

Annual Accounts 2022

The annual accounts for 2022 have been approved by the Cathedral Chapter and are published on the Cathedral website along with this annual report. As the accounts would ordinarily have been published in 2023, we thought it would be helpful to explain, briefly, why approval and publication has been delayed.

In December 2022, Bishop Philip Mountstephen (then Bishop of Truro) published Episcopal Determinations which required the Cathedral Chapter to attend to various issues concerning the governance, culture and leadership of the Cathedral. The Determinations followed a Visitation of the Cathedral by a team of commissaries led by Bishop Joanne Grenfell, Bishop of Stepney. Among the issues raised in the Determinations was the management of Cathedral resources and in particular decisions relating to acquisition, development and disposal of properties. One of the property issues related to the redevelopment of the Old Cathedral School (OCS).

The OCS had been proposed for redevelopment under the Cathedral's Inspire programme initiated in 2010. Under that programme it was proposed that the OCS should be refurbished to provide a centre for arts, music and education with funds raised from individual and corporate donors. The OCS scheme cost over £1.5m and the largest donation - £1.4m – came from Truro Cathedral School (TCS) trustees.

In the event, the refurbished building was developed to provide office accommodation for the Deanery staff and for others as tenants, together with some space for educational purposes. Plymouth University are tenants, and the Diocese of Truro headquarters staff moved in in July 2024. The former Deanery offices were sold in 2021.

Questions were raised about the regularity of decision making relating to TCS as the majority of TCS trustees were residentiary cathedral clergy. The Determinations required that;

13. Chapter should propose to the trustees of Truro Cathedral School Ltd that an external audit of Truro Cathedral School Ltd's governance and financial arrangements takes place, to ensure that funds have been maintained and spent in accordance with the charity's objects and the requirements of the Charity Commission, taking advice in respect of serious incident reporting.

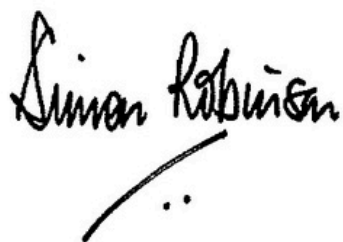
As part of the work done in preparing for the Cathedral's application for charitable status, the funding of the OCS development by TCS was raised with the Church Commissioners and with the Charity Commission as a serious incident¹ in March 2024. As part of its response to the Determinations, Chapter commissioned a forensic audit which included, specifically, whether there were any risks to it from the method of funding the OCS redevelopment. The outcome of that work is that we have been advised by the Church Commissioners legal adviser that questions regarding the appropriateness of the use of TCS funds for the OCS project are for the trustees of TCS to consider. The Trustees of the TCS charity have been written to in accordance with point 13 in the determinations.

There were questions for the Chapter to consider about ensuring that potential and actual conflicts of interest which arise for Chapter members are handled more appropriately. Members of Chapter have adopted the Cathedral Governance Code of the Association of English Cathedrals published in 2021. Through 2025, Chapter is considering sections of the Governance Code at every Chapter meeting. The Code has been developed as an adaptation, for the particular circumstances of Cathedrals, of the Charity Commission's Charity Governance Code. There is still work to be done to complete the

¹ A serious incident is an adverse event, whether actual or alleged, which results in or risks significant:

- harm to your charity's beneficiaries, staff, volunteers or others who come into contact with your charity through its work (who are collectively referred to throughout this guidance as people who come into contact with your charity through its work)
- loss of your charity's money or assets
- damage to your charity's property
- harm to your charity's work or reputation

transformation of the Cathedral's governance arrangements and practice, but that work is well underway.

A handwritten signature in black ink that reads "Simon Robinson". The signature is written in a cursive style with a long, sweeping underline that ends in two small dots.

The Very Reverend Simon Robinson
Dean of Truro

A handwritten signature in black ink that reads "Jeff James". The signature is written in a cursive style with a long, sweeping underline that ends in a small dot.

The Reverend Jeff James
Senior Non-Executive Member