



# Westminster Abbey 2021 Report

To The Visitor,  
Her Majesty The Queen



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(Front Cover) Their Royal Highnesses The Duke and Duchess of Cambridge walk through the quire at the start of their visit to the NHS vaccination centre in the Abbey in March.

## Your Majesty,

A year ago, reflecting the impact of the Covid pandemic, I wrote of an experience ‘unlike any other in living memory’. Like so many others, I now have to acknowledge that this experience is one that endures. Westminster Abbey must learn to live with Covid.

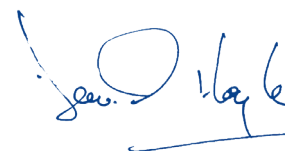
My colleagues were challenged again and again as the situation, and the necessary guidance, changed. They demonstrated an impressive ability to adapt. Despite all the need for care and constraint there were moments when the Abbey still managed to celebrate and to pray with the nation and the Commonwealth. This was the year in which we celebrated the Centenary of the burial of the Unknown Warrior. We were honoured and moved to welcome our Queen to stand in silence at the Grave. Shortly after Your Majesty’s visit, Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall were with us for a profoundly moving act of recollection. We celebrated ANZAC Day in April and Battle of Britain Sunday in September with appropriate style and real solemnity. Constraint does not have to lead to anxiety or a lack of conviction. This was the year in which the Commonwealth Celebration had to be recorded. Whilst we missed the delight we take in the colour and community of a service in the Abbey there was a welcome chance to range across the world to hear prayers of blessing. As we reached year end there was a wonderful moment in which we remembered the life and achievements of Sir Roger Bannister as a new memorial was laid in the nave floor.

This was also the year in which we mourned the death of His Royal Highness The Duke of Edinburgh. The Abbey on this occasion was but one of thousands of places that mourned and celebrated a life of distinguished service.

In a year in which we adapted repeatedly, the Abbey was, for a time, a vaccine centre. Looking away as the needle went in, our visitors were distracted by the memorials of Poets’ Corner. It was a privilege to share our space with the NHS, but there was a different kind of delight in opening the doors to visitors once more. Elsewhere in this report, there is an opportunity to learn more of the financial impact of losing so much visitor income. That has been a serious blow to our life and work, with painful consequences. We must also acknowledge that the challenge is far from over. I have grown used to explaining that, at the time of writing, we are in a period when we must focus on survival. Ahead of us is a period of recovery and beyond that we can think how we might rebuild. It is a testament to the effort and ability of the Abbey staff (at every level) that I can assure Your Majesty that I am utterly confident that recovery and rebuilding are assured. We have plans in place for each stage.

Amongst so many other changes, we have also watched people come and go. We were deeply saddened at the death of our much-loved colleague Canon Jane Sinclair mere months after she had retired and moved out of her home in the Precincts. We also welcomed a new Canon (and Archdeacon of Westminster) in Tricia Hillas. Doing that, we were delighted to restore the arrangement by which the Speaker’s Chaplain in the House of Commons is also a Canon of the Abbey. We installed a new High Bailiff and Searcher of the Sanctuary, Your Majesty’s Lord Lieutenant of London, Sir Kenneth Olisa. Already we see benefits that tie us closer to the work of Parliament and the life of London. We said farewell and thank you to Malcolm Jones and welcomed John Neilson as our new Deputy Receiver General and Director of Finance. We have also recruited The Reverend Robert Latham as our Sacrist.

The Abbey is surviving the biggest challenge for decades. The Abbey has been increasingly busy. We look forward with confidence to offering our distinctive witness to faith at the heart of the nation in Your Majesty’s Platinum Jubilee year.



**The Dean of Westminster**  
The Very Reverend Dr David Hoyle



HRH The Prince of Wales chose to read in the Abbey for the BBC's Commonwealth programme in March.

## Serving Almighty God and the Sovereign

The impact of Covid-19 continued  
to dominate the life of the Abbey  
and its wider community this year.

The Abbey, including St Margaret's Church, normally holds twenty-nine services every week, which everyone is welcome to attend free of charge. The Abbey's world-famous choir sings at seven services each week during the choir term. Choral services continue out of term sung by visiting choirs. Every day, except on Good Friday and Holy Saturday, the Eucharist is celebrated, and we keep the daily office of Morning and Evening Prayer throughout the year.

However, the impact of Covid-19 continued to dominate the life of the Abbey and its wider community this year. The easing of restrictions allowed us to mark Remembrancetide with a celebration of the centenary of the burial of the Unknown Warrior in 1920, and Her Majesty The Queen made a private visit to the Abbey to commemorate the anniversary.

However, by Christmas it became apparent that another lockdown was imminent and, when New Year celebrations were over, the Abbey again closed its doors to visitors. Daily worship continued under fresh constraints, and the daily and Sunday service timetable was adjusted to reflect the Government's Covid-19 guidance. The Eucharist was celebrated every day and was open to all, but the daily offices of Morning and Evening Prayer were said privately by the Abbey's resident community.

Each year the annual Commonwealth Service is a highlight of early spring, but in 2021 it was replaced by a BBC1 programme in which HM The Queen shared her annual message. TRH The Prince of Wales and The Duchess of Cornwall, recorded in the Abbey church, gave their perspectives on the importance of our Commonwealth links. TRH The Duke and Duchess of Cambridge and HRH The Countess of Wessex also took part.

Easter services were similarly affected. However, the Abbey offered an online reading of St John's Gospel by the distinguished actor Sir David Suchet, recorded in the Jerusalem Chamber. This has so far been viewed by well over six million people.

The Prime Minister, the Right Honourable Boris Johnson MP, attended a service to commemorate the life of Florence Nightingale in May. The PM was accompanied by the Right Honourable Matt Hancock MP, Secretary of State for Health and Social Care, who afterwards laid a white rose at the Innocent Victims' Memorial in memory of those who had died during the pandemic.

Four Knights Grand Cross of the Most Honourable Order of the Bath were installed in the Abbey's Lady Chapel in July.

A memorial stone to Sir Roger Bannister was dedicated in the nave in September. Sir Roger was the first man to run a mile in under four minutes and later became a distinguished neurologist.

Their Royal Highnesses The Prince of Wales and The Duchess of Cornwall attended a Service of Thanksgiving and Rededication on Battle of Britain Sunday.

A number of significant services took place in St Margaret's Church as part of its ministry to Parliament and the public square. In September 2021 the National Welcome service for the 12 Steps Programme was also held at St Margaret's.

As with all areas of Abbey life, our music was affected by Covid. We were fortunate in being able to resume a semblance of normal choral services during the Michaelmas Term, albeit with a limited schedule and reduced forces (six Lay Vicars instead of the full complement of twelve).

During the lockdown from November 2020, broadcast and recorded services were able to go ahead behind closed doors. The Abbey had installed equipment for live streaming, and it was possible to test and then begin using this during the month or so of enforced closure.

The Abbey Choir was also able to complete an unfinished CD recording of music by contemporary composers Judith Weir, Jonathan Dove and Matthew Martin, and film a Christmas concert for the *Live from London* festival which made the Abbey's music available to a sizeable online audience.

Shortly before Christmas 2020 the country was divided into separate zones according to Covid levels, and London was placed in Tier 4: the most stringent. This meant that some of the choristers from other zones found themselves unable to return to London from their short pre-Christmas break, and the choir was depleted at Christmas.

January brought a new challenge. Schools (including the Abbey Choir School) were again closed until early March, and all classes and rehearsals had to take place online. Only one singer was permitted to sing in public church services (up to three if absolutely essential).

Unable to sing in public services, the choristers went home for Holy Week and Easter: the second year in a row they had missed this most important part of the church's year. In the boys' stead the Lay Vicars sang the Holy Week liturgies in groups of three, with all twelve on Easter Day.

During the Summer term 2021 a limited schedule of choral services, most with reduced forces, was able to resume, with some services being streamed on the Abbey website. In May, the choir broadcast Choral Evensong live on BBC Radio 3 and recorded a further service for subsequent transmission. In early July the Choir gave its first public concert for over eighteen months; this was also recorded and made available to subscribers online. The 2021 Michaelmas term saw a continuation of a somewhat reduced schedule of choral services with the addition of certain occasions, such as the service commemorating the anniversary of the Battle of Britain, and the annual Judges' Service. The sixtieth anniversary edition, and a Christmas edition, of the BBC programme *Songs of Praise* were also filmed.

Podcasts aimed at sustaining the Abbey's ministry during lockdown continued to be produced in-house until Epiphany, under the supervision of the Canon Theologian.

In October 2020, Cardinal Vincent Nichols joined us online to give the annual lecture for the Friends of the Anglican Centre in Rome, hosted by the Abbey for many years. Two series of very popular online devotional seminars, in partnership with the National Gallery, were held in Advent and in Passiontide, entitled *A Great and Mighty Wonder* and *Passion and Pandemic*. Focused on images from the National Gallery's collection, and curated by the Canon Theologian, these involved speakers including Neil Macgregor, Dr Jane Williams, Professor Beth Williamson, Professor Al Acres, Professor Ben Quash and Dr Jennifer Sliwka. We held the Annual Day of Prayer online for the first time, with significantly increased participation.

International Ecclesiology seminars continued and were completed online, with several further seminars, including one devoted to the Anglican Communion post-Covid, led by distinguished speakers from Kenya, Brazil and the UK. A volume of these will be published by SPCK in summer 2022.

The Jerusalem Chamber Seminars in partnership with the Diocese of London became an online series. Speakers in this period included Professor Anthony Reddie and Professor Anna Rowlands. A new edition of Jürgen Moltmann's theological classic *Theology of Hope* was published in 2021, containing a version of his 2020 Gore lecture, edited by the Canon Theologian, who also wrote a new introduction for the volume. This year's Gore Lecture was delivered online by Professor Miroslav Volf, on *God, gratitude, and being at home in the world*.



Sir Kenneth Olisa, the new High Bailiff of Westminster Abbey, is presented to TRH The Prince of Wales and The Duchess of Cornwall at the start of the annual Battle of Britain service in September.

## Serving the nation

The Learning Department worked with over 6000 children and young people through virtual and onsite visits.

Westminster Abbey Institute's audiences of public servants were tested by the challenges of Covid-19, and the Institute sought to maintain its support for them throughout. The autumn 2020 programme, *Where does wise leadership come from?*, was held online, and consisted of three dialogues: on religion between the Venerable Liz Adegunle (2014 Fellow) and Cardinal Tagle; on home and family with Rebecca Mitchell (2018 Fellow) and Mark Easton; and on education between Detective Chief Superintendent Stephen Clayton (2015 Fellow) and Dame Alice Hudson.

Three publications were launched: *Letters from Lockdown: sustaining public service values during the Covid-19 pandemic* (Haus 2020); *Art, Imagination and Public Service* (Haus 2021); and *Justice in Public Life* (Haus 2021).

The 2019 cohort of the Fellows' Programme held some seminars online and convened for their much-postponed end-of-term residential in December 2021. Meanwhile a new cohort for 2021 has been appointed and commenced its programme with an in-person introductory residential in September.

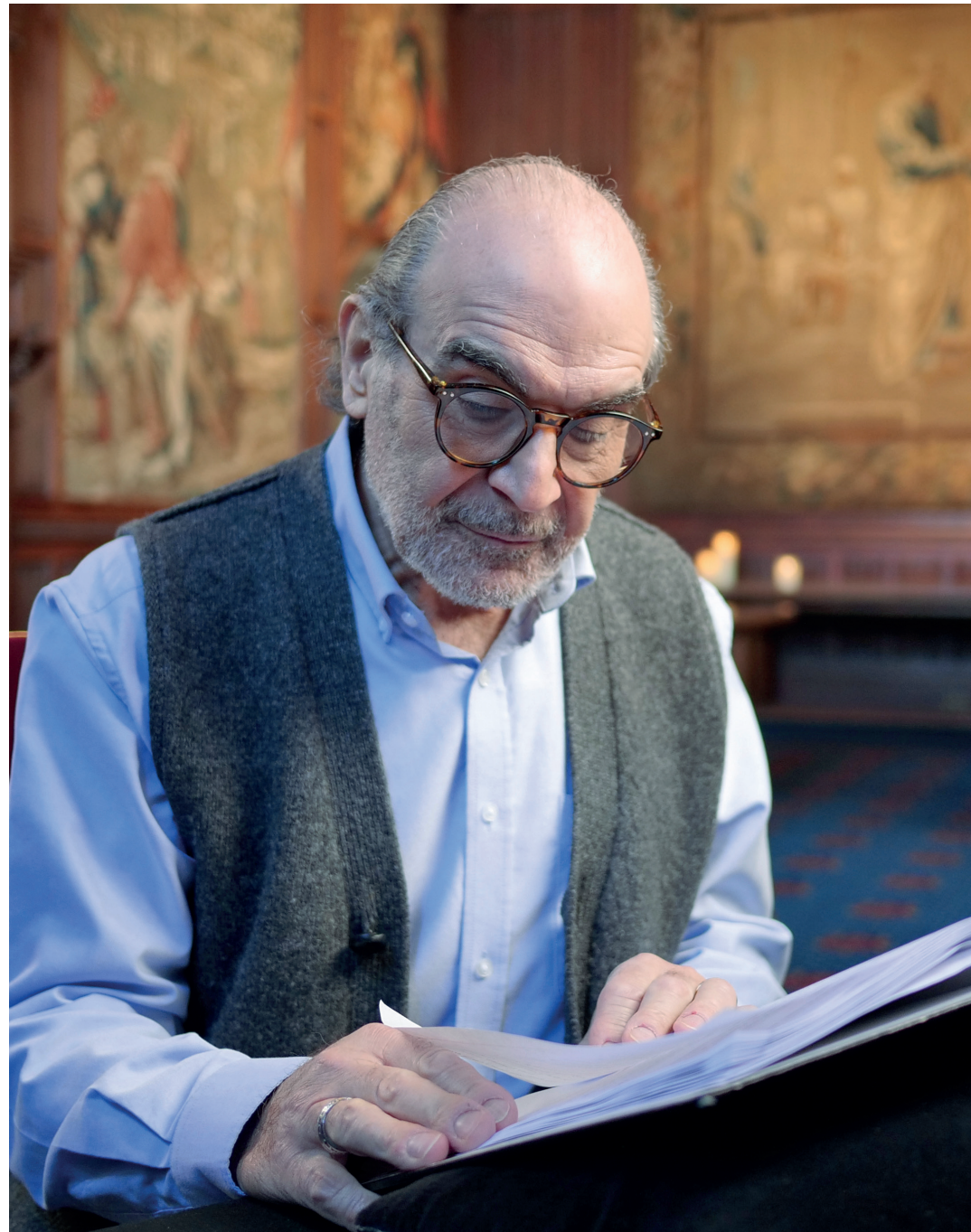
New members of the Council of Reference were appointed: Baroness Ashton, General Sir Nicholas Carter, Lord Hodge, Sir George Howarth MP, Ms Claire Ighodaro, Rt Hon. Mrs Theresa May MP, Ms Josie Rourke, and Sir Tom Scholar.

This year the Abbey's Learning Department adapted to constant change and worked with over 6000 children and young people through virtual and onsite visits from schools, families and community groups. The team also developed a number of digital resources for all young people to access the Abbey online: from films on Coronation, Easter and the Unknown Warrior to lessons about Edward the Confessor and Christmas. A new welcome film is now available for all groups to watch before they come, setting the scene for their visit and emphasising the work and importance of the Abbey today.

The department's online work caters for all ages: from pre-school children in Family Resources to school pupils in Virtual Classrooms and new A-Level Masterclasses which allow both presenters and participants to join from around the world. A new digital highlight is the resource *Christianity in 10 Objects*, which takes items from The Queen's Diamond Jubilee Galleries and, with the aid of high-quality images, helps to develop users' understanding of Christianity in varied and imaginative ways.

A new partnership with the London Connected Learning Centre resulted in the online *Making a Difference* project, looking at memorialisation in the Abbey. The department has also sustained partnerships with Westminster Archives, South West Fest, St Asaph Cathedral in Wales and the Royal Commonwealth Society, and it provided online experiences for community groups including The Prince's Trust and the Cardinal Hume Centre.





The actor Sir David Suchet read the whole of St John's Gospel for the Abbey's website at Easter.



Their Royal Highnesses The Duke and Duchess of Cambridge met with staff and volunteers at the NHS vaccination centre in the Abbey in March.

## Serving pilgrims and visitors

Coronavirus offered a new and unexpected dimension to Abbey life when the NHS opened a vaccination centre in Poets' Corner.

By October 2020 the Visitor Experience team began to make progress on re-opening the Abbey to visitors, welcoming 1700 during half-term week. This was the highest weekly total since re-opening to visitors in July 2020, following the first lockdown. However, within a week the Abbey closed again for the whole of November, and saw just a few days of visitor opening in early December before further lockdown.

This closure lasted until May 2021, though the Abbey remained open for prayer and worship throughout the third national lockdown, with the Visitor Experience management team ensuring that the Abbey was able to welcome worshippers seven days a week.

Coronavirus offered a new and unexpected dimension to Abbey life in March 2021 when the NHS opened a new Covid-19 vaccination centre providing up to two thousand jabs each week in the south transept, which is home to Poets' Corner. TRH The Duke and Duchess of Cambridge visited on Tuesday 23<sup>rd</sup> March, combining a tour of the facility with a brief ceremony in the Shrine of St Edward as part of the National Day of Reflection marking the anniversary of the first coronavirus lockdown.

Since re-opening to visitors in May 2021, there has been a slow increase in numbers, but the Visitor Experience team has had to deal with a range of ever-changing rules and guidelines on social distancing, seating and ticketing capacities, Test & Trace data collection, group sizes, and face coverings.

A new Summer Festival programme of live music, outdoor cinema and theatre, family activities and tours focussed on 'hidden highlights' helped attract a sizeable number of UK based visitors. However, with constraints on inbound tourism and quarantine measures in place we averaged less than ten per cent of the pre-pandemic average daily footfall for most of the summer. The Abbey returned to its normal six-day visitor operation at the end of September, which also coincided with the end of the furlough scheme.



Visitors returned to the Abbey in May 2021, and a new Summer Festival programme of events was introduced.

## Care of the Abbey collection and fabric

A complete survey was undertaken of the Abbey's memorials in light of the recent debates around contested heritage.

In spite of most staff being furloughed for much of the time, the Abbey's Collections Department was able to continue with at least essential work until the summer. Thereafter, thanks to a year's funding from the Garfield Weston Trust, staff were able to return to fuller working. Separate grants from the Swire Trust and the Charles Hayward Foundation ensured that the project to create a digital catalogue of the Abbey's muniments continued with minimal interruption, though the need for longer-term funding for this work remains. Library staff, working remotely, responded to enquiries about the Abbey and its history from all over the world, and at a time when access to the library for research in person was impossible they were often able to help students, academics, and others by supplying digital images. It was good to welcome researchers in person once more in August and September.

An important piece of work undertaken by Collections staff during the year was a complete survey of the Abbey's monuments, memorials and stained glass in the light of recent debates around contested heritage. The Dean and Chapter's own historical investments were also reviewed. This is informing Chapter's response to the issues raised by the Black Lives Matter movement.

In preparation for the commemoration of the centenary of the burial of the Unknown Warrior, the Padre's Flag, which covered the coffin at the funeral on 11 November 1920, was cleaned and conserved. It was subsequently carried in procession and laid on the high altar during the televised service. Four documents from the Abbey's muniments relating to the burial were lent to the exhibition *Buried Among the Kings: the story of the Unknown Warrior*, which was held at the National Army Museum to coincide with the anniversary.

Successive lockdowns and their effect on the Abbey's finances meant that almost all fabric-related projects were stopped. Exceptions included the completion of the Deanery refurbishment, essential improvements to the infrastructure of the Choir School and a comprehensive overhaul of the Abbey's electrical systems, required to reduce the risk of fire. Work is now underway to develop plans to move the Abbey from a carbon footprint of 949 tons per annum to net zero over the coming decades.



Throughout the Covid-19 closure the Abbey's Clerk of the Works, Ian Bartlett, maintained a regular programme of inspections – including the roofs.

*Picture: Paul Grover*



The Abbey's security team – including Senior Beadle Reg Greenacre here in the cloisters – patrolled the Abbey and its precincts through the pandemic.

*Picture: Paul Grover*

## Financial performance and risk management

Our overriding aim is to safeguard the Abbey's mission and to operate on a sustainable basis for the long term.

### Financial performance

This was a second very challenging year for the Abbey, with closure to visitors for half the year and low numbers of mostly UK visitors in the other half of the year; few international visitors were able or willing to come to London. Over half of the Abbey's staff were on full or partial furlough during the year, and the Abbey received £2.8 million of income from the Government's Job Retention Scheme. In the year to September 2021 the Abbey had only 57,000 paying visitors, compared to 1.3 million in the year before the pandemic.

Accordingly, the total unrestricted income in the year (including revenue of the trading subsidiary) amounted to £5.8 million (2020: £12.1 million; 2019: £25.5 million). Visitor income within this total was just £0.9 million (2020: £6.6 million; 2019: £18.4 million). Total unrestricted expenditure in the year was confined to £13.4 million (2020: £20.2 million; 2019: £23.6 million), reflecting the extensive efforts made to reduce costs to the bare minimum whilst still offering daily worship and maintaining capability in key areas such as music and fabric which have been built up over many years. The trading subsidiary made a small loss.

Visitor income normally covers most of the day to day running costs of the Abbey, but with few visitors the Abbey has had to appeal to the public and donors to contribute to running costs rather than major projects. Despite the challenges, we were fortunate to be supported by many faithful benefactors and new donors, helping us to raise over £1.2 million, of which some £340,000 has been accounted for in the year to September 2021. This primarily came in the form of support for our Heritage Preservation Appeal, which is the first major public crisis appeal to be launched since Winston Churchill's great appeal after the Second World War. In particular the Abbey was supported by The Garfield Weston Foundation funding our Collections/Conservation team, and The Wolfson Foundation contributing to our Works team and the Abbey's fabric. Music at the Abbey has been another key area where support has been received in the form of several generous gifts.

The consolidated net deficit for the year before investment gains was £8.5 million (2020: £7.9 million; 2019: net income of £2.3 million). Total investment gains amounted to £3.9 million (2020: £1.2 million; 2019 £0.8 million).

Our overriding aim is to safeguard as far as possible the Abbey's mission and to operate on a sustainable basis for the long term, taking account of our actual and potential risks. This is particularly important as, despite our core role in serving the nation routinely and on major State occasions, the Abbey receives neither State nor Church funding and must therefore be self-reliant at all times. The Abbey has an overall target level of unrestricted reserves of £14 million for risk management and liquidity purposes, and at 29 September 2021 we held £12.2 million, some £1.8 million less than the target. On balance this is a creditable result after two years of exceptional challenge; this is possible because of the consistent operational surpluses achieved in the years before Covid and the care and sacrifices made to restrain expenditure

more recently. The Abbey has modelled its anticipated financial performance over the next four years, based on prudent assumptions of a gradual return of visitors over that period. Although the Abbey anticipates some further utilisation of reserves in the coming year, it is confident that it will be able to return to consistent financial surplus over the next four years, which will enable it both to recommence investment in Chapter's mission priorities and to rebuild its reserves to the required level. In the meantime, a revolving credit facility, recently negotiated with the Abbey's bank, will help sustain liquidity.

### Risk Management

The Dean and Chapter has responsibility for overseeing effective risk management at the Abbey, supported by a Risk Management Group comprised of relevant senior managers and a Chapter member. Our overall approach to risk is prudent, reflecting our values as a church and the nature of our organisation and accountability. During the year the Abbey's overall risk register was reviewed extensively; a regular six-month review of this register continues to be presented to the Dean and Chapter, and a risk appetite statement has been developed. The following represent the top net risks identified in the overall risk register:

- Impact of the Covid pandemic on the maintenance of core functions and financial solvency;
- A direct terrorist attack on the Abbey or close by, including by an individual and/or the use of vehicles;

In addition, the Abbey Safeguarding Officer, whose work is overseen by the Dean and reviewed by an independently chaired Safeguarding Reference Group, maintained an active programme of support, supervision and development so that the Abbey community could deal effectively with risks relating to the safety and wellbeing of children and vulnerable adults.



The Reverend Tricia Hillas was appointed by HM The Queen to serve as a Canon of Westminster while continuing to act as Chaplain to the Speaker of the House of Commons. She was installed on 9 May 2021.

## Management of the Abbey

The Abbey is deeply appreciative of the sacrifices and fortitude shown by its staff over the year.

The first part of this year required a further lockdown due to the Covid pandemic, and there has been a continuing need for safety precautions as the year has progressed. In this difficult context we have benefitted greatly from the commitment and hard work of many colleagues during this period, and we have kept as much of the Abbey's mission going as possible in many innovative ways, including online engagement. Alongside this we have seen very reduced numbers of visitors to the Abbey, such that many members of staff were on total or partial furlough until that scheme ended in September 2021.

After the painful restructuring necessary in 2020, the Abbey's total staff reduced by 50 to under 300 through redundancies and resignations. In September 2021 the Abbey had to consult staff about further reductions in wage costs needed in the coming year to contain deficits to a minimum as the furlough scheme came to an end. Following the staff consultation, many staff are working reduced hours, mainly for the six months to March 2022. Staff salaries have continued to be frozen, and the salary sacrifice scheme for Chapter members and senior staff is continuing. These changes are expected to reduce costs by £400,000 in the six months to March 2022. Overall staff numbers at the Abbey have reduced from 353 in July 2020 to 298 in September 2021. Alongside this, the Abbey has continued substantially to restrain expenditure in non-staff areas; this has involved measures such as maintaining the freeze on new fabric projects and limiting maintenance to the level required to meet essential health & safety obligations.

The Abbey is deeply appreciative of the sacrifices and fortitude shown by its staff over the year.

There were some key additions to the Abbey team. Sir Kenneth Olisa, HM Lord-Lieutenant of Greater London, was appointed the new High Bailiff of Westminster Abbey, succeeding Sir Roy Strong, who retired in 2019. The Reverend Tricia Hillas was appointed by HM The Queen to serve as a Canon of Westminster while continuing to act as Chaplain to the Speaker of the House of Commons. The Reverend Robert Latham, curate in the Fromside Benefice of Churches in the Diocese of Bristol, was appointed Sacrist of Westminster Abbey. John Neilson has joined us from Imperial College, replacing Malcolm Jones as Deputy Receiver General and Director of Finance.

In June 2021 the Lord Chancellor appointed His Honour Keith Cutler as Independent Assessor under the provisions of the Abbey's Statutes.

During the year Chapter has also undertaken a review of the Abbey's Core Purpose and strategic priorities, which will inform planning for the coming years. Work is also underway to refresh the Abbey's governance arrangements.

### Status of the Abbey

The Collegiate Church of Saint Peter in Westminster is a Royal Peculiar, incorporated by Royal Charter on 21 May 1560 and governed by its Statutes. It is not required to register under the Charity Act and is registered for taxation purposes under number X8259.





Composer and pianist Alexis Ffrench performs his song 'Wishing' in the Abbey for the Commonwealth Day programme in March

## The Dean and Chapter

The governing body is the Dean and Chapter. The members of Chapter and those who served during the year were (with Canonical Offices and titles as at 30.9.21):

### The Dean of Westminster

The Very Reverend Dr David Hoyle

### The Sub-Dean and Canon Treasurer

The Reverend David Stanton

### The Rector of St Margaret's

The Reverend Anthony Ball

### The Canon Theologian and Almoner

The Reverend Dr James Hawkey

### The Canon Steward and Archdeacon

The Venerable Patricia Hillas (appointed 9<sup>th</sup> May 2021)

### Chapter Clerk

Paul Baumann

## College

### The Dean

### Sub-Dean and Canon Treasurer

### Rector of St Margaret's

### Canon Theologian and Almoner

### Canon Steward and Archdeacon

### High Steward

The Duke of Buccleuch

### High Bailiff and Searcher of the Sanctuary

Sir Kenneth Olisa (from 17.5.21)

### The Receiver General, Chapter Clerk and Registrar

Paul Baumann

### Deputy High Steward and Lord Mayor of Westminster

Cllr Jonathan Glanz (from 9.9.21) /

Cllr Andrew Smith (from 10.9.21)

### Deputy High Bailiff

Sir Stephen Lamport

### Deputy Receiver General and Director of Finance

Malcolm Jones (to 31.5.21) / John Neilson (from 1.8.21)

### Clerk of the Works

Ian Bartlett

### Minor Canon and Precentor

Mark Birch

### Head of Visitor Experience

Scott Craddock

### Director, Westminster Abbey Institute

Dr Claire Foster-Gilbert

### Director, Westminster Abbey Foundation

Valerie Humphrey

### Head of Communications

Duncan Jeffery

### Organist and Master of the Choristers

James O'Donnell

### Head of Human Resources

Temi Olusola (on maternity leave from 31.8.21) /

Christopher Temmink (from 1.9.21)

### Headmaster, Westminster Abbey Choir School

Peter Roberts

### Head of Event Management & Marketing

Lorraine Rossdale

### Head of Collections

Tony Trowles

### Legal Secretary

Christopher Vyse

### Surveyor of the Fabric

Ptolemy Dean

### Consultant Archaeologist

Professor Warwick Rodwell

### Auditor

William Binns

### Lay Vicars' Representative

Simon Wall

### Head Master, Westminster School

Gary Savage

### Under Master, Westminster School

James Kazi

### Master of the Queen's Scholars, Westminster School

Gareth Mann

### Principal, Harris Westminster Sixth Form

James Handscombe

## Heads of Department

### The Receiver General, Chapter Clerk and Registrar

### Deputy Receiver General and Director of Finance

### Headmaster, Westminster Abbey Choir School

### Clerk of the Works

### Head of Collections

### Head of Communications

### Head of Event Management and Marketing

### Director, Westminster Abbey Foundation

### Head of Human Resources

### Head of IT

Mandy Meek

### Head of Learning

Grazyna Richmond / Laura Arends

### Organist and Master of the Choristers

### Minor Canon and Precentor

### Head of Retail

Kirsty West (employed by Westminster Abbey Enterprises Limited)

### Abbey Safeguarding Officer

Juliette Curtin (on maternity leave from 16.11.20) / Louise

Wilcox (seconded from St Paul's Cathedral from 20.10.20)

### Head of Security and Emergency Planning

Jon Reeves

### Dean's Verger

Martin Castledine

### Head of Visitor Experience

### Director, Westminster Abbey Institute

## Independent Assessor

His Honour Keith Cutler

## Abbey Advisory Group

The Duke of Buccleuch (Chair)

Lady Black of Derwent

Cllr David Harvey

Lord Judge

Sir David Natzler

Sir David Normington

Sir Kenneth Olisa

Dame Fiona Reynolds

## Westminster Abbey Fabric Commission

The Dean (Chair)

Professor Sir David Cannadine (Vice-Chair)

The Canons of Westminster

Professor Paul Binski

Bob Carr

Professor Eamon Duffy

Dr John Goodall

Dr Elizabeth Hallam Smith

Dr Olivia Horsfall Turner

Dr Julian Litten

Anne Machin

Rosemarie MacQueen

John Maine (adviser)

The Reverend Tony Redman

Dr Timothy Schroder

Sarah Staniforth

Canon Nicholas Thistlethwaite

Philip Venning

## Westminster Abbey Finance Advisory and Audit Committee

Mark Powell (Chair - retired on 8.9.21)

Roger Mountford (Chair from 9.9.21)

John O'Brien

The Canon Treasurer

The Auditor

## Westminster Abbey Pension Fund Trustees

John O'Brien (Chair)

The Canon Treasurer

David Burden

Christopher Jonas

James Rawlinson

David Thomas

## Westminster Abbey Investment Panel

Chris Sullivan (Chair)

Raymond Haines

Tim Kidd

Douglas Shaw

Catherine Wall

The Canon Treasurer

## Investment Advisers

### Brewin Dolphin

12 Smithfield Street

London EC1A 9BD

## Property Advisers

### Knight Frank

20 Hanover Square

London W1S 1HZ

## Bankers

### Barclays Bank plc

1 Churchill Place

Canary Wharf

London E14 5HP

## Actuary

### Chris Ramsay

2 London Wall Place

123 London Wall

London EC2Y 5AU

## Pensions Consultants

### Barnett Waddingham

2 London Wall Place

123 London Wall

London EC2Y 5AU

## Trust Bodies

The following entities provide support for The Collegiate Church of Saint Peter in Westminster but are not consolidated into these annual accounts as they are separately controlled and have their own independent governance arrangements:

### Westminster Abbey Trust

The Garfield Weston Trust for Westminster Abbey

Westminster Abbey 1972 Retirement and

Death Benefits Scheme

## Principal Office

The address for correspondence is:

### The Chapter Office

20 Dean's Yard

Westminster Abbey

London SW1P 3PA

# Westminster Abbey Annual Accounts

30<sup>th</sup> September 2020 — 29<sup>th</sup> September 2021

Westminster Abbey is a living  
Church where worship is  
offered to almighty God daily.

## History, Constitution and Objectives

The Collegiate Church of St Peter in Westminster (“Westminster Abbey” or “the Abbey”) is a living Church where worship is offered to almighty God daily, as it has been ever since the year 960 AD. It is known that a Benedictine Abbey was founded by St Dunstan, Archbishop of Canterbury, in 960. The Abbey Church was re-built by Edward the Confessor in 1065, and he was buried here in 1066. Henry III rebuilt part of the Confessor’s church in the midthirteenth century, and this work continued until the end of the fifteenth century. The Lady Chapel was built by Henry VII in the early sixteenth century, and the famous West Towers added to a design by Nicholas Hawksmoor in 1745. In 2018, The Weston Tower was completed, which provides access to The Queen’s Diamond Jubilee Galleries. These are situated in the triforium of the Abbey.

The coronation of Kings and Queens has taken place in the Abbey since that of Harold II in 1066. Many of the nation’s Kings and Queens are buried in the Abbey. Over 3,000 men and women are buried or memorialised here, from almost every century of Britain’s history and international connections: scientists and engineers, statesmen and politicians, lawyers and warriors, clerics, poets and novelists, actors and musicians.

The Abbey is a Royal Peculiar governed by the Dean and Chapter under the Royal Charter of Queen Elizabeth I of 21 May 1560, which created it as a Collegiate Church under the Monarch’s personal jurisdiction. As a Royal Peculiar, the Abbey is totally self-supporting financially; it receives no financial assistance from the Church Commissioners, from the State or from the Crown.

Under the 1868 Public Schools Act, all of the Dean and Chapter’s property in the Precincts used at the time by Westminster School was transferred to and vested in the Governing Body of the School. Under an Act of 1972, the Church of St Margaret, Westminster, which stands within the Precincts and had for 132 years been a parish church in the diocese of London, returned to the control of the Dean and Chapter. In February 2012, the Dean and Chapter received a supplemental Royal Charter signed by HM The Queen, including statutes for the governance of the Abbey.

The Abbey has an ancient choral foundation. The Dean and Chapter maintains Westminster Abbey Choir School, the only school in Great Britain maintained solely for the education of choristers. Westminster Abbey Choir School educates and cares for the 30 or so boys who sing as choristers in the Abbey Choir. This is a purpose-built school, set within the Abbey precincts, that offers a complete preparatory school boarding education but tailored precisely to the needs of choristers. Academic lessons, musical tuition, sports activities and games are carefully arranged around the boys’ various singing commitments to offer a unique educational experience.

## Governance and management

Members of the Dean and Chapter are appointed by the Crown. They have ultimate legal responsibility for the Abbey and its proper governance, with the help of its advisors. The Dean and Chapter agrees the overall strategic direction of the organisation and is the highest decision-making body.

The Receiver General and his staff support the Dean and Chapter. The Receiver General is the most senior administrative officer, responsible for supporting the Dean and Chapter in the development of strategy and policy, and for their implementation along with the day-to-day running of the Abbey. His remuneration is decided by Chapter, taking into account the responsibilities of the role and also market factors. Advisory committees are in place to support and provide advice to the Dean and Chapter and the Receiver General on overall strategy and on specific areas such as investments, financial management and maintaining the fabric. The Abbey ensures that new employees undertake a detailed induction and provides its staff with regular briefing and training in changes in the business, charitable and regulatory environment.

## The Abbey's Mission

The Abbey's governing body, the Dean and Chapter, is answerable to The Queen for the mission and ministry of the Abbey. The Abbey is a living and working church, a symbol of 'Faith at the Heart of the Nation'. The Abbey's activities are related to its four-fold mission:

- To serve Almighty God by offering divine Worship daily and publicly;
- To serve the Sovereign by daily prayer and by a ready response to requests made by or on behalf of Her Majesty;
- To serve the nation by celebrating the distinctive witness of the Christian faith; by upholding the place of religious faith within national life; and by active engagement with Parliament, Whitehall and others in positions of public service;
- To serve all pilgrims and visitors to The Abbey, and to maintain a tradition of hospitality.

In addition, the Dean and Chapter recognise their responsibility for judicious stewardship of the Abbey's reserves and assets.

The Dean and Chapter confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The Abbey's objectives and in planning future activities.

## The Abbey's Values

The Abbey's values, which are distinctively but not exclusively Christian, are:

As one we serve each other, our visitors and the wider world in all that we do with:

- Truthfulness
- Integrity
- Empathy
- Excellence

## Accounts and financial review

The accounts have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) and follow the requirements of The Statement of Recommended Practice (SORP2019) – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The consolidated financial statements include the income, expenditure, assets and liabilities of Westminster Abbey, which includes the Westminster Abbey Choir School and St Margaret's Church. They also include the income, expenditure, assets and liabilities of Westminster Abbey Enterprises Limited, Westminster Abbey Investment Pool, Westminster Abbey 1953 Appeal Fund, Westminster Abbey Choir School Bursary Fund and Westminster Abbey Monuments Trust. The Funds are reported and analysed between Permanent Endowment, Restricted and Unrestricted. Restricted Funds can only be used for a specified purpose, whilst Unrestricted Funds can be used at the discretion of the Dean and Chapter.

The Abbey closed its defined benefit pension scheme to future accrual from 1 August 2013. Note 19 to the accounts refers to the Abbey's defined benefit pension scheme. This note also sets out the scheme's actuarial valuation using assumptions in accordance with the requirements of FRS 102. The valuation of the Scheme as at 30 September 2021 was a surplus of £7,493k (2020: £6,330k). The Dean and Chapter is comfortable that this valuation would be valid for 29 September 2021. The actuarial surplus is taken from an actuarial valuation that has been updated in the current year by a qualified actuary in order to assess the liabilities of the scheme at 30 September 2021 using revised assumptions in accordance with the requirements of FRS 102.

As a result of the closure of the scheme to all future benefit accrual, and the employer not knowing the likelihood or extent of its recoverability, the surplus not been recognised as an asset in the Abbey's financial statements. The payment made in the year ended 30 September 2013 has resulted in no further payments being required under the schedule of contributions, except in relation to the costs of administering the scheme.

The last full actuarial funding valuation of the scheme was carried out as at 30 September 2019; this valuation disclosed a surplus of £357k, equivalent to a funding level of 101% on a technical provisions basis.

### Reserves policy

The Dean and Chapter has established a policy whereby the level of free cash reserves should be sufficient to cover short-term volatility in working capital requirements and in the value of marketable investments supporting the target level of reserves. It is currently estimated that £1 million is required for working capital requirements. The reserve was fully covered by cash at 29 September 2021.

The policy also stipulates that an additional reserve should be held at a level to cover total resources expended in a year, in order to cover any significant reduction in net revenues associated with, for example, a catastrophic decline in London's tourism business or closure of the Abbey for an extended period. It is estimated that the relevant total resources that might need to be expended under a plausible worst case scenario is £13m. This reserve is held in a combination of cash, cash equivalents and liquid investments.

The overriding aim is to ensure as far as possible that the Abbey's mission is safeguarded and that the Abbey can operate on a sustainable basis in the longer term taking full account of the risks to which the Abbey is potentially exposed. The Abbey has an overall target level of unrestricted reserves of £14m, and at 29 September 2021 the Group held £12.2m in unrestricted reserves, represented by cash, cash equivalents and liquid investments, implying a deficit against target of £1.8m.

The impact of the Covid-19 pandemic has resulted in a period of closure for the Abbey and the prospect of a significant decline in London's tourism business over an extended period of time. The Covid-19 pandemic impacted the whole of the current financial year, but the reduction in liquid reserves for the full year was limited to £6.1m. The reduction was confined to this level, despite the absence of visitors, due to very careful control of costs and utilisation of the Government's Coronavirus Job Retention Scheme. The Abbey is now slightly below its target level of reserves, and some further utilisation of the long term reserve is expected in the next year, but the Abbey remains confident with visitors now returning that it has prudent plans in place to return to generating operating surpluses.

The Abbey intends in due course to build a long term fabric reserve to ensure sufficient resources are available to support major fabric works that are required across a long term 50-year cycle. The last major works were to the roof and were conducted in the 1980s. For example, it is expected that significant work may be required on the Hawksmoor Towers over the course of the next 10-15 years. Further information on reserves is set out in Note 17 to the Financial Statements.

### Investment policy and returns

The Investment Pool, governed by the Westminster Abbey Act 1975, holds investments on behalf of various funds for which the Dean and Chapter is responsible. The Dean and Chapter invests monies after consultation with the Investment Panel.

The 1975 Act requires that the Abbey's investments are suitably diversified between UK and overseas equities, bonds, property and cash, so as to generate over time both income and capital growth. The aim is to achieve a real return of around 5% per annum over a rolling three-year period on all investments, except those forming part of the Abbey's treasury balances. During the year ended September 2021 the actual return achieved was 15.0% (2020: 5.5%).

The Abbey's ethical investment policy follows the practices recommended by the Church of England's Ethical Investment Advisory Group.

### Going concern

As noted in the Annual Report, the Covid-19 pandemic has had a significant impact on the Abbey, both operationally and financially. The Dean and Chapter has considered the resources of, and forecasts for, the Abbey and has a reasonable expectation that it has adequate resources to continue as a going concern until at least March 2023, a period not less than 12 months from the date of signing the financial statements. The Abbey therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

The impact of the Covid-19 pandemic has resulted in a period of closure for the Abbey and the prospect of significantly reduced numbers of tourists in London over an extended period of time. In preparing the forecasts the Abbey has considered the ongoing impact of Covid-19 and has taken the view that visitors will return to the Abbey gradually such that they do not return to close to pre-Covid levels until 2024-25. These assumptions include visitor numbers of 500,000 in 2021-22, 750,000 in 2022-23 and 1 million in 2023-24, compared to 1.34 million in 2018-19, the last year unaffected by Covid.

To address the situation, the Dean and Chapter has taken significant mitigating actions so that the Abbey remains operationally and financially viable, and to protect the core aspects of the Abbey's ministry. These actions include:

- Continuing the salary sacrifice scheme for Chapter members and senior staff for 18 months to March 2022, as well as further reductions on wage cost through many staff working reduced hours over the same period, and use of the Government's furlough scheme to September 2021;
- Restraining expenditure in non-staff areas;
- Maintaining the availability of sufficient short-term cash flow resources, so that £12m of near-liquid funds remained available at September 2021;
- Applying for, and receiving, grants from the Weston Collections Fund and the Wolfson Foundation Fabric and Conservation Fund;
- Exploring potential new sources of financing facilities.

Although the Abbey anticipates some further utilisation of reserves in the coming year, it is confident that it will be able to start rebuilding its reserves and return to consistent financial sustainability during the next four years.

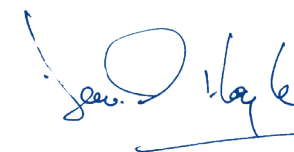
The Abbey has also modelled a more challenging 'remote' scenario in which it is assumed that the Abbey has to remain closed to visitors from February 2022 until June 2022 inclusive due to a further Covid lockdown. As well as income from visitors, in this modelled scenario, Chapter took account of the potential downside pressures on its other key sources of income including commercial income, grants and donations, and the risk that its remaining liquid reserves would decline by 20% in value due to market movements. In this 'remote' case, reserves would be used up much more quickly, and other forms of financing repaid out of the Abbey's remaining investments to avoid any covenant issues, but liquid reserves would be just sufficient. As part of this scenario, additional reductions would need to be made to staff costs, so that overall these would reduce by 20% from February to June 2022 through a combination of hours reductions and salary reductions (including the existing hours reductions and salary reductions between January 2022 to March 2022), to reflect the further 5-month lockdown. The ability to withstand this 'remote' scenario provides Chapter with further confidence that the Going Concern basis of preparation is appropriate.

Additional options to increase liquid funds are currently being developed that would be incremental to both the base case and remote case. These include exploring additional external financing options, the sale of an investment property and ongoing fundraising through the Heritage Preservation Appeal recently launched to support funding of the Abbey.

#### Disclosure of information to the auditors

In the case of each person who was a member of the Dean and Chapter at the time this report was approved, so far as that member was aware, there was no relevant available information of which the auditors were unaware; and all steps were taken that ought to have been taken as a member of the Dean and Chapter to make himself or herself aware of any relevant audit information and to establish that the auditors were aware of that information.

This report was approved by the Dean and Chapter of Westminster on 21 January 2022.



The Dean of Westminster  
The Very Reverend  
Dr David Hoyle



The Sub-Dean and Canon Treasurer  
The Reverend  
David Stanton



The Rector of St Margaret's  
The Right Reverend  
Anthony Ball



The Canon Theologian and Almoner  
The Reverend  
Dr James Hawkey



The Canon Steward and Archdeacon  
The Venerable  
Patricia Hillas

### **Statement of the financial responsibilities of the Dean and Chapter**

The Dean and Chapter is responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable to the UK and Republic of Ireland.

The Dean and Chapter is required to prepare financial statements for each year which give a true and fair view of the state of affairs of The Collegiate Church of Saint Peter in Westminster and its Group and of the incoming resources and application of resources for the year.

In preparing these financial statements, the Dean and Chapter has to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its members in writing about the use of disclosure exemptions, if any, of FRS 102 used in preparation of financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Abbey will continue in operation.

The Dean and Chapter is responsible for keeping proper accounting records which disclose its financial position with reasonable accuracy at any time. It is also responsible for safeguarding the assets of the Abbey, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



The flags of Australia, New Zealand, the United Kingdom and Turkey at the Grave of the Unknown Warrior at the annual ANZAC Day commemoration in April.



# Independent Auditor's Report

Independent auditor's report to the Dean and Chapter of The Collegiate Church of Saint Peter in Westminster

## Opinion

I have audited the financial statements of The Collegiate Church of Saint Peter Westminster for the year ended 29 September 2021 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 23, 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of The Collegiate Church of Saint Peter Westminster's affairs as at 29 September 2021 and of its loss for the year then ended;
- and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and have been prepared in accordance with the requirements of the Westminster Abbey Act 1975.

## Basis for opinion

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of The Dean and Chapter in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK, including the FRC's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Dean and Chapter's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Collegiate Church of Saint Peter Westminster's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Dean and Chapter with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Investment Pool's ability to continue as a going concern.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and my auditor's report thereon. The Dean and Chapter are responsible for the other information contained within the annual report.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of the other information, I am required to report that fact.

I have nothing to report in this regard.

#### Responsibilities of the Dean and Chapter

As explained more fully in the Statement of Responsibility of the Dean and Chapter of Westminster set out on page 43, the Dean and Chapter are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Dean and Chapter 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 Dean and Chapter are responsible for assessing the Collegiate Church of Saint Peter Westminster'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 Dean and Chapter either intend to liquidate the Collegiate Church of Saint Peter Westminster or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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.

#### *Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with my responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- I obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are: Proceeds of Crime Act 2002, Bribery Act 2010, Money Laundering Regulations 2003, Terrorism Act 2000, Westminster Abbey Act 1975 and the United Kingdom Accounting standards in conformity with the requirements of the Companies Act 2006.
- I understood how the Collegiate Church of Saint Peter Westminster is complying with those frameworks and considered potential for management override of controls or inappropriate influence over the financial reporting process. I carried out enquiries to those charged with governance, and corroborated my understanding of the process through my review of Board minutes. I considered the results of my other audit procedures to either corroborate or provide contrary evidence. I also observed Management's culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place.

- I assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur gaining an understanding of the controls in place as part of walkthroughs of the significant classes of transactions, which include the financial statement close process.
- Based on this understanding I designed my audit procedures to identify noncompliance with such laws and regulations. My procedures involved of significant classes of transactions (including relevant controls), carrying out relevant enquiries with Management, reviewing minutes of the board meetings and performing journal entry testing.

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

#### Use of this report

This report is made solely to the Dean and Chapter, as a body, in accordance with my engagement letter dated 10 December 2020. My audit work has been undertaken so that I might state to the Dean and Chapter those matters I am required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to the Dean and Chapter, for my audit work, for this report, or for the opinions I have formed.



William Binns  
Chartered Accountant

London  
21 January 2022

# The Collegiate Church of Saint Peter in Westminster

Annual report and financial statements for the year ended 29 September 2021  
Consolidated Statement of Financial Activities (including income and expenditure account)

	Notes	2021				2020			
		Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s	Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s
<b>Incoming and endowments from:</b>									
Donations, grants and legacies	4	340	956		1,296	195	3,768		3,963
<b>Charitable activities:</b>									
Visitor charges		946			946	6,577			6,577
Choir School fees		198			198	219			219
Special events		63			63	110			110
Other trading activities		613			613	2,013			2,013
Investments	5	684	318		1,002	806	343		1,149
Other		2,897			2,897	2,206	1		2,207
<b>Total income</b>		<b>5,741</b>	<b>1,274</b>		<b>7,015</b>	<b>12,126</b>	<b>4,112</b>		<b>16,238</b>
<b>Expenditure on:</b>									
<b>Raising funds</b>									
Other trading activities		850			850	1,682			1,682
Donations and legacies						50			50
<b>Total</b>		<b>850</b>			<b>850</b>	<b>1,732</b>			<b>1,732</b>
<b>Charitable activities</b>									
Religious activities		1,671	50		1,721	2,961	84		3,045
Visitor-related		6,698	297		6,995	8,987	244		9,241
Choir and music		2,665	545		3,210	3,068	240		3,308
Upkeep		1,413	1,178		2,591	3,321	3,393		6,714
Special events		104			104	104			104
<b>Total</b>		<b>12,551</b>	<b>2,070</b>		<b>14,621</b>	<b>18,441</b>	<b>3,971</b>		<b>22,412</b>
<b>Total expenditure</b>	6	<b>13,401</b>	<b>2,070</b>		<b>15,471</b>	<b>20,173</b>	<b>3,971</b>		<b>24,144</b>

# The Collegiate Church of Saint Peter in Westminster

Annual report and financial statements for the year ended 29 September 2021  
Consolidated Statement of Financial Activities (continued)

	Notes	2021				2020			
		Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s	Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s
<b>Net (expense) / income</b>		(7,660)	(796)		(8,456)	(8,047)	141		(7,906)
Net gains on investments	10	971	395	2,562	3,928	309	82	807	1,198
Net gains on property revaluations									
Actuarial gains on defined benefit scheme	19	124			124	64			64
Transfers between funds	15,16,17	96	(96)			1,030	(1,030)		
<b>Net movement in funds</b>		<b>(6,469)</b>	<b>(497)</b>	<b>2,562</b>	<b>(4,404)</b>	<b>(6,644)</b>	<b>(807)</b>	<b>807</b>	<b>(6,644)</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		57,627	8,275	16,480	82,382	64,271	9,082	15,673	89,026
<b>Total funds carried forward</b>		<b>51,158</b>	<b>7,778</b>	<b>19,042</b>	<b>77,978</b>	<b>57,627</b>	<b>8,275</b>	<b>16,480</b>	<b>82,382</b>

The Financial results for the year ended 29 September 2021 and 29 September 2020 were derived from continuing operations.

For Westminster Abbey (the parent), the total incoming resources for the year were £6,968k (2020: £14,555k), total resources expended were £14,625k (2020: £20,342k) and net gains recognised through other comprehensive income were £2,341k (2020: £739k).

The accompanying notes 1-23 form an integral part of these financial statements.

# The Collegiate Church of Saint Peter in Westminster

Annual report and financial statements for the year ended 29 September 2021  
Consolidated Group and Abbey Balance Sheets  
As at 29 September 2021

	Group		Abbey	
	2021 £'000s	2020 £'000s	2021 £'000s	2020 £'000s
<b>Non-current assets</b>				
Intangible assets	7	167	277	273
Tangible assets	8	35,943	37,665	37,654
Heritage assets	9	314	314	314
Investments	10	43,874	39,715	29,378
Debtors: amounts falling due in more than one year	11		588	
<b>Current assets</b>				
Stocks - goods for resale		385	445	14
Debtors: amounts falling due in less than one year	12	616	385	715
Cash and cash equivalents		3,104	1,766	8,741
		<b>4,105</b>	<b>10,692</b>	<b>9,470</b>
<b>Liabilities</b>				
Creditors: amounts falling due within one year	13	(2,999)	(2,233)	(2,031)
<b>Net current assets</b>		<b>1,106</b>	<b>8,459</b>	<b>7,439</b>
<b>Total assets less current liabilities</b>		<b>81,403</b>	<b>86,430</b>	<b>75,058</b>
<b>Liabilities</b>				
Creditors: amounts falling due after more than one year	14	(3,425)	(4,048)	(4,048)
<b>Total net assets</b>		<b>77,978</b>	<b>82,382</b>	<b>71,010</b>
<b>The Group and Abbey funds:</b>				
Permanent endowment funds	15	19,042	16,480	6,528
Restricted funds	16	7,778	8,275	7,038
Unrestricted funds	17	51,158	57,627	57,444
<b>Total Group and Abbey funds</b>	<b>18</b>	<b>77,978</b>	<b>82,382</b>	<b>71,010</b>

The financial statements were approved and authorised for issue by The Dean and Chapter of Westminster on 21 January 2022.



The Sub-Dean and Canon Treasurer  
The Reverend Canon DJ Stanton

The Accompanying notes 1 – 23 form an integral part of these financial statements.

# The Collegiate Church of Saint Peter in Westminster

Annual report and financial statements for the year ended 29 September 2021  
Consolidated Statement of Cash Flows  
As at 29 September 2021

	Notes	2021 £'000s	2020 £'000s
<b>Reconciliation of net (expense) / income to net cash inflow from operating activities</b>			
Net (expense) / income for the reporting period (as per the statement of financial activities)		(4,404)	(6,644)
Depreciation and amortisation charges	7,8	1,342	1,337
Gains on investments	10	(3,928)	(1,198)
Dividends, interest and rents from investments	5	(1,002)	(1,149)
Interest element on finance lease		23	26
Increase in stock		60	(73)
Decrease / (increase) in debtors		(229)	1,953
Interest paid on long-term loan		76	109
(Decrease) / increase in creditors		755	(1,780)
<b>Net cash provided by operating activities</b>		<b>(7,307)</b>	<b>(7,419)</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	5	1,002	1,149
Purchase of intangible assets and tangible fixed assets	8	(371)	(237)
Proceeds from sale of investments	10	12,543	13,379
Purchase of investments	10	(11,885)	(7,939)
<b>Net cash provided by investing activities</b>		<b>1,289</b>	<b>6,352</b>
<b>Cash flows from financing activities:</b>			
Interest paid on long-term loan	13	(76)	(109)
Interest element on finance lease		(23)	(26)
Repayment of capital element of finance lease		(141)	(129)
Repayments of long-term loan	13	(500)	(500)
<b>Net cash used in financing activities</b>		<b>(740)</b>	<b>(764)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(6,758)</b>	<b>(1,831)</b>
Cash and cash equivalents at the beginning of the reporting period		9,862	11,693
Cash and cash equivalents at the end of the reporting period		3,104	9,862
<b>Analysis of cash and cash equivalents:</b>			
	30 September 2020	Cash flow	29 September 2021
Cash at bank	8,652	(7,144)	1,508
Cash held with investment managers	1,210	386	1,596
<b>Total cash and cash equivalents</b>	<b>9,862</b>	<b>(6,758)</b>	<b>3,104</b>



Members of the Clerk of the Works team install the memorial stone to Sir Roger Bannister in the north nave aisle in September.



After the Dean, the Very Reverend Dr David Hoyle, dedicated a new memorial in Scientists' Corner to the neurologist and four-minute miler Sir Roger Bannister, his sons, Clive and Thurstan Bannister, laid flowers.

# The Collegiate Church of Saint Peter in Westminster

Annual report and financial statements for the year ended 29 September 2021  
Notes to the financial statements

## 1. Accounting policies

The principal accounting policies are set out below.

### a) Basis of preparation

The Collegiate Church of St Peter in Westminster (“Westminster Abbey” or “the Abbey”) is a Royal Peculiar, incorporated by Royal Charter in England. The principal office is: The Chapter Office, 20 Dean’s Yard, Westminster, London, SW1P 3PA.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, and listed investments. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The consolidated financial statements include the income, expenditure, assets and liabilities of Westminster Abbey, including Westminster Abbey Choir School and St Margaret’s Church. They also include the income, expenditure, assets and liabilities of Westminster Abbey Enterprises Limited, the Westminster Abbey 1953 Appeal Fund, the Westminster Abbey Choir School Bursary Fund and the Westminster Abbey Monuments Trust. Also included is the net asset value of Westminster Abbey Investment Pool.

Certain other related entities are excluded from consolidation because they have external trustees and are not the responsibility of the Dean and Chapter. More details can be found in note 2.

The financial statements are prepared in sterling which is the functional currency of the Abbey and rounded to the nearest £’000.

The Abbey constitutes a public benefit entity as defined by FRS 102.

### b) Going Concern assessments

As noted in the Annual Report, the Covid-19 pandemic has had a significant impact on the Abbey, both operationally and financially. The Dean and Chapter has considered the resources of, and forecasts for, the Abbey and has a reasonable expectation that it has adequate resources to continue as a going concern until at least March 2023, a period not less than 12 months from the date of signing the financial statements. The Abbey therefore continues to adopt the going concern basis in preparing its consolidated financial statements.



The impact of the Covid-19 pandemic has resulted in a period of closure for the Abbey and the prospect of significantly reduced numbers of tourists in London over an extended period of time. In preparing the forecasts the Abbey has considered the ongoing impact of Covid-19 and has taken the view that visitors will return to the Abbey gradually such that they do not return to close to pre-Covid levels until 2024-25. These assumptions include visitor numbers of 500,000 in 2021-22, 750,000 in 2022-23 and 1 million in 2023-24, compared to 1.34 million in 2018-19, the last year unaffected by Covid.

To address the situation, Chapter has taken significant mitigating actions so that the Abbey remains operationally and financially viable, and to protect the core aspects of the Abbey's ministry. These actions include:

- Continuing the salary sacrifice scheme for Chapter members and senior staff for 18 months to March 2022, as well as further reductions on wage cost through many staff working reduced hours over the same period, and use of the Government's furlough scheme to September 2021;
- Restraining expenditure in non-staff areas;
- Maintaining the availability of sufficient short-term cash flow resources, so that £12m of near-liquid funds remained available at September 2021;
- Applying for, and receiving, grants from the Weston Collections Fund and the Wolfson Foundation Fabric and Conservation Fund;
- Exploring potential new sources of financing facilities.

Although the Abbey anticipates some further utilisation of reserves in the coming year, it is confident that it will be able to start rebuilding its reserves and return to consistent financial sustainability during the next four years.

The Abbey has also modelled a more challenging 'remote' scenario in which it is assumed that the Abbey has to remain closed to visitors from February 2022 until June 2022 inclusive due to a further Covid lockdown. As well as income from visitors, in this modelled scenario, Chapter took account of the potential downside pressures on its other key sources of income including commercial income, grants and donations, and the risk that its remaining liquid reserves would decline by 20% in value due to market movements. In this 'remote' case, reserves would be used up much more quickly, and other forms of financing repaid out of the Abbey's remaining investments to avoid any covenant issues, but liquid reserves would be just sufficient. As part of this scenario, additional reductions would need to be made to staff costs, so that overall these would reduce by 20% from February to June 2022 through a combination of hours reductions and salary reductions (including the existing hours reductions and salary reductions between January 2022 to March 2022), to reflect the further 5-month lockdown. The ability to withstand this 'remote' scenario provides Chapter with further confidence that the Going Concern basis of preparation is appropriate.

Additional options to increase liquid funds are currently being developed that would be incremental to both the base case and remote case. These include exploring additional external financing options, the sale of an investment property and ongoing fundraising through the Heritage Preservation Appeal recently launched to support funding of the Abbey.

#### Judgements and key sources of estimation uncertainty

In preparing the financial statements, the Dean and Chapter is required to make estimates and judgements. The matter detailed above on the assessment of going concern and below on actuarial assumptions are considered to be the two most significant judgements that are involved in preparing the financial statements and the associated disclosures.

#### • Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

#### c) Fund accounting

##### i. Permanent endowment funds

Certain of the Abbey's assets have been endowed. Endowments have either been given to or acquired by the Abbey on condition that the capital will not be spent. Income arising on endowment funds is treated as restricted income.

##### ii. Restricted funds

These funds relate to gifts and legacies which have been given or bequeathed to the Abbey to be used in accordance with the wishes of donors or their representatives. Both the capital and the income may only be applied for the purposes for which the funds were donated.

##### iii. Unrestricted funds

The use of these funds has not been restricted to a particular purpose by donors or their representatives. They are divided into General Funds and Designated Funds.

*General Funds* are the Abbey's working funds and are available for use in furtherance of the Abbey's mission.

*Designated Funds* are those which have been allocated from General Funds and remain at the discretion of the Dean and Chapter to help finance specific projects. Included in Designated Funds are reserves to cover short-term volatility and the long-term sustainability of the Abbey. These reserves are being set aside to ensure sufficient working capital to cover short-term volatility, and to enable the Abbey to operate on a sustainable basis in the event of loss of revenue or closure for an extended period.

**d) Incoming resources**

Incoming resources include visitor charges, choir school fees, donations, grants and legacies, the income from the trading activities and from special events. In addition, the Abbey receives investment income from properties and from listed investments.

All income is accounted for when the Abbey has entitlement to the funds, the amount can be quantified and receipt of the funds is probable. Where income is received in advance of providing goods and/or services, it is deferred until the Abbey becomes entitled to that income.

Unless there is evidence of uncertainty of receipt, residuary legacies are recognised from the date of probate where a reliable estimate of income can be made. Income from will or reversionary trusts is not recognised until the life interest has passed away. Income from pecuniary legacies is recognised upon notification.

Charges made to visitors and turnover of the trading subsidiary have been included for a 52-week period (2020: a 52 week period).

**e) Resources expended**

All expenditure is accounted for on an accruals basis. Direct costs are those specifically related to producing the output of an activity, for example the costs incurred in direct contact with visitors. Support costs are those which provide indirect support to front-line output provision – examples are the costs of the office of the Receiver General, including IT support, the finance, protocol and press departments, legal services and certain central overheads.

Support costs not attributable to a single activity have been apportioned to charitable expenditure activities based on staff costs relating to those activities.

Irrecoverable VAT is charged to the appropriate expenditure heading.

Expenditure on raising funds includes the cost of sales and overhead expenditure relating to the trading subsidiary. It also includes fundraising costs incurred in seeking voluntary contributions.

In line with the recommendations of the SORP, the contribution of volunteers is not recognised in the financial statements on the basis that the value of their contribution to the Abbey cannot be reasonably quantified in financial terms.

**f) Pension costs****i. Defined benefit pension schemes**

Pension assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by independent actuaries. FRS 102 measures the value of pension assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities. Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the Statement of Financial Activities. Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension schemes.

The resulting defined benefit asset or liability is presented separately on the face of the balance sheet. The group recognises assets for its defined benefit pension schemes to the extent that they are considered recoverable through reduced contributions in the future, or through refunds from the scheme.

**ii. Defined contribution pension schemes**

Pension costs in respect of defined contribution schemes are charged to the Statement of Financial Activities for the period in which they are payable. Such costs are allocated to activities and between funds according to an employee's normal job function.

**g) Intangible assets and amortisation**

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Software is only capitalised where its cost exceeds £5,000. Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the software so that it will be available for use or sale.
- The intention to complete the software and use or sell it.
- The ability to use the software or to sell it.
- How the software will generate probable future economic benefits.

- The availability of adequate technical, financial and other resources to complete the development and to use or sell the software.
- The ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The intangible assets are amortised over the following useful economic lives:

- Computer software – between 3-5 years on a straight line basis.

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

Amortisation is reflected as expenditure in the Statement of Financial Activities, allocated to activities according to the use of the relevant asset. Where the asset is used across a number of activities, the cost is allocated in accordance with other resources expended as detailed in note 1(e) above and in note 6 of the accounts.

#### h) Tangible fixed assets and depreciation

The Group only capitalises items costing more than £5,000. Batches of items below those thresholds are capitalised where they form part of one project and together cost more than £5,000. Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its estimated useful life as follows:

Category	Estimated useful life
Freehold buildings / Long lease hold buildings	100 years
Property improvements to freehold buildings	7 to 25 years
Plant and machinery	5 to 25 years
Furniture, fixtures and fittings	5 to 25 years
Office and other non-IT equipment	3 to 10 years
Computer and telecom hardware	3 to 10 years

The following properties included within freehold land and associated buildings are carried at fair value. They were last valued by Knight Frank in the year ended 29 September 2019.

Choir School and associated buildings  
The Chapters Office, 20 Dean's Yard  
21 Dean's Yard  
3b Dean's Yard  
4b Dean's Yard  
1 Dean's Yard  
Storage bunker  
The Westminster Abbey Shop

#### i) Impairment

The carrying values of the fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is provided for in the current period statement of financial activities when the carrying value of an asset exceeds its recoverable amount. The estimated recoverable amount is defined as the higher of the net realisable value and value in use.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### j) Heritage assets

Westminster Abbey was a Benedictine monastery from 960 until 1540, and since 1560 has been a collegiate church governed by a Dean and Chapter with the Sovereign as its Visitor. The Abbey and its precincts constitute part of a UNESCO World Heritage Site.

All of the historic buildings are used for worship, administration purposes, or as residences for Abbey clergy or other members of Abbey staff. The principal historic buildings within the precincts are:

The Abbey Church  
The Great Cloister and the Little Cloister  
The Chapter House, Pyx Chamber and Undercroft  
The Library and Muniment Room  
St Margaret's Church  
The Deanery and other official residences

The principal open spaces are Dean's Yard, College Garden and St Margaret's churchyard.

The Abbey has not capitalised these assets. This is because comprehensive valuation would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with the benefits to users of the financial statements.

On adoption of FRS 102 the policy for capitalisation of costs related to heritage assets has been updated to be consistent with industry practice. This is on the basis that it is not possible to determine the cost of ‘major components’ nor subsequent expenditure in relation to the total cost of the heritage asset. Component items which are serviceable and replaceable will be capitalised within fixed assets once expenditure on these items is incurred and they are brought into use. Structural work which is inseparable from the fabric of the Abbey will not be brought onto the balance sheet. On acquisition, other heritage assets as categorised below, will be recognised on the Balance Sheet at fair value.

The Abbey’s heritage assets may be divided into a number of categories:

- Items which form part of the **historic fabric** of the Abbey church including tombs, monuments and memorials, windows of stained and coloured glass, statues and other sculptural decoration, wall paintings and historic floors.
- **Items** which are **used liturgically** in the Abbey and in St Margaret’s Church including the bells and the organs, furniture, liturgical plate (crosses, candlesticks, Communion vessels, etc.), altar frontals and vestments.
- Artefacts forming part of the **furnishings** of the Abbey and St Margaret’s including furniture, paintings, textiles, and commemorative items such as rolls of honour. A number of important pictures, pieces of furniture and other objects are housed in the Deanery, the Galleries and in other official residences.
- **Architectural fragments, archaeological finds and miscellaneous objects** not required for permanent display are kept in a collections store in the nave triforium.
- The **Muniments** are the archives of the Abbey ranging in date from the tenth century to the present day. The collection contains well over 100,000 documents and files and the medieval archive in particular is of international significance.
- The Abbey’s **Library** contains the ‘Westminster Collection’, comprising approximately 20,000 volumes, including around 16,000 early printed books and a small collection of medieval manuscripts. An extensive collection of printed books and pamphlets is devoted to all aspects of the Abbey’s history and there is a small supporting general reference collection. The Library also holds the Abbey’s photographic library and an archive of sound, film and TV recordings.

#### **i. Acquisition and access**

New memorials (most often in carved stone or stained glass) are installed at a rate of one or two each year and perpetuate the Abbey’s role as a national place of commemoration. Textiles, plate and furniture for liturgical use are acquired from time to time by donation or using bequeathed funds. Other items are directly purchased or commissioned by the Dean and Chapter. Most acquisitions are new at the time of accession although older items are also sometimes received.

Historic artefacts such as sculpture, paintings and textiles which have an association with the Abbey’s own history are occasionally purchased or are received as donations. They are either put on permanent or temporary display in The Queen’s Diamond Jubilee Galleries or are placed in store. Archaeological finds and architectural fragments discovered in the course of building work or conservation are added to the Abbey collections subject to the advice of the Dean and Chapter’s Consultant Archaeologist.

Subject to accessibility and staff resources the Abbey makes available for study by scholars and members of the general public on request items from the collections which are normally kept in store.

Files and other administrative records are regularly added to the Muniments. Plans are in hand for enhanced archiving of electronic records and for more structured records management across the Abbey’s departments. Historic documents are occasionally purchased for or donated to the Muniment collection.

Acquisitions to the Library are in accordance with a collections development policy (in place since 2005). Early printed books and medieval manuscripts are occasionally acquired through donations and bequests but are not purchased unless there is a direct association with the Abbey’s history. New material is regularly bought for both the ‘Westminster Collection’ (books relating to the Abbey’s history) and the general reference collection. New material is also regularly added to the photographic and audio visual collections.

A small reading room in the Library is available to the public by appointment for the study of the library and Muniments collections.

#### **ii. Management and conservation**

Heritage assets forming part of the fabric of the Abbey and its associated buildings (e.g. monuments, stained glass windows, wall paintings, etc.) are the responsibility of the Surveyor of the Fabric. The Abbey’s moveable collections (furniture, pictures, textiles, plate, etc.) whether in use, on public display, or kept in store, are overseen by the Head of the Abbey Collection. The Library and Muniment collections are managed respectively by the Librarian and the Keeper of the Muniments.

The Conservation Department is responsible for conservation housekeeping and cleaning, and for carrying out conservation treatments on some objects. It is also responsible for environmental monitoring and for insect and pest management. There are part-time specialist conservators for metals and paintings. Objects are sent off-site for conservation when appropriate. An electronic inventory which includes all objects regarded as heritage assets is being compiled and maintained by the Abbey's Librarian. There are separate catalogues of the Library and Muniment collections.

The Westminster Abbey Fabric Commission (approved by Royal Warrant in 2000) provides external scrutiny of all work on the Abbey and its associated buildings. It must approve any proposals for the conservation or loan of objects of outstanding archaeological, artistic or historic interest.

### iii. Expenditure on major restoration

The cost of associated major repairs is charged in the Statement of Financial Activities in the year in which it is incurred.

### iv. Disposal

The Dean and Chapter may not sell or otherwise dispose of any object of outstanding architectural, archaeological, artistic or historic interest without the approval of the Westminster Abbey Fabric Commission.

The Muniments and most of the Library collections are regarded as permanent holdings to be retained in perpetuity. The Library's collections development policy contains procedures for the deaccessioning of general reference works and modern duplicates.

### k) Investments and investment income

Since 1975, most investments are held within the Westminster Abbey Investment Pool, which was established under the Westminster Abbey Act 1975 to hold investments on behalf of the various funds, principally restricted and endowment funds, for which the Dean and Chapter is responsible.

All investments are stated at market value at the balance sheet date. As required by the 1975 Act, valuations are stated at mid-price. Whilst FRS 102 considers that valuations should be stated at bid-price, the difference between mid-price and bid-price is considered immaterial in the context of the total portfolio.

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investment properties are included at valuation on an open market existing use basis. External property valuations are carried out on a regular basis, using an independent firm of chartered surveyors, with estimates used at intervening year-ends unless changing market conditions suggest it is appropriate to obtain a further valuation. No depreciation is charged on these properties.

All investment income is reflected through the Statement of Financial Activities. Income from investments is allocated to funds based on the constitution or origin of the fund.

### l) Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the Abbey and entities (including special purpose entities) controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

### m) Stocks

Stock is stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

### n) Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in administrative expenses.

**o) Deferred tax asset**

Deferred tax is provided for on a full provision basis on all timing differences, which have arisen but not reversed at the balance sheet date. Deferred tax assets are recognised to the extent that they are recoverable: that is, on the basis of all available evidence, it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Any assets and liabilities recognised are not discounted.

**p) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and on short term deposits with an original maturity date of three months or less.

**q) Interest-bearing loans and borrowings**

Bank loans are measured initially at the amount of the cash received from the bank less separately incurred transaction costs, and subsequently at amortised cost using the effective interest method.

**2. Consolidated and related entities**

Advantage has been taken of the exemption within FRS 102 from disclosure of related party transactions for all wholly owned group entities.

**a) Consolidated entities**

The results and net assets of the following entities are consolidated in these accounts of the Collegiate Church of St Peter in Westminster:

**Westminster Abbey Enterprises Limited**

The Abbey has a wholly owned subsidiary registered in England and Wales, Westminster Abbey Enterprises Limited, under company number 1300783. It manages the Abbey's shop, corporate events and catering activities and carries out other commercial activities. The company gifts taxable profits under Gift Aid to the Abbey and also pays rent and management charges to the Abbey. In the financial year the company had turnover of £587k (2020: £1,955k), other income of £287k (2020: £179k) and expenditure of £913k (2020: £1,930k). Losses after tax for the year were £44k (2020: Profit, £166k). During the year the company Gift Aided £Nil (2020: £50k) to The Westminster Abbey Trust and £Nil (2020: £1,941k) to Westminster Abbey. No distribution to Westminster Abbey in relation to performance during the financial year 2020-21 will be made to the Abbey, as no distributions are permissible while the company is benefitting from the government furlough scheme. At the year end, net assets of this subsidiary amounted to £237k

(2020: £231k). The Abbey owns 100% of the issued share capital in the company, which at the financial year end had a value of £100k (2020: £50k).

**Westminster Abbey Investment Pool**

The Dean and Chapter has full control of the Investment Pool and full ownership of the investments therein. It was established under the Westminster Abbey Act 1975 and is one of the Abbey's vehicles for managing investments. The entity had an aggregate net asset value of £21,355k (2020: £19,107k). During the year the Investment Pool had net income of £248k (2020: £282k) and made distributions of £248k (2020: £282k).

**The Westminster Abbey 1953 Fund**

The Dean and Chapter has full control of this entity and full ownership of the funds therein. It is a fund established to assist with payment towards the fabric and upkeep of the Abbey. The fund had a value of £10,387k (2020: £9,393k). The Fund holds its investments within the Investment Pool.

**The Westminster Abbey Choir School Bursary Fund**

The Dean and Chapter has full control of this entity and full ownership of the funds therein. It is a fund established to assist with payments towards the running of the Choir School. The fund had a value of £1,546k (2020: £1,603k). The Fund holds its investments within the Investment Pool.

**The Westminster Abbey Monuments Trust**

The Dean and Chapter has full control of this entity and full ownership of the funds therein. It is a fund established to repair and maintain the monuments within the Abbey and its precincts. The fund had a value of £203k (2020: £198k). The Fund holds its investments within the Investment Pool.

**Restricted funds**

There are a number of trusts, held within the funds of Westminster Abbey, that have been established over many years. They have been consolidated in these accounts and included within restricted funds. Their combined assets as at 29 September 2021 amounted to £7,778k (2020: £8,275k). Their objects are to support the maintenance of the Abbey and St Margaret's Church, their memorials, the services therein, together with the maintenance of the Choir School and the education of its choristers and ex-choristers through the awarding of bursaries or scholarships.

**b) Related entities:**

The following entities are not controlled by the Dean and Chapter and are not consolidated in these audited accounts, although they are wholly for the financial benefit of the Collegiate Church. Only transactions with these entities are included in the consolidated accounts:

### Garfield Weston Trust for Westminster Abbey

The Garfield Weston Trust for Westminster Abbey provides assistance with funding for restoration work on the fabric of Westminster Abbey. The Trustees include members of Chapter and independent trustees, who meet regularly to approve grants for fabric projects. The Trust gifted £587k (2020: £2,974k) to the Abbey in the year. At the Trust's last reporting date of 5 April 2021 the funds of the Trust were valued at £26.8m (£21.1m at 5 April 2020). Amounts owing from the Trust to the group at the year-end were £Nil (2020: £Nil).

### The Westminster Abbey Trust

The Westminster Abbey Trust has been set up to seek funding for Westminster Abbey and is related by virtue of common trustees with the Abbey. At 30 September 2021, its net assets were £1,046k (2020: £263k). During the year the Trust made grants to the Abbey of £364k (2020: £678k). Amounts owing from the Trust to the group at the year-end were £Nil (2020: Nil).

## 3. Other income

Other income includes £2.8m of Job Retention Scheme grants from the Government which were provided to organisations in response to the Covid-19 pandemic. Grants were paid in relation to staff who had been furloughed. With significant interruption to the Abbey's operating model the number of staff furloughed has been maximised.

## 4. Donations and legacies

	2021			2020	
	Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s	Total £'000s
Donations and legacies are analysed as follows:					
Abbey candle boxes	3			3	41
Service collections	3			3	94
Donations and grants towards the maintenance of the fabric of the Abbey		602		602	3,156
Donations and grants towards Conservation of the Abbey		35		35	10
Donations and grants towards the Galleries		50		50	113
Donations and grants towards the Visitor Centre		6		6	364
Donations and grants towards the Education Centre					36
Donations and grants towards Music		131		131	71
Donations and grants towards Operational costs	14	130		144	
Other	320	2		322	78
<b>Total</b>	<b>340</b>	<b>956</b>		<b>1,296</b>	<b>3,963</b>

## 5. Investment income

	2021			2020	
	Unrestricted £'000s	Restricted £'000s	Endowment £'000s	Total £'000s	Total £'000s
Investment income is analysed as follows:					
Investment properties	484			484	491
Interest on cash deposits					28
Investments listed on a recognised stock exchange	200	318		518	630
<b>Total</b>	<b>684</b>	<b>318</b>		<b>1,002</b>	<b>1,149</b>

## 6. Analysis of expenditure

	Unrestricted				Restricted			2021 Total £'000s	2020 Total £'000s
	Staff costs £'000s	Depreciation £'000s	Support costs £'000s	Other £'000s	Staff costs £'000s	Depreciation £'000s	Other £'000s		
Raising funds									
Other trading activities	603	6		241				850	1,682
Donations and legacies									50
	603	6		241				850	1,732
Charitable activities									
Religious activities	994	68	572	37		9	41	1,721	3,045
Visitor related	3,882	244	2,235	337	89	191	17	6,995	9,241
Choir and music	1,560	204	898	3	30		515	3,210	3,308
Upkeep	634	42	365	384	60	119	999	2,590	6,714
Special events	61		35	8				104	104
Support	1,871	459	(4,105)	1,709					
	9,002	1,017		2,532	179	319	1,572	14,621	22,412
<b>Total</b>	<b>9,605</b>	<b>1,023</b>		<b>2,773</b>	<b>179</b>	<b>319</b>	<b>1,572</b>	<b>15,471</b>	<b>24,144</b>

Support costs refer to the costs of the office of the Receiver General, IT, finance and press departments, legal services and certain central overheads. Support costs have been allocated based on staff resource.

The significant charges for Upkeep and shown under the heading "Other" related to expenditure on the fabric of the Abbey.

Auditor's remuneration of £112k (2020: £92k) for the audit of the financial statements is included in the support costs shown above. Of this, £83k (2020: £66k) relates to the audit of the Abbey's financial statements and £29k (2020: £21k) to the audit of other entities.

## 7. Intangible assets

Group	Computer software £'000s	Assets under construction £'000s	Total £'000s
<b>Cost or valuation:</b>			
29 September 2020	670	21	691
<b>Revaluations</b>			
29 September 2021	670	21	691
<b>Amortisation:</b>			
29 September 2020	(414)		(414)
Charge for the year	(110)		(110)
29 September 2021	(524)		(524)
<b>Net book value:</b>			
29 September 2020	256	21	277
29 September 2021	146	21	167

Abbey	Computer software £'000s	Assets under construction £'000s	Total £'000s
<b>Cost or valuation:</b>			
29 September 2020	627	21	648
<b>Revaluations</b>			
29 September 2021	627	21	648
<b>Amortisation:</b>			
29 September 2020	(375)		(375)
Charge for the year	(106)		(106)
29 September 2021	(481)		(481)
<b>Net book value:</b>			
29 September 2020	252	21	273
29 September 2021	146	21	167

## 8. Tangible fixed assets

Group	Freehold land and buildings £'000s	Fixtures, fittings and equipment £'000s	Assets under construction £'000s	Total £'000s
<b>Cost or valuation:</b>				
29 September 2020	35,705	6,452	245	42,402
<b>Additions</b>				
		184	215	399
<b>Transfers</b>				
	(900)	460	(460)	(900)
<b>Disposals</b>				
29 September 2021	34,805	7,096		41,901
<b>Depreciation:</b>				
29 September 2020	(2,672)	(2,065)		(4,737)
<b>Charge for the year</b>				
	(703)	(529)		(1,232)
<b>Transfers</b>				
	11			11
<b>Disposals</b>				
29 September 2021	(3,364)	(2,594)		(5,958)
<b>Net book value:</b>				
29 September 2020	33,033	4,387	245	37,665
29 September 2021	31,441	4,502		35,943

Abbey	Freehold land and buildings £'000s	Fixtures, fittings and equipment £'000s	Assets under construction £'000s	Total £'000s
<b>Cost or valuation:</b>				
29 September 2020	35,705	5,675	245	41,625
<b>Additions</b>				
		184	215	399
<b>Transfers</b>				
	(900)	460	(460)	(900)
<b>Disposals</b>				
29 September 2021	34,805	6,319		41,124
<b>Depreciation:</b>				
29 September 2020	(2,672)	(1,299)		(3,971)
<b>Charge for the year</b>				
	(703)	(526)		(1,229)
<b>Transfers</b>				
	11			11
<b>Disposals</b>				
29 September 2021	(3,364)	(1,825)		(5,189)
<b>Net book value:</b>				
29 September 2020	33,033	4,376	245	37,654
29 September 2021	31,441	4,494		35,935



At 29 September 2021, the freehold land and buildings were stated on the basis of the last revaluation performed on 29 September 2019 at open market value on an existing use basis.

Within tangible assets are two right of use assets established under leasing arrangements. One lease is for visitor handsets, a 5 year lease running to November 2024, a valuation base of £800k and an annual depreciation charge of £160k. During the year, a 5 year leasing arrangement was entered into for two-way radios, these have been brought onto the balance sheet with a valuation of £26k. £2k of depreciation has been charged in the year against this right of use asset.

In December 2020 an operational property was vacated and made available for rent. The adjustment is reflected as a transfer out of tangible assets and a transfer into investments reflected in note 10.

## 9. Heritage assets

No additions were made during the year. The collective value of heritage assets shown on the balance sheet at cost was £314k (2020: £314k).

## 10. Investments

			2021	2020
	Investment properties £'000s	Investments £'000s	Total £'000s	Total £'000s
<b>Market value:</b>				
29 September 2020	10,325	29,390	39,715	43,957
Disposal proceeds		(12,543)	(12,543)	(13,379)
Acquisitions at cost		11,885	11,885	7,939
Transfers at carrying value	889		889	
<b>Property revaluations</b>				
Net gains on revaluation and realisation		3,928	3,928	1,198
<b>Total value of investments held at 29 September 2021</b>	<b>11,214</b>	<b>32,660</b>	<b>43,874</b>	<b>39,715</b>
<b>Historical cost at 29 September 2021</b>		<b>26,169</b>	<b>26,169</b>	<b>26,169</b>
<b>Investments are analysed as follows:</b>				
Investment properties	11,214		11,214	10,325
Listed investments - United Kingdom		9,120	9,120	13,293
- Overseas		23,540	23,540	16,097
	<b>11,214</b>	<b>32,660</b>	<b>43,874</b>	<b>39,715</b>

Investment properties wholly owned by the Abbey are externally valued on a regular basis. They were last valued by Knight Frank in the year ending September 2019. The properties 1 & 2 Abbey Gardens within investment properties above are held as security against a loan from Barclays, which was refinanced in March 2019 with a maturity date of March 2024 (refer to note 13). They are also used as security against a Revolving Credit Facility agreement from Barclays that was entered into in May 2021 (refer to note 13). The value of investments held in subsidiary undertakings of the parent entity is £100k (2020: £50k). The total value of investments relating solely to the Abbey is £32,266k (2020: £29,378k).

## 11. Debtors: amounts falling due after one year

On 20 November 2020 the Abbey replaced its inter-company arrangement with Westminster Abbey Enterprises Ltd by issuing that Company with a short-term loan facility of £358k. Under the original terms of the facility, repayment on the short-term facility was due by 29 September 2021; however, on 27 September 2021 the Dean and Chapter of Westminster varied the terms of the facility extending the repayment date to 29 September 2023.

The Abbey also loaned £200k to Westminster Abbey Enterprises Ltd against a medium-term loan facility that was agreed on 2 November 2020. On 27 September 2021 the Dean and Chapter of Westminster varied the terms of this facility extending the repayment from 1 July 2022 to 29 September 2023.

## 12. Debtors: amounts falling due within one year

	Group		Abbey	
	2021 £'000s	2020 £'000s	2021 £'000s	2021 £'000s
Trade debtors	317	68	265	57
Prepayments and accrued income	268	290	218	252
Amounts owed by group and associated undertakings			470	390
Deferred tax	19	19		
Other	12	8	12	16
	<b>616</b>	<b>385</b>	<b>965</b>	<b>715</b>

The deferred tax asset of £19k (2020: £19k) arises from capital allowances in excess of depreciation available for offset against future profits.

### 13. Creditors: Amounts falling due within one year

	Group		Abbey	
	2021 £'000s	2020 £'000s	2021 £'000s	2021 £'000s
Taxes and social security costs	329	57	293	57
Trade creditors	164	394	158	383
Amounts owed to group and associated undertakings				
Other creditors	107	55	107	55
Accruals and deferred income	849	738	745	547
Finance Lease Obligations	150	139	150	139
Provisions		350		350
Bank loan: due in one year or less	1,400	500	1,400	500
	<b>2,999</b>	<b>2,233</b>	<b>2,853</b>	<b>2,031</b>

At year-end, the group level creditor balance includes £278k of deferred income (2020: £182k) and £222k (2020: £73k) for the Abbey.

The Abbey entered into a loan agreement in the year ended 29 September 2013 for £10m in order to fund the contributions required to close the defined benefit pension scheme to future accrual. This loan matured in September 2018 and after a series of short term loan extensions in March 2019 the outstanding balance of the loan was refinanced with a new floating rate five year term loan of £5m. Contractual repayments are £500k per annum with a final instalment of £2,500k at the end of 5 years.

The Abbey has also entered into a Revolving Credit Facility on 20 May 2021 in order to help sustain the Abbey's liquidity in current circumstances. Up to £3.5 million can be drawn down under the facility, and £0.9 million had been drawn at 29 September 2021. The facility is in place for three years up to 20 May 2024. The properties at 1 and 2 Abbey Gardens, and 21 Dean's Yard, are held as security against this facility and against the loan from Barclays refinanced in 2019 (refer to note 10).

The interest rate on the 2019 loan is LIBOR + 1.91%. The interest cost charged to the consolidated Statement of Financial Activities for the reporting period was £76k (2020: £109k). The effective interest rate on the loan was 1.98% and the interest expense (using the effective interest method) is calculated to be £76k (2020: £109k). The interest rate on the Revolving Credit Facility is the applicable Bank of England rate plus 2%.

### 14. Creditors: Amounts falling due after one year

	Group		Abbey	
	2021 £'000s	2020 £'000s	2021 £'000s	2021 £'000s
Between two and five years	3,425	4,048	3,425	4,048
Over five years				
	<b>3,425</b>	<b>4,048</b>	<b>3,425</b>	<b>4,048</b>

The long-term liability relates to a bank loan renewed during 2019 - £3.0m (2020: £3.5m) and finance lease obligations in respect of audio guide handsets that the Abbey has leased until the end of 2022 £403k (2020: £548k) and radio handsets leased until May 2026, £22k (2020: £Nil).

## 15. Permanent endowment funds

Group	29 September 2020			29 September 2021	
	Balance £'000s	Expenditure £'000s	Investment gains £'000s	Transfers £'000s	Balance £'000s
The Westminster Abbey Appeal 1953 fund	a	8,948		1,391	10,339
Westminster Abbey Choir School Bursary fund	b	985		153	1,138
Westminster Abbey Monuments Trust	c	21		4	25
Church Commissioners Property	d	5,353		832	6,185
St Margaret's funds	e	568		88	656
Scholarships and prizes	f	53		8	61
Other fabric funds	g	418		65	483
Other funds	h	134		21	155
		16,480		2,562	19,042

Abbey	29 September 2020			29 September 2021	
	Balance £'000s	Expenditure £'000s	Investment gains £'000s	Transfers £'000s	Balance £'000s
Church Commissioners Property	d	5,353		832	6,185
St Margaret's funds	e	568		88	656
Scholarships and prizes	f	53		8	61
Other fabric funds	g	418		65	483
Other funds	h	134		21	155
		6,528		1,015	7,542

The purposes of the funds are as follows:

**a) The Westminster Abbey Appeal 1953 Fund**

To provide funds to meet the costs of repairs and maintenance to the fabric and precincts of Westminster Abbey and to support the Westminster Abbey Choir School.

**b) Westminster Abbey Choir School Bursary fund**

To provide bursaries to enable pupils to attend the Westminster Abbey Choir School and to provide leaving awards to enable former pupils of the Westminster Abbey Choir School to continue their education after leaving the Westminster Abbey Choir School.

**c) Westminster Abbey Monuments Trust**

To provide funds for the upkeep and restoration of the memorials within the Abbey.

**d) Church Commissioners Property**

To meet the costs of religious service, the upkeep of fabric and the stipends payable to the Dean and Chapter.

**e) St Margaret's funds**

To support the maintenance and upkeep of St Margaret's Church.

**f) Scholarships and prizes**

To support scholars in the Choir School and the music department of the Abbey.

**g) Other fabric funds**

To meet the costs of repairs to the fabric of the Abbey and its precincts.

**h) Other funds**

To maintain and support the upkeep of the Abbey and its precincts.

## 16. Restricted funds

Group		29 September 2020				29 September 2021	
		Balance	Incoming resources	Expenditure	Investment gains	Transfers & others	Balance
		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
The Westminster Abbey Appeal 1953 fund	a	446	121	(572)	54		49
Westminster Abbey Choir School Bursary fund	b	616	19	(313)	83		405
Westminster Abbey Monuments Trust	c	176	3	(28)	27		178
Church Commissioners Property	d	29	70	(51)			48
St Margaret's funds	e	177	10	(42)	15		160
Scholarships and prizes	f	111	13	(11)	16		129
Charitable funds	g	1					1
Memorial funds	h	54	1		8		63
Education funds	i						
Fabric funds	j	5,425	659	(935)	23	(66)	5,106
Other funds	k	1,240	378	(118)	169	(30)	1,639
		8,275	1,274	(2,070)	395	(96)	7,778

Abbey		29 September 2020				29 September 2021	
		Balance	Incoming resources	Expenditure	Investment gains	Transfers & others	Balance
		£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Church Commissioners Property	d	29	70	(51)			48
St Margaret's funds	e	177	10	(42)	15		160
Scholarships and prizes	f	111	62	(61)	16		128
Charitable funds	g	1					1
Memorial funds	h	54	1		8		63
Education funds	i						
Fabric funds	j	5,425	1,105	(1,085)	23	(66)	5,402
Other funds	k	1,241	725	(764)	169	(30)	1,341
		7,038	1,973	(2,003)	231	(96)	7,143

The purposes of the funds are as follows:

**a) The Westminster Abbey Appeal 1953 Fund**

To provide funds to meet the costs of repairs and maintenance to the fabric and precincts of Westminster Abbey and to support the Westminster Abbey Choir School.

**b) Westminster Abbey Choir School Bursary fund**

To provide bursaries to enable pupils to attend the Westminster Abbey Choir School and to provide leaving awards to enable former pupils of the Westminster Abbey Choir School to continue in their education after leaving the Westminster Abbey Choir School.

**c) Westminster Abbey Monuments Trust**

To provide funds for the upkeep and restoration of the memorials within the Abbey.

**d) Church Commissioners Property**

To meet the costs of religious service, the upkeep of fabric and the stipends payable to the Dean and Chapter.

**e) St Margaret's funds**

To support the maintenance and upkeep of St Margaret's Church.

**f) Scholarships and prizes**

To support scholars in the Choir School and the music department of the Abbey.

**g) Charitable funds**

To support the Abbey's charitable purposes.

**h) Memorial funds**

To meet the upkeep of the memorials within the Abbey and its precincts.

**i) Education funds**

To support the work of the Abbey's educational programmes.

**j) Other fabric funds**

To meet the costs of repairs to the fabric of the Abbey and its precincts.

**k) Other funds**

To maintain and support the upkeep of the Abbey and its precincts.

## 17. Unrestricted funds

Group	29 September 2020					29 September 2021
	Balance £'000s	Incoming resources £'000s	Expenditure £'000s	Gains / (losses) £'000s	Transfers & others £'000s	Balance £'000s
General funds	4,309	5,537	(13,340)	124	1,553	(1,817)
Funds designated for Charitable giving	23	22	(26)			19
Short term Reserves (Working Capital)	1,000					1,000
Long term Reserves	13,000	182	(35)	971	(1,118)	13,000
<b>Near-liquid funds</b>	<b>18,332</b>	<b>5,741</b>	<b>(13,401)</b>	<b>1,095</b>	<b>435</b>	<b>12,202</b>
Non-liquid funds	39,295				(399)	38,956
<b>Total unrestricted funds</b>	<b>57,627</b>	<b>5,741</b>	<b>(13,401)</b>	<b>1,095</b>	<b>96</b>	<b>51,158</b>

Abbey	29 September 2020					29 September 2021
	Balance £'000s	Incoming resources £'000s	Expenditure £'000s	Gains / (losses) £'000s	Transfers & others £'000s	Balance £'000s
General funds	4,138	4,731	(12,484)	124	989	(2,502)
Funds designated for Charitable giving	23	22	(26)			19
Short term Reserves (Working Capital)	1,000					1,000
Long term Reserves	13,000	182	(37)	971	(1,116)	13,000
<b>Near-liquid funds</b>	<b>18,161</b>	<b>4,935</b>	<b>(12,547)</b>	<b>1,095</b>	<b>(127)</b>	<b>11,517</b>
Non-liquid funds	39,283				223	39,506
<b>Total unrestricted funds</b>	<b>57,444</b>	<b>4,935</b>	<b>(12,547)</b>	<b>1,095</b>	<b>96</b>	<b>51,023</b>

Near liquid funds are represented by a combination of cash and managed liquid investments (bonds and shares), stock and the net position of current debtors and liabilities which include contractual bank loan repayments over the next 12 months. Non-liquid funds are derived from a net position taking account of investment properties, tangible, intangible and heritage assets, net of long term debtors and liabilities which includes the long term component of the bank loan.

## 18. Analysis of net assets between funds

Group				2021	2020
	Unrestricted £'000s	Restricted £'000s	Permanent endowment £'000s	Total £'000s	Total £'000s
<b>Fund balances at 29 September are represented by:</b>					
Intangible fixed assets	167			167	277
Tangible fixed assets	30,818	5,124		35,942	37,665
Heritage assets	182	132		314	314
Investments	22,942	2,268	18,664	43,874	39,714
Cash and cash equivalents	2,074	652	378	3,104	9,862
Net current liabilities: other	(1,600)	(398)		(1,998)	(1,402)
Long term liability	(3,425)			(3,425)	(4,048)
<b>Total net assets</b>	<b>51,158</b>	<b>7,778</b>	<b>19,042</b>	<b>77,978</b>	<b>82,382</b>

Abbey				2021	2020
	Unrestricted £'000s	Restricted £'000s	Permanent endowment £'000s	Total £'000s	Total £'000s
<b>Fund balances at 29 September are represented by:</b>					
Intangible fixed assets	167			167	273
Tangible fixed assets	30,810	5,125		35,935	37,654
Heritage assets	182	132		314	314
Investments	23,042	1,682	7,542	32,266	29,378
Long term debtors	558			558	
Cash and cash equivalents	1,577	189		1,766	8,741
Net current liabilities: other	(1,888)	15		(1,873)	(1,302)
Long term liability	(3,425)			(3,425)	(4,048)
<b>Total net assets</b>	<b>51,023</b>	<b>7,143</b>	<b>7,542</b>	<b>65,708</b>	<b>71,010</b>

## 19. Pension costs

The Abbey operates two pension schemes and participates in a further two pension schemes.

The schemes operated by the Abbey are the Westminster Abbey 1972 Retirement and Death Benefits scheme, which was closed to new members from 1 August 2013, and the Westminster Abbey GPP Defined Contributions Scheme which is the current active scheme for new members and is provided by Scottish Widows.

The Abbey also makes contributions on behalf of some employees to the Church of England Funded Pensions Scheme and The Teachers' Pension Scheme. These are both defined benefit schemes and considered to be multi-employer schemes as described in Section 28 of FRS 102. It is not possible to identify and attribute the schemes' underlying assets and liabilities attributable to specific employers. The contributions have therefore been accounted for as defined contribution pension schemes in the accounts.

### The Westminster Abbey 1972 Retirement and Death Benefits scheme

The assets of this pension scheme are held in separate trustee-administered funds. The scheme is subject to triennial valuations with the last full valuation being carried out as at 30 September 2019.

The following calculations have been carried out by an independent qualified actuary in accordance with the requirements of FRS 102:

The amounts recognised in the Statement of Financial Activities are as follows:

Recognised in net income / (expenditure):

	2021 £'000s	2020 £'000s
Current service cost		
Administration costs	(250)	(157)
Net interest on net defined benefit asset / (liability)	97	109
Past service costs - impact of GMP equalisation	(10)	
Effect of limit on recognisable surplus	(97)	(109)
<b>Total</b>	<b>(260)</b>	<b>(157)</b>

As the scheme is fully funded, there are no service costs to recognise in the current financial year (2020: Nil).

The current service cost will change as the members of the scheme approach retirement because the scheme is closed to new members.

Recognised in other recognised gains / (losses):

	2021 £'000s	2020 £'000s
Actuarial gains and (losses)	1,190	169
Changes in effect of asset ceiling	(1,066)	(105)
<b>Total amount recognised in Other Comprehensive Income</b>	<b>124</b>	<b>64</b>

The amounts recognised in the balance sheet are as follows:

	2021 £'000s	2020 £'000s
Fair value of scheme assets	42,088	41,926
Present value of funded obligations	(34,595)	(35,596)
<b>Surplus in the scheme</b>	<b>7,493</b>	<b>6,330</b>
Impact of asset ceiling	(7,493)	(6,330)
<b>Defined Benefit pension scheme asset / (liability)</b>	<b></b>	<b></b>

The group has recognised the net scheme surpluses to the extent that it is considered recoverable through the future service cost of the remaining members. Under the scheme rules the Abbey is not entitled to the surplus on the funds and as such the asset ceiling has been adjusted to match the accounting surplus that exists within the scheme. There is therefore no asset to recognise on the balance sheet.

Changes in the present value of the defined benefit obligation are as follows:

	2021 £'000s	2020 £'000s
Opening defined benefit obligation	35,596	36,673
Current service cost		
Past service cost - impact of GMP equalisation	10	
Interest cost	542	652
Contributions by scheme participants actuarial (gains)	(295)	(815)
Benefits paid	(1,258)	(914)
<b>Closing defined benefit obligation</b>	<b>34,595</b>	<b>35,596</b>

Changes in the present value of scheme assets (excluding any AVC's) are as follows:

	2021 £'000s	2020 £'000s
Opening fair value of scheme assets	41,926	42,789
Interest on assets	639	761
Contributions by employer	136	93
Contributions by scheme participants		
Benefits paid	(1,258)	(914)
Administration costs	(250)	(157)
Returns on assets less interest	895	(646)
<b>Closing fair value of scheme assets</b>	<b>42,088</b>	<b>41,926</b>
<b>Actual return on scheme assets</b>	<b>1,534</b>	<b>115</b>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2021 %	2020 %
UK Equities	3.78	5.44
Overseas Equities	11.28	18.13
Corporate Bonds	17.11	13.11
Fixed Gilts	27.09	3.80
Index Linked Gilts	38.97	57.29
Cash	0.77	1.09
Assessed value of annuity contracts	1.00	1.14
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

Principal actuarial assumptions at the balance sheet date in respect of the scheme were:

	2021 %	2020 %
Discount rate at 30 September	1.95	1.55
Inflation (RPI)	3.75	3.15
Inflation (CPI)	2.95	2.35
Salary increases	2.95	2.35
Pension increases (RPI min 3%, max 5% per annum)	3.80	3.55
Pension increase (CPI max 3% per annum)	2.40	2.00

Mortality assumptions in respect of the scheme adopted at the year-end imply the following life expectancy at 65:

Mortality	
S3PA tables with CMI 2020 projections	
Life expectancy at age 65 of:	
A male aged 45	87.5 years
A male aged 65	86.2 years
A female aged 45	90.1 years
A female aged 65	88.6 years

#### Membership

The Scheme has approximately 255 members (2020: 261 members).

#### GMP Equalisation

On 26 October 2018, the High Court published its judgement in a case concerning the pension arrangements of Lloyds Bank. This confirmed that formerly contracted-out pension arrangements (such as the Scheme) are required to adjust members' benefits to allow for the effect of Guaranteed Minimum Pensions (GMPs) being unequal for men and women. It is likely to take considerable time to conclude the matter, and the Scheme's Trustees will not be in a position to start making the required adjustments to members' benefits until they have taken legal and actuarial advice. Last year, the actuary estimated that making an allowance for the cost of GMP equalisation would increase the Plan's liability value by 0.7% (or £255,000), which was recognised as a past service cost in 2019. For the purposes of this disclosure, the actuary has retained the same allowance for the impact of GMP equalisation, i.e. 0.7% of the Plan's liabilities at the review date, which is included in the defined benefit obligation.

On 20 November 2020, the High Court published a further instalment of its judgement on the Lloyds Bank case and this concerns transfers out. The main conclusion of the judgement appears to be that schemes should be revisiting transfers out since 1990 and, where an additional amount should have been paid in respect of GMP equalisation, identifying the receiving scheme and making a top up payment.

Information was obtained from the Scheme accounts, which indicates that less than £0.7m has been paid out in transfer values since 2008. As the actuary does not have copies of the accounts from before 2008, for these years the actuary has made an assumption about the amount transferred out. This brings the total amount assumed to have been transferred out since 1990 to just under £1m. Since the majority of transfers out have happened since the introduction of the pensions freedoms in 2015, the amount assumed in the early 1990s does not have a significant impact on the result.

Taking the above into account the actuary has estimated the additional liability in the Scheme in respect of allowing for GMP equalisation in historic transfer values is around £10,000. This includes an allowance for interest on payments in line with the Bank of England base rate plus 1% (the rate specified in the 2020 Lloyds judgment).

#### Other schemes

During the year, the Abbey also participated in the Church of England Funded Pension Scheme for 8 members of the Abbey clergy and the Teachers' Pension Scheme for 20 members of the Choir School staff.

#### The Church of England Funded Pension Scheme

The latest valuation of the scheme was carried out as at 31 December 2018. This revealed a shortfall of £50 million, with assets of £1,818 million and a funding target of £1,868 million. The current contribution rate is 39.9% of pensionable stipend.

#### The Teachers' Pension Scheme

The Government Actuary's report of March 2016 revealed the net liabilities of the Scheme amounted to £22.0 billion. The Teachers' Pension Agency apply a tiered level of contributions for the employee, ranging from 7.4% to 11.7% depending on full time equivalent salaries. The employer's contribution rate increased to 23.6% as of September 2019.



## 20. Employees and employee costs

Number of employees		
	2021	2020
The monthly average number of persons employed or receiving a stipend from the Abbey during the year was:		
Clergy	6	7
Other Abbey, maintenance and administration staff	312	349
	318	356

The average number of volunteers available to work for the charity during the year remained circa 500 (2020: circa 500), although the number who were actually used in this year was much lower due to the limited numbers of worshippers and visitors. Volunteers play a crucial role in providing visitor services at the Abbey.

Employment costs		
	2021 £'000s	2020 £'000s
Wages and salaries	8,054	10,060
Social security costs	768	1,014
Other pension costs	962	965
	9,784	12,039

Included in the above staff costs are redundancy costs of £12k (2020: £411k). Other pension costs include £250k (2020: £157k) in relation to administration costs attributable to the defined benefit scheme; all other charges are in respect of the defined contribution scheme. All costs have been allocated to unrestricted funds on the basis that any defined contribution charges attributable to employees specifically engaged on a long-term project funded from restricted funds are immaterial.

The expense associated with the defined benefit pension scheme has been allocated between activities in the Statement of Financial Activities on the basis of the proportion of employment costs in those categories.

No liability arising from the agreements with the Teachers' or Church of England multi-employer pension schemes to fund a deficit has been determined.

Employees and stipendiary ministers with emoluments exceeding £60,000 are as follows:

Number		
	2021	2020
£170,001 - £180,000		1
£160,001 - £170,000		
£150,001 - £160,000	1	
£140,001 - £150,000		1
£130,001 - £140,000	1	
£120,001 - £130,000		1
£110,001 - £120,000		1
£100,001 - £110,000	1	
£90,001 - £100,000		1
£80,001 - £90,000	1	3
£70,001 - £80,000	5	7
£60,001 - £70,000	9	9
	18	24

Remuneration paid to the employees of the Abbey was in relation to their respective employment contracts. The stipend and pension contributions for clerical members of the Dean and Chapter is paid at a level in accordance with the Statutes; their total remuneration was £285k (2020: £300k).

## 21. Related party transactions

### Consolidated and related entities

The group has taken advantage of the exemption within FRS 102 from disclosure of related party transactions for all wholly owned group entities. All other transactions with consolidated and related entities have been detailed in note 2.

### Chapter members' remuneration

Members of Chapter act as the trustees of the Abbey but receive no remuneration or benefits by virtue of this office.

## 22. Capital Commitments

As at 29 September 2021, there were capital commitments of £0.2m (2020: £0.5m).

## 23. Post Balance Sheet Events

On 28 November 2021 the medium-term loan facility of £200k was repaid by Westminster Abbey Enterprises Ltd to the Abbey (see note 11).

On 2 December 2021 the Abbey sold one of its investment properties for net proceeds of £746k resulting in a profit on disposal of £71k.

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