasure Limited	08009824	100	5	9

7a. Non-investment property

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total £'000**
Consolidated				
At cost/valuation 1 April 2025	-	8,945	6,640	15,585
Transfers		-	-	-
Net increase on revaluations		-	175	**175**
At cost/valuation 31 March 2026	-	8,945	6,815	15,760
Depreciation				
At 1 April 2025 and 31 March 2026	-	8,945	-	8,945
Net Book Value				
At 31 March 2026	-	-	**6,815**	**6,815**
At 31 March 2025	-	-	6,640	6,640

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total £'000**
Charity				
At cost/valuation 1 April 2025	-	1,493	6,640	8,133
Transfers		-	-	-
Net increase on revaluations		-	175	175
At cost/valuation 31 March 2026	-	1,493	6,815	8,308
Depreciation				
At 1 April 2025 and 31 March 2026	-	1,493	-	**1,493**
Net Book Value				
At 31 March 2026	-	-	**6,815**	**6,815**
At 31 March 2025	-	-	6,640	6,640

The Endowment properties are occupied as follows:	**2026**	2025
	£'000	£'000
Clergy and staff housing	**5,070**	5,070
Cathedral activities	**1,745**	1,570
Total	**6,815**	6,640

All non-investment properties are freehold and relate to Endowment funds. Two properties representing 13% of the value of assets were valued as at 31 March 2026 by an independent valuer.

7b. Non-current Inventory	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	**Total funds £'000**
Consolidated and Charity				
Net book value at 31st March 2025	116	600	-	**716**
Disposals	(116)	(600)	-	**(716)**
Net book value at 31st March 2026	-	-	-	-

Inventory assets related to works of art and heritage assets. The restricted fund asset was sold in the year (previously held at a valuation of £600k and for which we received £626k after costs. The unrestricted fund assets (valued at £116k) are now held off balance sheet to be consistent with all such other assets.

7c. Intangible fixed assets

Consolidated

	Software £'000	Website £'000	**Total £'000**
Cost or valuation			
At 1 April 2025	10	24	34
Additions	-	-	-
At 31 March 2026	10	24	34
Amortisation			
At 1 April 2025	7	12	19
Charge for year	2	12	7
At 31 March 2026	9	24	19
Net book value			
At 31 March 2026	1	-	1
At 31 March 2025	3	12	15

Charity	**Website £'000**
Cost or valuation	
At 1 April 2025	24
Additions	-
At 31 March 2026	24
Amortisation	
At 1 April 2025	12
Charge for year	12
At 31 March 2026	24
Net book value	
At 31 March 2026	-
At 31 March 2025	12

7d. Tangible fixed assets

Consolidated	Land & buildings £'000	Plant & Equipment £'000	Fixtures, fittings & IT Equipment £'000	Motor vehicles £'000	**Total £'000**
Cost					
At 1 April 2025	890	153	314	21	**1,378**
Additions	-	19	-	-	**19**
Disposals	-	-	-	-	**-**
At 31 March 2026	890	172	314	21	**1,397**
Depreciation					
At 1 April 2025	229	103	105	11	**448**
Charge for the year	67	31	13	10	**121**
Disposals	-	-	-	-	**-**
At 31 March 2026	296	134	118	21	**569**
Net book value At 31 March 2026	**595**	**38**	**196**	**-**	**829**
At 31 March 2025	**660**	**50**	**209**	**10**	**929**
Charity					
Cost					
At 1 April 2025	-	41	36	21	**98**
Additions	-	19	-	-	**19**
Disposals	-	-	-	-	**-**
At 31 March 2026	-	60	36	21	**117**
Depreciation					
At 1 April 2025	-	28	30	11	**69**
Charge for the year	-	9	6	10	**25**
Disposals	-	-	-	-	**-**
At 31 March 2026	-	37	36	21	**94**
Net book value At 31 March 2026	**-**	**23**	**-**	**-**	**23**
At 31 March 2025	-	13	6	10	29

8. Heritage assets not recognised in the balance sheet

Cathedral, Ancillary Buildings and Inventory

The construction of Durham Cathedral commenced in 1093 and was completed by about 1133. It is regarded as one of the finest examples of Norman architecture in the world and is situated within the Durham UNESCO World Heritage Site. The Cathedral replaced the 10th Century "White Church" built as part of a monastic foundation to house the shrine of St Cuthbert of Lindisfarne.

Objects considered to be of architectural, archaeological, artistic or historic interest are recorded in an Inventory in accordance with S24 of the Care of Cathedrals Measure 2011. These objects are held primarily for use by the Cathedral in its mission or have been vested in Chapter over time and are held as part of the historical record of the Cathedral. Items disclosed in Note 7b Inventory, are separate from those held in the S24 Inventory. No value is attributed on the balance sheet to the Cathedral, ancillary buildings or items recorded in the Inventory as explained in the accounting policy note.

By virtue of its extensive history Durham Cathedral owns many valuable heritage assets with historic and educational value. The nature and scale of the collection belonging to the Chapter of Durham Cathedral include:

- Prebends Bridge;
- The riverbanks and woodlands that extend round the Cathedral to the River Wear;
- Mediaeval manuscripts from the sixth century onwards;
- 1,000 volumes of post-mediaeval manuscripts;
- 10,000 books printed in the 20th and 21st centuries;
- Printed volumes of music, mainly 16th-19th century;
- A collection of artefacts associated with the shrine of St Cuthbert: the wooden coffin, pectoral cross and other items.

The Chapter considers that the Cathedral's heritage assets are practically very difficult and prohibitively expensive to value, as a result of the unique nature of many of the items. None of the aforementioned heritage assets are therefore included on the Cathedral's balance sheet. Despite the difficulties in valuation, the Chapter believes that there is significant value in the heritage assets relative to the Cathedral's net asset value at the financial year end.

The Chapter has a statutory duty under S24 (1) (a) of the Care of Cathedrals Measure 2011 to manage and maintain the Cathedral, its contents and other buildings and monuments. The Chapter has a planned programme of major restoration works to the Cathedral and other buildings which is informed by a full quinquennial review by the Cathedral Architect. Works are overseen by the Property team and the Cathedral Architect. The majority of the conservation and repair is carried out by highly skilled craftsmen employed by the Cathedral.

The collections in the Library are managed by a Head of Collections and library team. Necessary conservation works are carried out by accredited conservators. The Library welcomes researchers with interests in the collections. Access to the Library's collections is freely available to members of the public.

9. Stocks

	Consolidated 2026 £'000	**Charity 2026 £'000**	Consolidated 2025 £'000	Charity 2025 £'000
Goods for resale	**142**	**2**	120	4

10. Debtors

Debtors-amounts due within one year	Consolidated 2026 £'000	Charity 2026 £'000	Consolidated 2025 £'000	Charity 2025 £'000
Trade debtors	88	22	189	127
Amounts owed by group companies	-	491	-	576
Other debtors	206	185	159	151
Prepayments and accrued income	432	427	398	377
	726	1,128	746	1,231

11. Creditors - amounts falling due within one year

	Consolidated 2026 £'000	Charity 2026 £'000	Consolidated 2025 £'000	Charity 2025 £'000
Trade creditors	464	434	569	534
Amounts owed to group companies	-	4		10
Taxes and social security	166	71	85	53
Other creditors	68	23	100	28
Accruals and deferred income	590	582	420	357
	1,288	1,114	1,174	982

12. Creditors - amounts falling due after more than one year

	Consolidated 2026 £'000	Charity 2026 £'000	Consolidated 2025 £'000	Charity 2025 £'000
Other creditors	120	120	130	130

13. Future commitments and contingent liabilities

There are no uninsured legal claims against the Chapter outstanding at the date of signing the annual accounts. No existing claims are expected to result in significant cost to the Cathedral.

Capital commitments

There were no capital commitments as at 31st March 2026.

Other commitments

The Cathedral entered into a merger agreement of the Cathedral Chorister School with Durham School on 23 November 2020. As part of the terms of the merger, the Cathedral agreed to invest up to £4.7m in the fabric of the existing buildings of the Chorister School over a period of time. Since the merger the Cathedral has funded agreed works of £2.8m. A further amount of up to £1m has been budgeted for the 2026/7 financial year. The Cathedral is expecting the agreed works to be completed in the 2027/8 financial year.

Commitments under operating leases
The Cathedral's commitments under operating leases is as follows:

	Computer & other IT Equipment	**2026 total**	2025 total
	£'000	**£'000**	£'000
Total payable within one year	6	**6**	-
Total payable during years 2 to 5	19	**19**	-
	25	**25**	-

14. Pensions

Stakeholder scheme

The Chapter introduced a new individual stakeholder pension scheme in April 2002. This is for all staff employed by the Chapter, and/or the trading subsidiaries. Employer payments under the stakeholder pension scheme in the financial year 2025/26 totalled £101k (FY25: £98k).

15. Associated entities and related parties

Controlled by the Chapter
Durham Cathedral Trading Limited, a wholly owned subsidiary, undertakes trading activities on behalf of the Chapter and transfers profits back to the Chapter through Gift Aid or cash/profit transfers. Durham Cathedral Open Treasure Limited is also a wholly owned subsidiary which became operational in July 2016. Profits will also be transferred back to the Chapter through Gift Aid. Transactions undertaken by both wholly owned subsidiaries are included in the Cathedral's consolidated financial statements.

Not controlled by the Chapter
The Friends of Durham Cathedral, Durham Cathedral Choir Association.

Whilst both The Friends of Durham Cathedral and Durham Cathedral Choir Association give support to Durham Cathedral, the powers of both charities regarding distribution of income are discretionary.

The following parties have been identified as being related parties, through the involvement of Member(s) of Chapter in their management. Values of transactions between Durham Cathedral and each related party for the year ended 31 March 2026 are disclosed below.

Related party	Sales to	Purchases from	Year-end debtor/(creditor)	Rent charged
	£'000	£'000	£'000	£'000
1.Durham University	157	126	(9)	34
2.St Chad's College	1	-	2	60
3.Lord Crewe's Charity	28	-	-	-
4.Durham Diocese	-	-	-	-
5.Friends of Durham Cathedral	252	2	-	-
7.Visit County Durham	-	4	-	-
8.Durham Cathedral Choir Association	12	-	-	-
9.Durham Cathedral Schools Foundation[1]	9	410	-	276
Total	459	542	(7)	370

[1] *Durham School figures included with Durham Cathedral Schools Foundation (DCSF)*

Comparative figures for the year ended 31 March 2025 are as follows:

Related party	Sales to	Purchases from	Year-end debtor or (creditor)	Rent charged	Year-end rent owed or (prepaid)
	£'000	£'000	£'000	£'000	£'000
1. Durham University	200	161	(3)	34	-
2. St Chad's College	-	1	1	60	-
3. Lord Crewe's Charity	-	-	-	-	-
4. Durham Diocese	6	-	-	-	-
5. Friends of Durham Cathedral	142	1	10	-	-
6. Visit County Durham	12	3	-	-	-
7. Durham Cathedral Choir Association	10	-	-	-	-
8.Durham Cathedral Schools Foundation[1]	8	493	(137)	324	(12)
Total	378	659	(128)	418	(12)

[1]*Durham School figures included with Durham Cathedral Schools Foundation (DCSF)*

16. Statement of Funds

	Brought forward (restated) £'000	Incoming resources £'000	(Outgoing) resources £'000	Gains, (losses) & transfers £'000	**Balance carried forward £'000**
16.1 Consolidated					
Endowment funds					
Endowment funds	65,242	1,185	(2,050)	2,223	**66,600**
	65,242	1,185	(2,050)	2,223	**66,600**
Restricted funds					
1. Friends	14	271	(265)	(46)	**(26)**
2. Durham Cathedral Institute	132	(9)	(13)	17	**127**
3. Inventory funds	106	-	-	(106)	**-**
4. Library department fund	311	1	-	(245)	**67**
5. Cathedral fabric fund	729	204	(120)	-	**813**
6. Music	94	2	-	(19)	**77**
7. Organ Appeal Fund	103	1	-	-	**104**
8. School outreach fund	61	-	-	(61)	**-**
9. Raise A Voice	828	106	(21)	(25)	**888**
10. Cloister Roof	53	-	(26)	-	**27**
11. Surtees legacy fund	5,167	231	(223)	102	**5,277**
12. Woodlands fund	217	2	(10)	-	**209**
13. Other restricted funds (< £50k)	216	114	(236)	(98)	**(4)**
14. Special trust funds – now linked charities	238	2	(3)	(237)	**-**
Total Restricted funds	8,269	925	(917)	(718)	**7,559**
Unrestricted funds					
General fund	2,232	3,100	(5,464)	2,419	**2,287**
Designated funds	96	-	(51)	(4)	**41**
	2,328	3,100	(5,515)	2,415	**2,328**
Total consolidated funds	75,839	5,210	(8,482)	3,920	**76,487**

16. Statement of Funds - continued

	Brought forward (restated)	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	**Balance carried forward**
	£'000	£'000	£'000	£'000	**£'000**
16.2 Entity					
Endowment funds					
Endowment funds	65,242	1,214	(2,079)	2,223	**66,600**
	65,242	1,214	(2,079)	2,223	**66,600**
Restricted funds - as analysed above	8,269	925	(917)	(718)	**7,559**
Total Restricted funds	8,269	925	(917)	(718)	**7,559**
Unrestricted funds					
General fund	1,715	2,090	(4,394)	2,419	**1,830**
Designated funds	96	-	(51)	(4)	**41**
	1,811	2,090	(4,445)	2,415	**1,871**
Total entity funds	75,322	4,229	(7,441)	3,920	**76,030**

Endowment funds

Endowment funds are funds which are held for the permanent benefit of the Cathedral.

Total returns movement	Trust for Investment £'000	Unapplied Total return £'000	Linked Charities £'000	Total Endowment £'000
At the beginning of the reporting period:				
Unapplied total return	26,330	33,419	5,493	65,242
Movements during the reporting period:				
New capital added	150	-	258	408
Allocation to capital	869	(869)	-	-
Investment property rent	-	889	-	889
Less: Investment property Manager costs	-	(88)	-	(88)
Less: Investment property costs	-	(523)	-	(523)
Investment return: dividends and interest	-	147	-	147
Investment return: realised and unrealised gains and losses	-	3,522	213	3,735
Less: Other costs allocated to Endowment	-	(1,360)	-	(1,360)
Less: Grants/donations paid	-	-	(79)	(79)
Total	1,019	1,718	392	3,129
Unapplied total return allocated to income in the reporting period	-	(1,771)	-	(1,771)
Net movements in reporting period	1,019	(53)	392	1,358
At the end of the reporting period:				
Gift component of the permanent endowment	27,349	-	0	27,349
Unapplied total return	-	33,366	0	33,366
Linked Charities	-	-	5,885	5,885
Total	27,349	33,366	5,885	66,600

Restricted funds

1. ***Friends***
   The Friends of Durham Cathedral generously donate funds each year for specific projects

2. ***Durham Cathedral Institute***
   This Fund was created to support the work of the Durham Cathedral Institute. It is used to support the work of, and events hosted by the Institute.

3. ***Inventory funds***
   These were originally created by grants and relate to the acquisition of items added to the Cathedral's inventory.

4. ***Library department fund***
   Generous donations were received during the year ended 31 March 2012 to enable the Library to buy back books and manuscripts that were owned by Durham Cathedral (Durham Priory) before the dissolution of the monasteries in 1540.

5. ***Cathedral Fabric fund***
   Income comprises donations towards the cost of Cathedral repairs. Expenditure represents repairs and maintenance of the Cathedral fabric.

6. ***Music fund***
   The Music fund is used to facilitate special musical enhancements of the Cathedral's worship.

7. ***Provision of Cathedral Music fund***
   This was previously the Provision of Cathedral Music fund was used to facilitate special musical enhancements of the Cathedral's worship it has now been renamed as the Organ Appeal Fund due to it being set aside for that purpose on the basis of a specific legacy gift.

8. ***School outreach fund***
   This fund is for Choral outreach: to inspire as many children as possible in the joy of singing, supported by both Choristers and the Cathedral. It has now been merged with the Raising-A-Voice Fund.

9. ***Raising A Voice***
   This fund exists to receive grants and donations for the purposes of improving the financial sustainability of the Cathedral's choral foundation, providing means tested bursaries to eligible chorister, and supporting music outreach activity.

10. ***Cloister Roof***
    This fund has been created for grants and donations in support of a planned project to carry out repairs to the cloister. The repairs were first identified in the 2013 Quinquennial Report (QIR) and have subsequently become "high priority" status due to further deterioration of the roof beams.

11. ***Surtees legacy fund***
    This fund was created in 2019 from a legacy, which is for the maintenance of the fabric of the Cathedral and library.

12. ***Woodlands Fund***
    This fund, established upon receipt of a legacy in 2022, exists to receive grants and donations for the purpose of caring for and conserving the Cathedral's riverbanks and woodlands.

13. ***Other Restricted funds***
    This comprises sundry funds ranging from £1,000 to £50,000 that have been created by donations for specific purposes.

14. ***Special Trust funds***
    These funds have been transitioned into two new linked charities (The Durham Cathedral Trust for the Relief of Poverty, and The Durham Cathedral Education Trust).

Unrestricted funds

Designated Funds are set aside by the Chapter out of the unrestricted general fund for specific purposes or projects. Movements for the year ended 31 March 2026 are as follows:

Consolidated and Charity	Balance brought forward £'000	Incoming resources £'000	Outgoing resources £'000	Fund transfers £'000	**Balance carried forward £'000**
Cultural recovery fund	96	-	(51)	(4)	**41**
Total	96	-	(51)	(4)	**41**

Transfers

Transfers from restricted to unrestricted funds represent the transfer of under and overspends on projects which have been completed and all restrictions have been met. Chapter has assessed each transferred fund and satisfied themselves that no donor would seek clawback of unspent projects. This judgement has driven the treatment adopted. Transfers from Endowment to unrestricted funds represent the application of total returns allocated during the year.

Comparative fund notes are shown in Note 19.

17. Cashflow notes

17.1 Reconciliation of net incoming resources before recognised gains to net cash inflow/(outflow) from operating activities

	2026 £'000	2025 £'000
Net incoming/(outgoing) resources (restated)	**648**	(724)
Less: income from property - net of costs	**(558)**	(896)
Less: investment income - net of costs	**(278)**	(711)
(Gain)/loss on investments	**(2,398)**	(198)
(Gain) on property revaluation	**(949)**	(746)
Add: depreciation and amortisation	**134**	187
Loss on disposal of tangible fixed assets	**-**	325
(Gain)/Loss on disposal of investment property	**(461)**	-
(Increase) in stocks	**(23)**	(13)
Decrease/(Increase) in debtors	**21**	2,227
(Decrease)/Increase in creditors	**104**	(320)
Net cash outflow from operating activities	**(3,760)**	(869)

17.2 Reconciliation of cash and cash equivalents

	2026 £'000	2025 £'000
Cash at bank and in hand	**2,670**	1,656
Short term deposits	**-**	454
	2,670	2,110
Cash and cash equivalents	**2,670**	2,110

17.3 Analysis of changes in net funds/(debt)

	31 March 2025 (restated) £'000	Cashflow £'000	**31 March 2026 £'000**
Cash at bank and in hand	1,656	1,014	**2,670**
Debt due within one year	-		**-**
Debt due after more than one year	-		**-**
Short term deposits held as current assets	454	(454)	**-**
Net funds	2,110	560	**2,670**

18. Prior year SOFA analysed by fund type (restated)

	Unrestricted funds	Restricted funds	Endowment funds (restated)	**Total 2025 (restated)**
	£'000	£'000	£'000	**£'000**
Income and endowments from:				
Donations and legacies	1,050	494	1	**1,545**
Grants in support of mission	568	111	130	**809**
Charges and fees in the course of mission	70	-	-	**70**
Trading and chargeable events	1,423	-	-	**1,423**
Investments	128	24	2,037	**2,189**
Other income	12	-	-	**12**
Total income	3,251	629	2,168	**6,048**
Expenditure on:				
Raising funds	(1,732)	(248)	(402)	**(2,382)**
Ministry	(1,540)	(16)	-	**(1,556)**
Education and outreach	(383)	(75)	(140)	**(598)**
Cathedral and precincts upkeep	(3,126)	(35)	(260)	**(3,421)**
Total expenditure	(6,781)	(374)	(802)	**(7,957)**
Net (outgoing)/incoming resources before investment gains/(losses)	(3,530)	255	1,366	**(1,909)**
Net gains on investments	-	225	960	**1,185**
Net (expenditure)/income	(3,530)	480	2,326	**(724)**
Transfer between funds	4,025	603	(4,628)	-
Net movement in funds	495	1083	(2,302)	**(724)**
Funds brought forward (restated)	1,833	7,186	67,544	**76,563**
Funds carried forward	2,328	8,269	65,242	**75,839**

19. Prior Year Statement of funds (restated)

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	**Balance carried forward**
	£'000	£'000	£'000	£'000	**£'000**
Consolidated					
Endowment funds					
Endowment funds (restated)	67,544	2,168	(802)	(3,668)	**65,242**
	67,544	2,168	(802)	(3,668)	**65,242**
Restricted funds					
1. Open Treasure restricted fund	243	-	(87)	(156)	**-**
2. Friends	65	73	(124)	-	**14**
3. Durham Cathedral Institute	123	10	(1)	-	**132**
4. Inventory funds	106	-	-	-	**106**
5. Library department fund	311	-	-	-	**311**
6. Cathedral fabric fund	740	-	(11)	-	**729**
7. Music	94	-	-	-	**94**
8. Provision of Cathedral Music fund	104	-	(1)	-	**103**
9. School outreach fund	61	-	-	-	**61**
10. Raise A Voice	469	404	(45)	-	**828**
11. Cloister Roof	34	19	-	-	**53**
12. Surtees legacy fund	4,189	-	(6)	984	**5,167**
13. Woodlands fund	234	-	(17)	-	**217**
14. Other restricted funds (< £50k)	182	102	(68)	-	**216**
15. trust funds	230	21	(13)	-	**238**
Total Restricted funds	7,185	629	(373)	828	**8,269**
Unrestricted funds					
General fund	1,518	3,251	(6,702)	4,166	**2,232**
Designated funds	315	-	(78)	(141)	**96**
	1,833	3,251	(6,780)	4,025	**2,328**
Total consolidated funds	76,563	6,048	(7,957)	1,185	**75,839**

19. Prior year Statement of Funds (restated) – continued

	Brought forward	Incoming resources	(Outgoing) resources	Gains, (losses) & transfers	**Balance carried forward**
	£'000	£'000	£'000	£'000	**£'000**
Entity					
Endowment funds					
Endowment funds	**67,544**	2,168	(802)	(3,668)	**65,242**
	67,544	2,168	(802)	(3,668)	**65,242**
Restricted funds - as analysed above	**7,186**	629	(373)	828	**8,269**
Deduct DCOT element of OT Restricted fund	**(243)**	-	87	155	**(-)**
Total Restricted funds	**6,943**	629	(287)	984	**8,269**
Unrestricted funds					
General fund	**1,164**	2,124	(5,581)	4,009	**1,715**
Designated funds	**316**	-	(78)	(141)	**96**
	1,480	2,124	(5,661)	3,868	**1,811**
Total entity funds	**75,967**	4,921	(6,750)	1,184	**75,322**

Total returns movement – prior year	**Trust for Investment**	**Unapplied Total return**	**Linked Charities (restated)**	**Total Endowment (restated)**
	£'000	**£'000**	**£'000**	**£'000**
At the beginning of the reporting period:				
Unapplied total return	25,535	37,568	4,441	67,544
Movements during the reporting period:				
New capital added	131	-	-	131
Allocation to capital	664	(664)	-	-
Investment property rent	-	1,196	-	1,196
Less: Investment property Manager costs	-	(16)	-	(116)
Less: Investment property costs	-	(468)	-	(468)
Investment return: dividends and interest	-	662	179	841
Investment return: realised and unrealised gains and losses	-	897	63	960
Less: Investment Manager Costs	-	(78)	(26)	(104)
Less: Grants/donations paid	-	-	(114)	(114)
Total	795	1,429	102	2,326
Unapplied total return allocated to income in the reporting period	-	(4,628)	-	(4,628)
Net movements in reporting period	795	(3,199)	102	(2,302)
At the end of the reporting period:				
Gift component of the permanent endowment	26,330	-	0	26,330
Unapplied total return	-	34,369	0	34,369
Linked Charities	-	-	4,543	4,543
Total	26,330	34,369	4,543	65,242

20. Auditor's Remuneration	2026 £'000	2025 £'000
For audit services	25	25
For other services	4	2

21. Custodian Funds

In the prior year the Academic Fund was treated as being a fund where the Cathedral chapter was a custodian trustee responsible for trust funds held on behalf of others. This fund is now treated under merger accounting as part of the Durham Cathedral group. The movement on these funds during the year is set out below for comparison purposes only:

	2026 £'000	2025 £'000
Balance at 1st April	4,543	4,441
Disposals	(79)	(114)
Additions		-
Revaluation of investments held	213	216
	4,676	4,543

22. Summary financial performance of linked charities for the year ended 31 March 2026

	Academic Fund	Relief of Poverty	Educational Trust
Income	-	1	2
Expenditure	(79)	(1)	(1)
	(79)	0	1
Net gains/(losses) on investments	213	4	12
	133	4	13
Funds Brought Forward	4,543	-	-
Transfers from Trusts	-	400	790
Funds Carried Forward	**4,676**	**403**	**803**
Investments	**4,676**	**403**	**803**
Total Funds	**4,676**	**403**	**803**

23. Merger Accounting Prior Year Restatement

As disclosed in the basis of consolidation, three linked charities (The Durham Cathedral Academic Charity, The Durham Cathedral Educational Trust and The Durham Cathedral Trust for the Relief of Poverty) are now included in these accounts, and merger accounting has been adopted.

In accordance with the requirement of the SORP, these financial statements present the merged entity as if they had always been linked. As The Durham Cathedral Educational Trust and The Durham Cathedral Trust for the Relief of Poverty were previously included as trusts, The Durham Cathedral Academic Charity is the only linked charity that requires us to restate the March 2025 figures.

The impact of this has been as follows:

Changes to the Statement of Financial Activity
For the year ended 31 March 2025

	As previously report	Adjustment as at 31 March 2025	As Restated
	£'000	£'000	£'000
Investment Income	2,010	179	2,189
Education and Outreach Expenditure	(458)	(140)	(598)
Net Gain in Investments	1,122	63	1,185
Net Movement in Funds	(826)	102	(724)

Changes to the Balance Sheet
For the year ended 31 March 2025

	As previously report	Adjustment as at 31 March 2025	As Restated
	£'000	£'000	£'000
Listed Investments	23,600	13,240[1]	36,840
Endowment Fund	60,699	4,543	65,242

[1] Includes £8,697k previously reported as 'short-term deposit' and now included within listed investments.

Changes to the Balance Sheet
As at 1 April 2024

	As previously report	Adjustment as at 1 April 2024	As Restated
	£'000	£'000	£'000
Listed Investments	22,888	4,440	27,328
Endowment Fund	63,103	4,440	67,543