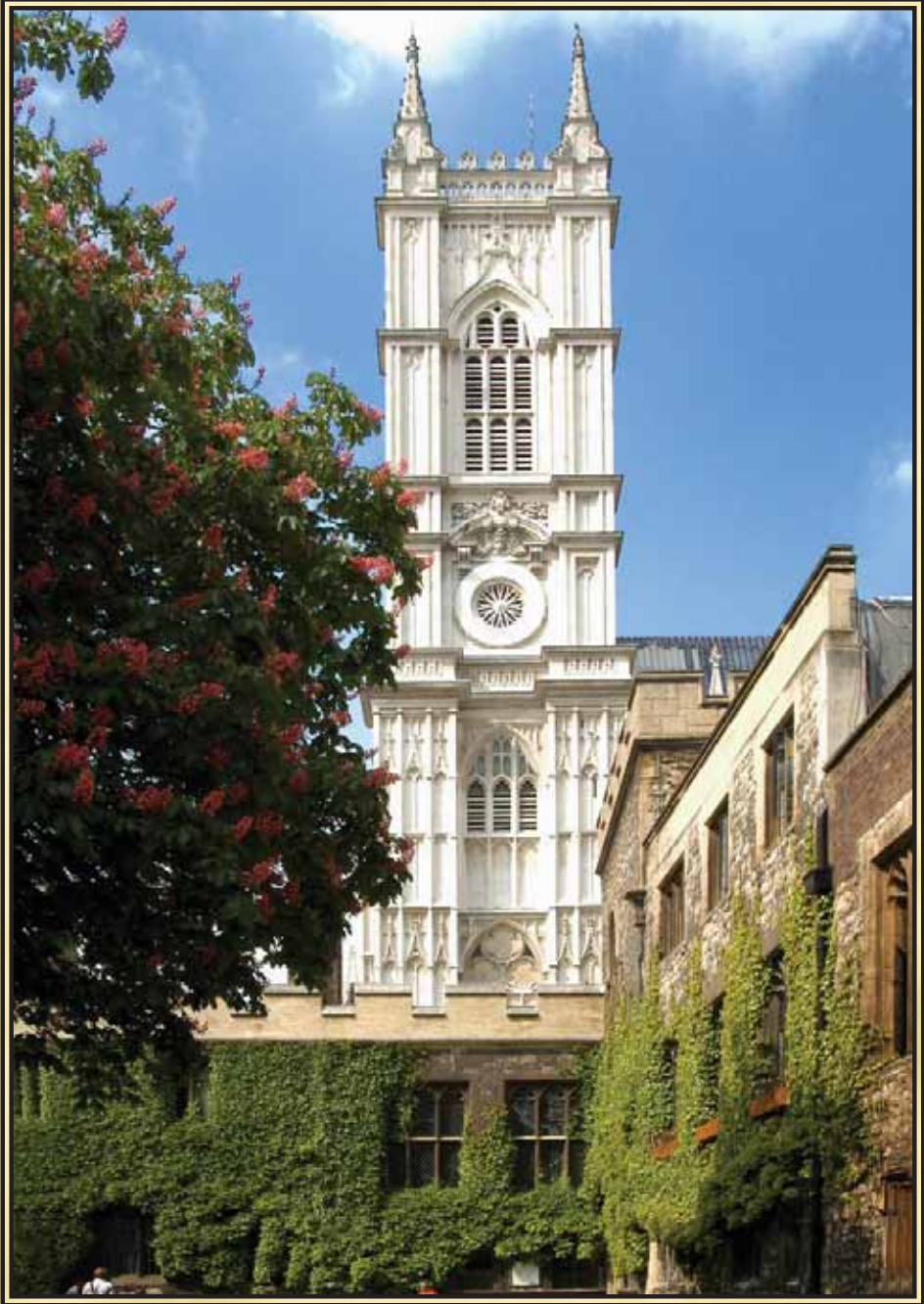


WESTMINSTER ABBEY

THE REPORT OF THE DEAN AND CHAPTER 2007



Your Majesty

This is now the fourth annual report by the Dean and Chapter on our stewardship of the Collegiate Church of St Peter in Westminster, known as Westminster Abbey.

The Abbey's mission, articulated by the Dean and Chapter several years ago and unchanged, is rooted in the vocation of Westminster Abbey as a place of continuous worship for over a thousand years, as a Royal Peculiar with the privilege and duty of serving the Sovereign, as the nearest neighbour and spiritual minister of the Palace of Westminster, and as a leading visitor attraction with a unique story to tell to more than a million tourists and visitors during the course of a year.

The Abbey's Mission

- To serve Almighty God as a 'school of the Lord's service' 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 fostering the place of true religion within national life, maintaining a close relationship with members of the House of Commons and House of Lords and with others in representative positions;
- To serve pilgrims and all other visitors and to maintain a tradition of hospitality.



Recent Developments

During his first few months in post (he was installed on 2 December 2006), the Dean, in his initial meetings with his new colleagues including a great many members of the Abbey's staff, discovered that the Abbey was not only a harmonious and purposeful community but also one that was buzzing with many ideas about desirable developments for its mission and service. The Dean had himself arrived with certain hopes and commitments, some of which he expressed in his installation sermon. It was apparent that the implementation of ideas and plans could not be achieved in the short term, given the pressure of constant activity, without causing damage to the existing pattern of Abbey life. Therefore, the Dean began to develop a strategic plan for the Abbey, for implementation in ensuing years: a 2020 Vision. By the end of the year, drafts of an outline plan were ready for discussion as the first stage of a deliberate and consultative process.

It was clear from an early stage that nothing could be achieved without substantial fund raising and that the apparent lack of space in the Abbey precincts hindered the implementation of ambitious outline plans for a visitors' centre, dining facilities and an education centre. Two important preliminary decisions were therefore made: to appoint an experienced fund-raiser as development director and to commission a report on the use of space. By the end of the year, excellent progress had been made on both fronts.

Much thinking during the year, underlying development planning, was devoted to the experience of the visitor. The Abbey's mission includes welcoming pilgrims. They come in ever greater numbers, many of them in groups as tourists. The challenge is to enable them to arrive as tourists, to be welcomed as visitors and to become pilgrims during their visit, moved to pray

and to have a sense of the mysterious and wonderful presence of almighty God, the worship of whom provides the focus of the whole of the Abbey's life. The Dean and Chapter commissioned a review of *Recovering the Calm* and made some changes to the visitor route and to the system of signs in the Abbey. A new audio-guide was also commissioned, the English text for which was generously narrated by Jeremy Irons, although it is also available in ten other languages.

More can be read about these developments later in the report.



South-East view of Henry VII Chapel

Serving Almighty God

The Dean and Chapter was unchanged during the course of the year and was supported in its primary mission of daily prayer and the worship of Almighty God by the two Minor Canons, the Reverend Graeme Napier and the Reverend Deiniol Morgan, who also committed a great deal of their time to the preparation of the special services which are such a key feature of the Abbey's life.

Another key member of the worshipping community at the Abbey for seven years had been the Chaplain, Sister Elizabeth Anne of the Community of St Mary the Virgin. Sister Liz generally lived within the precincts for four days of the week and returned to the Convent in Wantage for the remainder of the week. The seven-year agreement between the Community of St Mary the Virgin and the Abbey came to an end in the summer of 2007. The Community decided not to renew the contract and to withdraw Sister Liz from the Abbey. The Abbey was sad to say farewell to Sister Liz, who has now left the Community and is serving as a lay minister in Sunderland and studying at the University of Durham.



The Dean says farewell to Sister Elizabeth Anne

Happily, the Dean was able to establish an alternative partnership, with the Community of the Sisters of the Church, whose mother

house is at Ham Common. Sister Judith CSC has been appointed Chaplain and endeared herself to the Abbey community. Sister Judith was born and brought up in Sydney, NSW and served her community (which has houses in Australia and the Solomon Islands, as well as in North America) as Reverend Mother for some years.

The daily offering of Morning Prayer, the Eucharist and Evensong are the basic task of the Abbey clergy and religious. Every single day of the year, apart from Good Friday and Holy Saturday, there is a celebration of the Eucharist at 8.00 a.m. attended by a number of regular congregants who are frequently joined by a handful of visitors, possibly alive to the fact that entry for worship is always without charge. The week-day 12.30 Eucharist is celebrated in the nave and attracts good numbers of people. Attendances at Evensong during the week are always in three figures and it is by no means rare to find a congregation of four or five hundred or more, many of whom leave the Abbey with expressions of heart-felt thanks for the experience.

SERVICES in WESTMINSTER ABBEY INCLUDING ST MARGARET'S CHURCH IN 2007

Statutory *	1300
Special**	25
Weddings	19
Baptisms	21
Westminster School	119
CSMU***	10

* as per custom

** national and similar occasions

*** Chapel of Saint Mary Undercroft within the Palace of Westminster, of which the Dean is Ordinary

Serving Almighty God

The great services of the Church at festivals, as with all the greater services, are thoroughly prepared by the Minor Canons and the Abbey's musicians and choir, and supported by the Brotherhood of Saint Edward (former choristers who take their turn serving at the altar), by the Honorary Stewards, and frequently by the Abbey's exceptionally skilled band of bell ringers. The services of Holy Week and Easter and the four services within 24 hours at Christmas attract many thousands of people who find the Abbey at its most characteristic.



The Great West Door and the 20th century martyrs

There are however also many special services during the year, which place similar demands on the same teams of people, and play a vital part in the fulfilment of the Abbey's mission.

During 2007 these included thanksgiving services for the lives of the Very Reverend Michael Mayne KCVO, Dean Emeritus of Westminster; Dr John Rae, former Head Master of Westminster School; and Lord Weatherill, former Speaker of the House of Commons and High Bailiff of Westminster. The 40th anniversary of the assassination of Janani Luwum, Archbishop of Uganda, was observed with a Sunday evening service in the nave at which the Most Reverend Dr John Sentamu, Archbishop of York, preached the sermon.

In July a concert marked the 250th anniversary of the birth of William Blake. The programme included the first performance of works by Stephen Hough and James Lavino, and readings from Blake's work by the actor Simon Callow. The centenary of the Montessori educational movement was celebrated in December with a service in the nave of the Abbey attended by 800 children, mostly under 6, and 500 adults, including many parents and the teachers from their Montessori schools.



The Abbey organ, detail

Other notable events, including the service celebrating the diamond wedding of Her Majesty The Queen and HRH The Duke of Edinburgh, events marking the bicentenary of the abolition of the Slave Trade Act, a service for the 2nd Battalion, The Mercian Regiment, and commemorations of WH Auden and Henry III, are described more fully elsewhere in this report.

Serving Almighty God

St Margaret's Church, Westminster Abbey

There is an extremely faithful congregation at St Margaret's Church. Many of these people came into contact with St Margaret's in a variety of ways and many continue to travel considerable distances to maintain their connection with the church. There are always visitors from around the world but the core congregation remains stable and there is an increasing number of couples with young children who attend regularly.

The Rector has responsibility for services in the Chapel of St Mary Undercroft in the Palace of Westminster as well as for services in St Margaret's Church. During 2007 there were 46 baptisms and 14 weddings. There were five services of thanksgiving and 24 special services. One of the highlights of the year was a wreath laying for Wenceslas Holler (1607-1677). It was pleasing to be part of the Czech Republic's celebration of Holler, the engraver responsible for one of the most famous views of London. He lived in exile under the patronage of the Earl of Arundel and his engravings give a vivid picture of 17th century London before the Great Fire. Holler is buried in St Margaret's Church. The Service on the Eve of the National Prayer Breakfast had as its theme 'The Family'. The Junior Gospel Choir from the Grey Coat Hospital sang, a group of drummers from Westminster City School played during the service, and a pupil of Westminster Abbey Choir School played the trombone. Participants included Mr Reg Bailey, CEO of the Mothers' Union; Ms Clare Tickell, Chief Executive of NCH, the children's charity; and a number of MPs.

No fee is charged to visit St Margaret's Church, and it has been observed that an increasing number of people are entering the church for prayer and reflection. The prime place of prayer in the life of the church has led to putting more emphasis on education for the congregation with related sermons on prayer. Plans were drawn up for a course of sermons on the Eucharist during Lent 2008.

During the year it became evident that the building is in need of serious attention. While investigating the flag pole it was discovered that

the cupola's fittings are tired and worn and examination of the cupola resulted in the discovery of cracks in the tower's pinnacles which need to be repaired. This will be very costly. In addition, the more extreme weather conditions recently experienced have put a strain on the rain-water removal system, especially in the south-east corner of the church where we regularly have water pouring down the wall by the font. The current climate conditions have also made it necessary to replace the lead on roof of the south aisle.

Music

The work of the Abbey's Choir and musicians remains integral to its liturgical and cultural life. Fundamental to this are the daily choral services which seem to attract ever-larger congregations. The Abbey follows the full, cathedral-style pattern of choral offices. Full details of all the music played and sung, together with texts and translations, are supplied to those attending, thus enabling a deeper degree of participation.

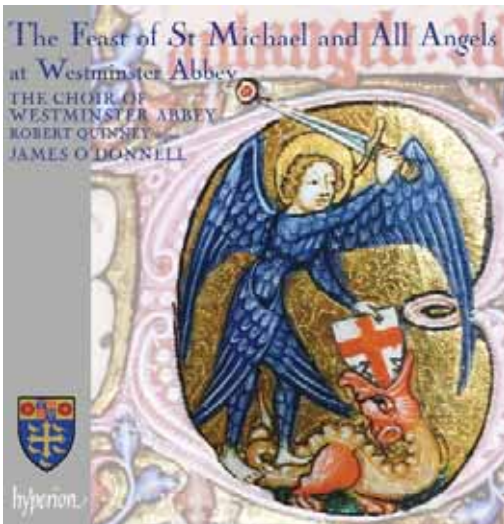
The Abbey Choir continues to reach a wider international public through its recordings, broadcasts and tours. 2007 saw the Choir's most ambitious tour yet: in October it flew to Australia to give seven very well-received concerts in major centres, including Sydney, Melbourne, Canberra, and Brisbane. The tour also provided an invaluable opportunity to build on already close relations with the Australian High Commission in London, to whom the Abbey was very grateful for generous help and support. An evening for the Australian community in London was held at the Abbey prior to the tour.



The Choir in the Nave for the Australia evening

Serving Almighty God

The Choir records twice a year for Hyperion Records. In 2007, the fiftieth anniversary of the death of Sir Edward Elgar, the Choir released a disc of his choral music, followed by another disc in the series of great liturgical occasions from the Abbey, this time the Feast of Michaelmas. The recordings have a wide and enthusiastic following and have been well-received by the musical press.



Other concerts have included an annual appearance in the Lufthansa Festival of Baroque Music, together with the Abbey's own promotions, which this year included a special performance for Holy Week of Bach's *St John Passion* with St James's Baroque, in which all the soloists were drawn from the choir. The Abbey's magnificent organ also plays an important part in its cultural life, with popular weekly Sunday afternoon recitals by Abbey organists and visitors, and an annual Summer Organ Festival. The organ will play a central role in 2008's centenary celebrations of Olivier Messiaen. Also in 2008 the Abbey will mark the tercentenary of one of its greatest musical figures, John Blow (Organist of Westminster Abbey 1668-79 and 1695-1708).

The Choir School remains unique within the British Isles in that it exists solely to care for the Abbey's choristers. The 34 boys who sing in the Abbey Choir are all boarding pupils at the school.

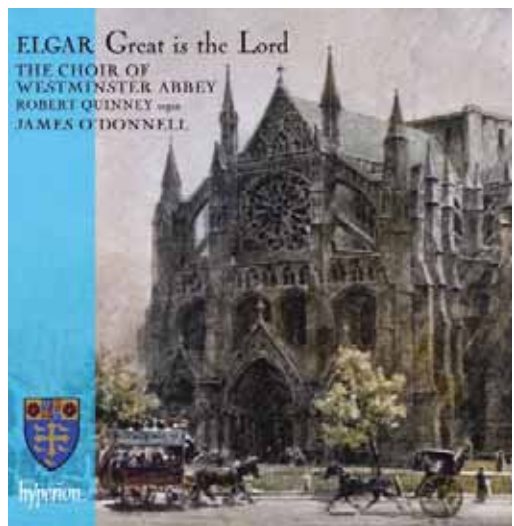
The Feast of St Michael and All Angels (Hyperion CDA67643)

"The choir ... sings this demanding repertoire with its customary zeal and a well-blended sound, and the performances are directed with the panache and style one has come to expect from James O'Donnell." *The Daily Telegraph*

Elgar: Great is the Lord (Hyperion CDA67593)

"Westminster Abbey Choir delivers its organ-accompanied programme with beautiful tonal colour and blend." *BBC Music Magazine*

"The Abbey Choir ... give an excellent account of themselves, the trebles especially singing with the confidence of professional musicianship and with voices in fine, generous bloom." *Gramophone*



Serving Almighty God

2007 has been another busy year for the choir, and therefore also for the school. For the boys, undoubtedly the highlight was the concert tour to Australia. It was a great honour for them to represent the Abbey in this important Commonwealth country. In addition to singing in some of the most exciting concert venues in the country, the choristers were able to experience at first hand something of Australia's cultural heritage. Many lasting friendships were made.



The Choir outside the Opera House, Sydney

Academic and instrumental music results continue to improve and the school is gaining an enviable reputation in preparing boys for the next stage of their education. All leaving boys gained places to the schools of their choice (the King's School Rochester, Gresham's School, Winchester College, the King's School Canterbury, Rugby School and Westminster School) winning collectively five music scholarships, two academic scholarships and an art scholarship.



The Abbey organ, detail

“... one of the great choral powerhouses of our time.” *Sydney Morning Herald*, 22 October 2007

“... the performances were virtually flawless.” *The Australian*, 22 October 2007

The school's boarding provision was inspected in September by the OFSTED as part of the standard three-yearly cycle. The subsequent report testified to the consistently good standard of care provided. In summary the report stated, 'The school meets and in some places exceeds the standards, providing a nurturing and supportive environment for young people.'

Education

People often ask what precisely the Canon Theologian does. The usual answer is that he is responsible for teaching and learning at the Abbey. That does not mean that he does all the teaching himself, but it does mean he tries to ensure there is a varied programme of teaching and that at the Abbey we never stop learning.

As to teaching, sermons at Morning Prayer give an opportunity for the Canon in Residence to address topics in depth, knowing that there will be a much wider audience when the text goes on the Abbey website. In February the topic chose itself: Richard Dawkins' *The God Delusion*; in June he was able to address the questions raised by *Sacred*, a superb exhibition of Jewish, Christian and Muslim scriptures at the British Library; in October, using four of Plato's dialogues, comparing Socrates and Jesus.

Serving Almighty God



The west front of the Abbey

The Abbey itself is an inexhaustible resource for teaching. During Lent the Canon Theologian chaired a course on *Interpreting Westminster Abbey*, which examined the life of the Abbey over almost a thousand years. Guest lecturers included Professor Warwick Rodwell, our Consultant Archaeologist, on Edward the Confessor's Abbey; Professor Vincent Caretta on Olaudah Equiano, the one-time African slave who later became a well-known abolitionist and author, having been baptized in St Margaret's Church; Sir Roy Strong on Coronations at the Abbey; James O'Donnell, Organist and Master of the Choristers, on Music at the Abbey; Diane Gibbs on the Abbey Museum and Malcolm Crowthers on Photographing the Abbey. The course was validated at MA level by Liverpool Hope University. Three people successfully completed an assignment for which they were given transferable credits.

One aim of the course was to help those of us at the Abbey who regularly guide visitors round. We shall not forget the visit of the Royal Shakespeare Company members who were then working on the Histories. Their delight in visiting the place where so many of Shakespeare's kings and queens are buried, and in learning what the coronation church has to teach about monarchy, was contagious.



Detail from an inscription on the north-west tower

The annual Eric Symes Abbott lecture, held in memory of a former Dean, was this year given by Dr Richard Burridge, Dean of King's College London, on 'Being Biblical? Slavery, Sexuality and the Inclusive Community'. The link with King's College flourishes: to mark the 800th anniversary of the birth of Henry III, builder of the Abbey, Professor David Carpenter organised in partnership with the Abbey a two day conference after which there was a brief commemoration at the tomb of Henry and a concert by Gothic Voices at which Professor Eamon Duffy was the reader.

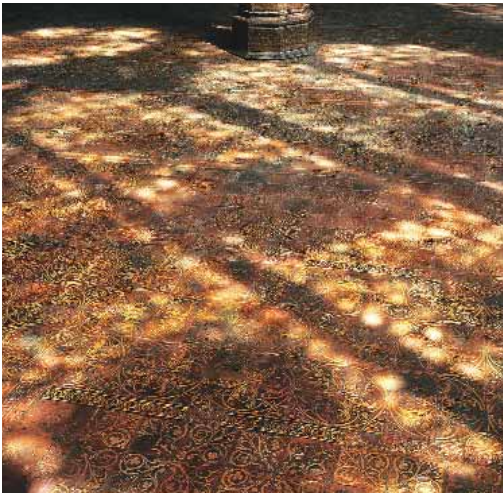
During Advent, the Canon Theologian gave three lectures on The Hope of Justice. These were adapted from a book on *Christian Tradition and the Practice of Justice*, now completed and to be published by SPCK in 2008. The text of these lectures did not, as would normally be the case, go on the website as it will shortly be available in the book.

One evening of special delight was that on which we commemorated the hundredth anniversary of the birth of WH Auden, in the presence of family members, with a reading of his poems by Sam Dastor. Another anniversary that generated a number of commemorative events was the two hundredth anniversary of

Serving Almighty God

the Abolition of the Slave Trade Act. A cast drawn from three of the schools with which the Abbey is most closely associated, Grey Coat Hospital, Westminster School and Westminster City School, gave us *Flesh*, written by Ambrose Hogan and directed by Caroline Duck. The performance was in the Abbey itself, where Wilberforce is buried and a number of key abolitionists commemorated. To the delight of all concerned, *Flesh* was later presented by the same cast to wide acclaim on the Edinburgh Festival Fringe.

The Abbey has long hosted lunchtime theological seminars in the Jerusalem Chamber. This year we relaunched them in partnership with the Diocese of London. The emphasis is on 'work in progress'. The first two were given by the Bishop of London and by the Dean. These seminars, which are open to all those engaged in Christian ministry, continue at regular intervals.



Floor of the Chapter House

The Canon Theologian has the opportunity to contribute to the wider work of the Church and thereby to bring new things into the life of the Abbey. For twelve years he has shared in the work of the Anglican-Roman Catholic

International Commission (ARCIC). In 2006 ARCIC2 completed its work with the publication of *Mary: Grace and Hope in Christ*, launched in the Jerusalem Chamber. The Working Papers, *Studying Mary*, edited by Adelbert Denaux and Nicholas Sagovsky were published in 2007. In this year also, the International Theological and Doctrinal Commission, of which Canon Sagovsky has been a member, completed its work with the Kuala Lumpur Statement, now published as *Communion, Conflict and Hope*.

One major commitment for the Canon Theologian has been his work as a Commissioner on the Independent Asylum Commission, which is to report in 2008 on the UK Asylum System. This work has involved public hearings by Commissioners throughout the UK and extensive private evidence sessions. The aim is to submit to the Citizen Organising Foundation, and so to make public, evidence-based recommendations for the improved working of the system.



Banners in the Lady Chapel

To say that the work of the Canon Theologian is 'teaching and learning' at the Abbey doesn't quite catch the whole. The Latin title of the post is *Lector Theologiae*: the Canon Theologian is to be learned in theology and to place that learning at the service of the Abbey. It is an exacting, and utterly satisfying, task.

Serving The Sovereign

As is customary the Abbey welcomed Her Majesty The Queen and HRH The Duke of Edinburgh for the annual Commonwealth Day Observance in March. The Dean opened the Observance by speaking of the importance of respect for individuality and difference. Her Majesty stressed the need for mutual respect and understanding in her annual message and personal testimonies, referred to by the Commonwealth Secretary-General, HE The Rt Hon Don McKinnon, were given by Ben Okafor, Shilpa Shetty, Anne Gallagher, the Reverend Akuila Yabaki and Olga Heaven.



The Queen laying flowers at the Wilberforce memorial

On 27 March Her Majesty The Queen and HRH The Duke of Edinburgh joined a full congregation to commemorate the bicentenary of the Abolition of the Slave Trade Act. The Archbishop of Canterbury preached and he, together with the Archbishop of York and the Dean, shared the peace with The Queen and The Duke of Edinburgh during a deeply moving service. The service, which was briefly interrupted by a lone protestor, included readings from the writings of the black abolitionist Olaudah Equiano and William Wilberforce at whose statue Her Majesty paused to lay flowers before processing for a similar act of commemoration at the Innocent Victims' Memorial.

On the second Thursday in November The Duke of Edinburgh opened the Field of Remembrance. In addition to meeting the large assembly of veterans at the 230 plots for regimental and other associations, he met serving servicemen and women, including those recently returned from operational service.



The Duke of Edinburgh talks to a serving Colour Sergeant at the opening of the field of Remembrance

On Monday 19 November, one day short of the 60th anniversary of the marriage of the then Princess Elizabeth and The Duke of Edinburgh, the royal couple returned to mark their diamond wedding. The service was attended by HRH The Prince of Wales and HRH The Duchess of Cornwall together with HRH Prince William and HRH Prince Harry and many other members of the Royal family.



Her Majesty and His Royal Highness read the 1947 marriage register

Serving The Sovereign

The Dean said in his bidding 'We give thanks for God's continuing blessing on their life together. With them we give thanks for the gift of children and grand-children. With all those celebrating long and happy years together we rejoice and give thanks to God.' In his address the Archbishop of Canterbury said: 'Every marriage is a public event, but some couples have to live more than others in the full light of publicity ... [and] we can give special thanks for the very

public character of the witness and the sign offered to us by this marriage and what it has meant to the nation and the Commonwealth over the decades.' Dame Judi Dench read *Diamond Wedding* a poem written for the occasion by the Poet Laureate Andrew Motion. Prince William read the Lesson from 1 John 4: 7-16. The Choir, conducted by James O'Donnell, sang *These Three* a commission for the occasion by Richard Rodney Bennett.



Members of the Royal Family leave the Abbey following the diamond wedding service

Serving The Nation

Annually the Abbey hosts a number of special services and 2007 was no exception. These include the Scouts and Guides Thinking Day Service which this year incorporated the World Scouts Centenary Founders' Day. This was followed in April by the celebration of ANZAC day. Both the City of Westminster's civic service and the Order of the Bath 'at home' evening at the Abbey are in July and the Battle of Britain service follows in September. The Dean preached at the annual Judges' Service, held at the beginning of the Legal Year on 1 October, and lessons were read by the Rt Hon Jack Straw MP, Lord Chancellor and Secretary of State for Justice, and Lord Phillips of

Worth Matravers, Lord Chief Justice of England and Wales. In December the Abbey hosts the Children of Courage Awards, sponsored by *Woman's Own*, and this year the Prime Minister's wife, Mrs Sarah Brown, made the presentations

In addition to this regular annual programme, a special service in June marked the centenary of the National Probation Service; in October the Sub-Dean, Canon Robert Wright, led a service to remember the life and work of Lord Weatherill, former Speaker of the House of Commons and High Bailiff of Westminster. Parliamentarians past and present, family and friends attended and the address was given The Lord Hunt of Wirral.



Mrs Sarah Brown after the Children of Courage award ceremony

Serving The Nation



The Bishop of Worcester preaches at the service to mark the centenary of the National Probation service

On 10 December a special service paid a moving tribute to the soldiers of the 2nd Battalion, The Mercian Regiment, who had just returned from a six-month tour in Helmand Province, Afghanistan. Nine soldiers who had given their lives during that tour were commemorated as candles borne by their colleagues were carried in procession from the Grave of the Unknown Warrior to the high altar. The Dean gave an address as did the battalion's padre, the Reverend Nick Todd, and lessons were read by the Commanding Officer and the Regimental Sergeant Major.



Mercian regimental mascot outside the Great West Door



Candles for the nine members of the Mercian Regiment killed in action are processed from the Grave of the Unknown Warrior

Serving Pilgrims and Visitors

The Abbey's ministry to visitors and pilgrims, this past year has been a significant one, seeing a number of positive developments. In January 2007 the Canon Steward's review of 'Recovering the Calm' was presented to Chapter. The review had been conducted through the second half of 2006 during a period when the Abbey had been extremely busy, so this had been a good time to observe closely how well visitors and pilgrims were served. The full report ran to thirty pages and highlighted the most significant features and listed some of the proposals which have now been put into action.

'Recovering the Calm' had been introduced in the mid 1990s in order to recapture the holiness of the Abbey. Paying visitors now entered at the north door and followed a prescribed one way route which eventually took them out through the west door. These changes had the desired effect of re-establishing the Abbey, and the nave in particular, as a place of prayer rather than a noisy and crowded general meeting place.

In conducting the review the assumption was made that we would not wish to reverse what had been achieved. The purpose was rather to look at whether visitors felt welcome, were getting the best out of their visit and left feeling that they had experienced the Abbey as a living Christian community.



The welcome sign on North Green

The Canon Steward consulted as widely as possible, which involved writing to all the Abbey staff, meeting with heads of department, asking for feedback from duty chaplains and volunteers and putting out a questionnaire to visitors. Many helpful comments were made by the staff and the overwhelming response from visitors was very positive. The vast majority of people enjoyed their visit and found the staff helpful and friendly. Canon Hedges also made her own observations from being present in the Abbey during busy visiting times and through visiting other major attractions. All these factors influenced the final recommendations which, rather than being of a radical nature, suggested some minor changes which would build on already good practice.



A Marshal assisting a visitor

The Chapter was in broad agreement with the recommendations made regarding the route, new signage, toilets, information, quality of welcome and staff training, welcoming people to Abbey services, staff job satisfaction, recruiting more volunteers, the wearing of name badges, information and facilities for the disabled, clergy presence in the Abbey, and information for visitors when the Abbey is closed for special events.

After further consultation with the staff a number of the proposed changes were introduced during the course of the rest of the year.

Serving Pilgrims and Visitors

From June onwards the Abbey's visitors have taken a slightly revised route around the Abbey, having the opportunity to explore the quire and high altar area and to take in the breath-taking view of the vaulted ceiling running the length of the quire and nave, before continuing their visit through the north ambulatory to the Royal Chapels. Coinciding with this change new signage was introduced which has been designed to blend with the architecture of the Abbey and to be welcoming as well as informative.

Visitors using the new audio guide in the nave

"We are fortunate to have an excellent team of staff who look after our visitors and welcome people to services ~ marshals, cashiers, information staff, vergers, honorary stewards and abbey volunteers. We hope that through ongoing review and training the staff will feel affirmed in what they are doing and able to capture a spirit of being a united team doing our very best for all the people who come as visitors and pilgrims to this remarkable Abbey."

Canon Dr Jane Hedges



A new audio guide was also introduced at this time, the commentary being recorded by Jeremy Irons with contributions from the Dean, the Canon Theologian, the Organist and the Canon Steward. The audio guide has been so well received that the Chapter made a further decision later in the year to offer audio guides to all the visitors as part of the entrance charge to the Abbey and this change would be introduced in the Spring of 2008.

With well over a million paying visitors coming to the Abbey during the course of the year at times the building is extremely busy and quite crowded, but the Dean and Chapter continue to maintain a prayerful atmosphere through offering silent spaces (the Shrine and St Faith's Chapel), through a prayer being said on the hour by the Duty Chaplain and through the lunch time Eucharist celebrated daily in the nave. In the coming year the aim is to develop evening prayer pilgrimages for groups who wish to explore the Abbey as a spiritual journey as well as a historical discovery.

Restoration and Conservation

The educational potential of the Abbey Fabric and its contents has been harnessed slowly over the last eight years. Professionals and postgraduate students have assisted in recording the condition of painted surfaces on various mediums: canvas, wood and stone. This has enabled the Surveyor of the Fabric to prioritise the care of the outstanding collection which exists within the Abbey.



The Pyx Chamber

The Abbey is fortunate in having precisely dated items usually manufactured by the greatest craftsmen of the time. In the future it is hoped to establish a modest laboratory where our collection of material samples, taken for research purposes from some of the most artistically significant artefacts in the Abbey, can be properly stored and made available for further study.

Protocols for the care and use of historic items have been produced during the year. We are currently completing the series of protocols by including one for textiles. The housekeeping staff are regularly educated in appropriate cleaning methods to ensure that the Abbey and its contents are maintained to acceptable conservation standard. The conservators and Surveyor of the Fabric are frequently in contact with the great institutions such as the Victoria and Albert Museum and the National Trust, in order to share knowledge and to gain from the experience of others.

After four years of careful study a specification has been produced for the conservation of the Cosmati pavement which lies before the High Altar. This specification was widely circulated, as is required by the warrant for the Westminster Abbey Fabric Commission, and unanimously accepted. Work is due to start on this project early in 2008.



Detail of the Cosmati Pavement

Work continues on repairing and improving the roof coverings to the Abbey. Preparations are well in hand to replace and improve the roofs on the east side of the north transept and around the Shrine. The redesign will take into account the change in weather patterns to avoid the problems experienced with flash-flooding. This will involve deeper rainwater outlets and increasing the number of down pipes.

The Abbey and the Palace of Westminster are the key elements on the Westminster World Heritage Site as defined by UNESCO. The Receiver General and the Surveyor of the Fabric continue to attend meetings of the World Heritage Site Management Committee which brings together the various stakeholders. The group has been particularly concerned to maintain the important distant views of the Abbey.

Mayor Livingstone's initiative entitled World Squares for All has been considering improvements to Parliament Square. The Dean and Chapter have been represented on that Committee. The Dean and Chapter have in

Restoration and Conservation

turn sought the advice of Westminster Abbey Fabric Commission ensuring, as far as they can, that any work will not have a detrimental effect on the Abbey. The north side of St Margaret's faces the south side of the square and a programme of repair for the church's tower which will make the turrets secure for at least another 200 years is in hand. The archaeological significance of this and the cupola is explained further below.

For the last eight years the Legal Secretary has been studying the historic but active documents relating to the precincts and the fabric of the buildings therein. This exercise has been extremely useful in guiding the Dean and Chapter in relation to the interface and responsibilities of the Abbey's own and neighbouring property. During the year, for example, the responsibility of Westminster City Council for the cost of paving, lighting, cleansing, improving and otherwise maintaining and managing the roads within the precincts of the Abbey and maintenance of their sewers, pursuant to an Order in Council of 1901, has been re-affirmed.

Conservation housekeeping and preventative conservation strategies continue to play a very important part in the duty of care towards the historical material within the Abbey and its precincts. These are continually reassessed in the light of new developments.

In September 2007 an extensive environmental monitoring programme was installed. Relative humidity and temperature as well as the light levels (Lux and ultraviolet light) are being recorded by nearly 70 data-loggers scattered throughout the Abbey and its precincts. This is being implemented in order to understand better how the materials within the Abbey collection are affected by environmental factors. Analysis of this data will lead to sustainable improvements in the overall climate, thereby ensuring the long term preservation of the collection.



Dean Richard Steward

At the beginning of May 2007 a paintings conservator from the Hamilton Kerr Institute (HKI) began a programme of work at the Abbey. Collaborating with the Abbey conservator, it is intended that she will work for a minimum of 60 days per year on the preventative conservation of various painted surfaces (including monuments and paintings).

In September preparations were made for conservation work on the early fourteenth century painted sedilia situated on the south side of the high altar. October 2007 saw her supervising and coordinating an *in situ* campaign to deglaze the Deanery collection of paintings. The work was undertaken by staff, interns and students from the HKI and Courtauld Institute of Art.

Archaeology

Large, complex buildings with architectural histories that have evolved over hundreds of years are notoriously difficult and time-consuming to survey, and Westminster Abbey is no exception. Consequently, no attempt has ever been made to compile large-scale, accurate and fully detailed drawings of the Abbey and its precinct buildings, although various small-scale plans and elevation

Restoration and Conservation

drawings have been made piecemeal by antiquaries over the course of the last three centuries. The most 'modern' plan dates from 1921 and was compiled by the Royal Commission on Historical Monuments to illustrate an architectural history of the Abbey. However, the advent of digital surveying techniques and laser-scanning has now made it possible to record the fabric of the Abbey three-dimensionally with extreme accuracy and thoroughness. Such records are essential tools to assist in the conservation, repair and maintenance of the Abbey buildings, as well as providing the basic framework for archaeological recording and analysis. Moreover, accurate architectural records are indispensable in the event of a catastrophe.



St Catherine's Chapel Garden

Consequently, a systematic programme for surveying the entire fabric of the Abbey church and its precinct buildings is in hand. Two areas were completed during the year, and work on others has begun. The Great Cloister was tackled first: a plan of the four walks has been prepared, showing every paving slab and floor memorial, the vaulted ceiling has been fully mapped, and stone-by-stone elevations of the walls both inside and outside have been drawn. The second area to be tackled was the triforium gallery which runs around the eastern part of the Abbey church at a high level and includes spaces above the ambulatory chapels: when Henry III built this part of the church a complete suite of upper-level chapels was intended. No plan has previously been made of the extensive and largely unused space which exists here. At the end of the year

work was progressing on planning the nave, aisles and transepts at ground level, again with the complex paving and memorial slabs being accurately plotted for the first time.



Chapter House vestibule door

Rising above the roof of the south cloister walk is part of the ruined north wall of the medieval refectory, which has long been in need of archaeological study and conservation. The new survey of the cloister embraced this wall, and the first phase of detailed study, recording and conservation has begun. For most of its height, the wall dates from the 11th century, but the refectory was raised and provided with new windows in the 14th century.

Restoration and Conservation

In 2005 it was reported that a study of some of the oldest doors in the Abbey was being undertaken by dendrochronology (tree-ring analysis), and in 2007 that programme was extended to include the most significant chests, armoires and panelling. The Abbey possesses some of the most important medieval furniture surviving in Britain, including a series of massive oak chests that once stored valuable plate and documents. The oldest is the 'long chest' in the Muniment Room, which still holds documents and has been dated to the last quarter of the 12th century; at 13 ft, it is also the longest medieval chest known. Four chests have been dated to the 13th century and others to the 14th and 15th centuries. The latter group includes a rare cope chest, one of only seven which have survived, and that has now been dated to the mid-14th century. As part of the continuing archaeological study of the Pyx Chamber, the boards which form a wide shelf there were examined: it came as a surprise to discover that

they were derived from 12th-century oak panelling which even retained traces of its original painted decoration. No other Norman panelling is currently known to exist in the UK.

Small-scale investigations have been carried out, preliminary to the forthcoming refurbishment of College Hall which has been used since 1560 by Westminster School for feeding the Queen's Scholars. The Hall and its great kitchen date from c. 1370, and are part of the Deanery complex (originally the Abbot's house), but they have not hitherto been archaeologically recorded, or their historical development properly elucidated. Indications are that behind the modern wall-linings and other insertions, the fabric of the medieval kitchen survives almost entirely intact; this is an extreme rarity and of considerable architectural importance. Indeed, the Deanery is the only surviving medieval courtyard house in London, and deserves full study.



St Margaret's from the west front

Restoration and Conservation

Towards the end of the year, work began on the repair of the timber-and-lead cupola which crowns the tower of St Margaret's Church. Upon investigation, this was found to be a remarkably interesting feature, built by the architect John James in 1734 when he restored the church and heightened the tower. However, it has been discovered that the form of the present cupola was copied from its Tudor predecessor, an unusual practice for that time. James also salvaged and reset the quarter-chiming clock which had been installed in the Tudor tower in 1712. Research has shown that in c. 1808 an elaborate carillon mechanism was added, which played tunes on sixteen bells, but that was overshadowed in 1859 when the new chiming clock (popularly but incorrectly known as 'Big Ben') was installed in the Palace of Westminster. The St Margaret's carillon has long gone, but the clock mechanism, although disused for half a century and superseded in 1982 by sundials on the tower, has survived and its importance to horological history has been recognized. The clock is currently undergoing study and restoration, and will in due course be displayed at the Abbey.

During the year the Abbey's Archaeologist has given lectures and explained work in progress to groups of scholars and students. Amongst the distinguished visitors was the International Council on Monuments and Sites (ICOMOS-UK), led by its Patron, HRH The Duke of Gloucester, and a delegation of the most senior archaeologists and museum curators from Denmark. Considerable effort has also been put into organizing the major symposium on the history, architecture and archaeology of the Chapter House, which is to be held in 2008.

Gardens

The care of the grassed areas within the precincts requires constant attention by the small team of Abbey gardeners. Millions of visitors come to the Westminster World Heritage Site every year to join office workers, school children and residents. The turf therefore suffers considerable wear and tear but not the Cloister Garth which is contained and protected by the Cloisters. In the summer its striped appearance is a constant delight.



Children's activities in College Garden

Administration

Financial Matters

The last financial year saw the income for the Abbey exceed £10 million for the first time, largely because visitor numbers held up well despite the increase in visitor charges. This enabled the Abbey not only to cover its basic costs (most of which are associated with the employment of about 180 staff to manage the administration, maintain the buildings and care for the visitors) but also to have a healthy surplus, which has been used to carry out £500,000 work on various improvements and to make a one-off payment to the pension fund to deal with some underpayments some years ago for certain benefits relating to property. It has also enabled the Abbey to move some way towards building its reserves for any major disaster, and to counteract any decline in visitor numbers.

While the last few years have been encouraging in that there has been a surplus to meet some fabric and other improvements, it still falls far short of the capital sums that will be needed to carry out the bulk of the outstanding repair work and any improvements that are identified by the Review of the Use of Space. The Westmonasterium Trust, which has now been established to raise money for such projects and other non-fabric objectives, therefore decided to appoint a Development Director with a specific task to raise capital sums, and Mrs Valerie Humphrey has been appointed to that role and will start early in 2008.



View of the West Front

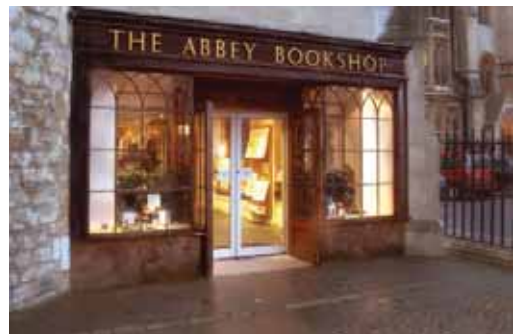
Personnel

The 2004 Stewardship Report noted the considerable variety of advisers and specialists who contribute to the work and governance of the Abbey. These include the College, the Westminster Abbey Fabric Commission, the Investment Panel, the Finance Advisory Committee and the external trustees of the staff Pension Scheme. 2007 has been a very stable year in terms of all these advisers and the employed staff and there are no significant arrivals or departures to report. By contrast, 2008 will be a year of some considerable change amongst personnel.

Commercial Activities – Westminster Abbey Enterprises Limited (WAEI)

The trading company can look back on another successful year in which it delivered the best excess of income over expenditure since the turn of the century. It began the process of introducing a new series of guidebooks as a result of collaboration with Scala Publishers and the short tour guide and the medium-length *Souvenir Guide* are now on sale. Much of the authorship and editing is due to the attention to detail and high quality scholarship of Dr Tony Trowles, the Abbey Librarian, who is now finalising the text for a coffee table-size book *Treasures of Westminster Abbey*.

The Coffee Club introduced a mobile trailer which can provide refreshments in the garden and outside the North Door on hot summer days.



Abbey Entrance

Future Activity

In this year the Dean established the Review of the Use of Space (RoUSE), to review all the space in the Abbey and to consider whether it could be used in ways that would make the meeting of the mission of the Abbey more effective. The Canon Treasurer chaired the review group, which included other members of College and some external advisors. All the existing precincts were reviewed carefully and the final report will contain both the details of that review and some recommendations on how better provision might be made for the serving of refreshments to visitors, for more and better

exhibition space, for educational facilities for both school groups and adults, and for more WC facilities.

By the beginning of 2008, the Abbey was engaged in the process of preparing detailed plans for the implementation of the RoUSE report and the necessary fund-raising. The Dean and Chapter was also preparing for the appointment of a new Receiver General to succeed Major General David Burden CB CBE, who would be retiring after ten years' sterling service, and was delighted to announce that Sir Stephen Lamport KCVO DL would take up the reins of office in the summer.



Conclusion

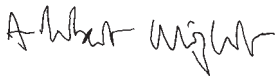
The privilege of serving in a great church with an extraordinary history and place in the heart of the capital city and a remarkable potential to reach out to all sorts and conditions of people and organisations is one of which the Dean and Chapter is highly conscious. Without a strong basis in daily prayer and the worship of almighty God none of the remarkable work told in this annual report would be possible. Our prayer is that the Abbey will continue to find

fresh and imaginative ways, as well as the well-trodden means, of reaching out with a message of God's love, of peace and reconciliation and as a sign that the place of religion in our world and society is fundamental, honourable and for the benefit of all people.

Annual report and financial statements for the year ending 29 September 2007 are appended to this Report.



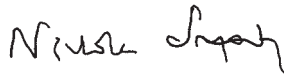
JR Hall



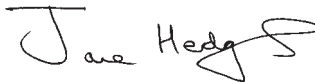
AR Wright



RP Reiss



N Sagovsky



JB Hedges

The Collegiate Church of Saint Peter Westminster

Annual report and financial statements
for the year ended 29 September 2007

Members of Chapter, Officers and Advisors

The Collegiate Church is a Royal Peculiar, incorporated by Royal Charter of 15 November 1560.

Dean and Chapter

The governing body is the Dean and Chapter.

The members of Chapter during the year and recent appointment:

The Very Reverend JR Hall	(Dean of Westminster, appointed 2 December 2006)
The Reverend Canon AR Wright	(Sub-Dean of Westminster)
The Reverend Canon Dr N Sagovsky	(Canon of Westminster)
The Reverend Canon RP Reiss	(Canon of Westminster)
The Reverend Canon Dr JB Hedges	(Canon of Westminster)

Receiver General and Chapter Clerk

Major-General DL Burden

Address

The address for correspondence is:

The Chapter Office,
20 Dean's Yard,
Westminster Abbey,
London,
SW1P 3PA

Investment Committee

The Westminster Abbey Investment Committee comprised during the year:

DG Thomas	(Chairman)
AE Richmond-Watson	
SH Davies	
T Kidd	(appointed 13 February 2007)
Major-General DL Burden	
WH Yates	(retired 1 February 2007)

Advisors

Legal Secretary

C Vyse
Charles Russell
8-10 New Fetter Lane
London EC4A 1RS

Surveyor of the Fabric

JM Burton DIP ARCH RIBD
Purcell Miller Tritton
St Mary's Hill
Colchester
Essex C03 3JU

Auditor

DC Hunt FCA
Nexia Smith & Williamson
25 Moorgate
London EC2R 6AY

Actuary

I Pope
Pegasus House
37-43 Sackville Street
London W1S 3EH

Pensions Consultants

Kerr & Company
Pegasus House
37-43 Sackville Street
London W1S 3EH

Property Advisers

Knight Frank
20 Hanover Square
London W15 1HZ

Investment Advisers

HSBC Investment Management
78 St James's Street
London SW1A 1HL

Bankers

Barclays Bank plc
1 Churchill Place
Canary Wharf
London E14 5HP

Consulting Engineer

C Richardson
Cameron Taylor Bedford
Lorne Close
London NW8 7JJ

Archaeologist

W Rodwell
The Old Vicarage
Stockhill Road
Chilcompton
Somerset BA3 4JQ

Report of the Dean and Chapter

For the year ended 29 September 2007

History, Constitution and Objectives

Westminster Abbey has been a place of Christian worship and a House of Kings for over 900 years. The first Abbey Church was founded and built by Edward the Confessor in 1065, as the Church of a Benedictine monastery, and he was buried in it in 1066. It was rebuilt by Henry III and later kings and since the coronation of William the Conqueror in 1066 has been the venue for coronations to the present day, as well as for some Royal weddings and many services of great national importance.

The Abbey is governed by the Dean and Chapter, as established by Royal Charter of Queen Elizabeth I in 1560, which created it as a Collegiate Church and Royal Peculiar under the Monarch's personal jurisdiction. Under an Act of 1972 the Church of St. Margaret's, Westminster, which stands within the Precincts, also comes under the jurisdiction of the Dean and Chapter. Under the 1868 Public Schools Act all property in the Precincts used by Westminster School was transferred to and vested in the Governing Body of the School.

The Abbey has a choral foundation dating from the reign of Henry VIII. The Dean and Chapter maintain the last remaining school in Great Britain used solely for the education of choristers.

The Abbey is very much a working Church, with four services held each ordinary day, and five on Sundays. Evensong is sung every day except Wednesday and both Matins and the Eucharist are also choral on Sundays. There is also regular Sunday worship in St. Margaret's Church.

The Abbey is totally self-supporting financially. It receives no assistance from the Church Commissioners, from the Government or from the Crown.

Mission

The Abbey's mission:

- To serve Almighty God as a 'school of the Lord's service' 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 fostering the place of true religion within national life, maintaining a close relationship with members of the House of Commons and House of Lords and with others in representative positions
- To serve pilgrims and all other visitors and to maintain a tradition of hospitality

Activities

As is customary, the first Monday of the new financial year saw the annual Judges' Service. In the following week the Abbey hosted the BBC's broadcast Evensong on its 80th anniversary, a reception being held in the Cloisters to celebrate this milestone. Following the November Remembrance activities, the Abbey prepared for the arrival of the new Dean whose very well attended installation was held on Saturday 2nd December. He officiated at Advent Sunday the very next day and took the full programme of Christmas services. In the New Year the Abbey began a series of events to mark the 200th anniversary of the Abolition of the Slave Trade Act with a drama workshop *Free For All*

Report of the Dean and Chapter (continued)

For the year ended 29 September 2007

Activities (continued)

organised by the Church Mission Society. The children, including the Abbey Choir School, worked alongside professional actors to produce their own play highlighting the issues surrounding slavery. Lectures and further school plays were also held. Her Majesty The Queen was present at a major televised service on 27th March and laid flowers at the Innocent Victims' Memorial and at the Wilberforce statue. Only two weeks before this Her Majesty had attended the annual Commonwealth Observance. The Abbey was full to hear The Queen stress the need for mutual respect and understanding in her Commonwealth Day message.

The Choir had a full programme of concerts including the Classic FM at Christmas, a Holy Week concert, the annual Lufthansa concert and a July evening to celebrate the 250th anniversary of William Blake - 'Songs of Innocence and Experience'. On 1st May an 'at home' was held to welcome the Australian community in London looking forward to the Choir's October tour to Australia. A busy summer of events in College Garden included receptions, band concerts, charity evenings, children's activities and another Shakespeare play 'A Midsummer Night's Dream' by the Oxford University Dramatic Society. On the weekend of 7th and 8th July the Abbey remained a sea of calm while surrounded by the invasion of the Tour de France which dominated Whitehall, Parliament Square and Victoria Street.

At the end of August the Abbey was sad to see the departure of Sister Elizabeth Anne who had been Chaplain at the Abbey for seven years. Just before the end of the financial year Sister Judith joined as the Abbey's new Chaplain. An earlier opportunity to say a public farewell had been taken by the Dean at the Abbey Community Luncheon which is always extremely well attended. Later in the summer the Abbey formed the backdrop of a reconstruction of the coronation of Queen Victoria on 20th June 1837 for the filming of 'Young Victoria'.

Visitors

Unclouded by any serious terrorist events, the Abbey enjoyed a good financial year in terms of visitor numbers. The winter period is always relatively quiet but Easter and early summer were exceptionally buoyant. The second half of the summer did not continue at quite the same rate but nevertheless the year-on-year numbers of visitors were 3% up on 2005 / 06. Comparison with other leading visitor attractions in London was favourable. At the end of the period there were signs of a slight downturn. The Abbey has always enjoyed large numbers of visitors from North America and the weakness of the dollar undoubtedly impacted on those numbers. Fortunately there is evidence of growing numbers from Eastern Europe and South Asia Continent. Westminster Abbey Enterprises Limited had a successful year and their contribution to the surplus in these accounts is now running at a level not experienced for several years.

Following a review in mid Summer, Abbey visitors began to enjoy the benefits of a complete inventory of new signage designed by the consultants Agenda. These replaced existing boards both inside and outside the Abbey and complementary to this was a new audio guide with a narration by Jeremy Irons and also featuring the Dean who welcomes visitors to the Abbey, the Canon Steward, the Canon Theologian, the Organist and the High Bailiff. Visitors are now directed upon arrival to the heart of the Abbey to see the High Altar and the Quire before taking the clockwise tour.

Report of the Dean and Chapter (continued)

For the year ended 29 September 2007

Activities (continued)

Fabric

The Abbey spends a quarter of its income on maintaining the fabric, either in funding the work of the in-house Clerk of the Works department or on projects executed by external contractors but overseen by the Surveyor of the Fabric and the Clerk of the Works. All the work to the ancient fabric is only undertaken after submission to the Westminster Abbey Fabric Commission for their advice and approval before final authorisation by the Dean and Chapter who are supported by a Projects Group which meets frequently.

This year important work has begun on the Refectory Wall, St Catherine's Chapel Arcade and on archaeological recording for future projects. Daily maintenance has included work on railings, memorials, gas lighting, official houses, chandeliers, the Choir School and the organ. Some important monitoring equipment and associated sensors have been installed to keep a record of temperature and humidity. In addition to project work and maintenance of the fabric, preparations are always in hand for future work including advice and specification. This has been carried out on the St Margaret's tower on which major stabilisation work is imminent.

Organisation and management

During his first year as Dean, Dr Hall has produced his longer term vision for the future and presented it to Chapter and College, which consists of independent lay people who bring different expertise in their advice to the Dean and Chapter. Following this a review of the use of space has been initiated which may well result in significant improvements to the Abbey's facilities in the visitor and education fields. Fundraising will be necessary and towards the end of the period recruitment began for a Development Director.

Accounts

The accounts have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP revised 2005).

The accounts of Westminster Abbey Enterprises Limited, as summarised in note 4, have been consolidated with those of the Dean and Chapter of Westminster as described in note 1. The accounts also consolidate Whicher & Kifford Almshouses as described in note 1. The Funds are shown broken down 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.

Total running costs in the year amounted to £8,731,000 (2006: £8,541,000). The Abbey's chief sources of income are derived from visitor charges, donations and investment income. The profits of Westminster Abbey Enterprises Limited are gifted to the Abbey under Gift Aid rules and also provide significant income. The total surplus for the year before investment gains was £1,637,000 (2006: £1,106,000).

During the year charitable donations amounting to £151,725 (2006: £202,751) were approved by the Dean and Chapter.

Report of the Dean and Chapter (continued)

For the year ended 29 September 2007

Accounts (continued)

Note 15 to the accounts refers to the Abbey's defined benefit pension scheme. The last triennial valuation was carried out as at 1 October 2004 and showed that the scheme was 88% funded. The note to the accounts also sets out the scheme's actuarial valuation using revised assumptions in accordance with the requirements of Financial Reporting Standard No 17. This valuation, which has to reflect current market conditions and is therefore somewhat volatile, shows a deficit. To address this deficit, from 1 January 2006, the Abbey increased its contributions to the pension scheme to 16.2% of pensionable salaries and the employees increased their contributions to 6.5%.

This year, for the first time, the Actuaries have reflected the full value of the insured element of the Scheme. This has given rise to a prior year adjustment, which has had the effect of reducing the deficit on the fund.

The surplus on Unrestricted Funds alone for the year, including the FRS 17 charge, was £1,676,000 (2006: £1,254,000) before transfers and other investment gains. In addition, actuarial gains of £627,000 (2006: restated £52,000) have also been credited to the Statement of Financial Activities. The surplus has been retained in Unrestricted Funds to increase the reserves available to cover seasonal and longer term volatility experienced in net annual income.

The pension scheme liability as at 29 September 2007 of £1,557,000 (2006: restated £2,458,000) is included as a liability in the balance sheet, with a corresponding deduction against reserves. At the year end, the balance on Unrestricted Funds, after reflecting the pension scheme liability, was £3,777,000 (2006: restated £1,502,000).

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 are responsible. The Dean and Chapter invest monies after consultation with the Investment Committee.

The Act requires that the investments are suitably diversified between UK and overseas equities, bonds, property and cash so as to generate both income and capital growth over time. Currently 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 2007 the actual return achieved was 14% (three year annualised return 16.8%). Performance is benchmarked by reference to a charity sector monitor that achieved a return of 12% during the year (three year annualised return 15.5%).

Statement of the financial responsibilities of the Dean and Chapter of Westminster

The Dean and Chapter of Westminster is required to prepare financial statements for each year to give a true and fair view of the Collegiate Church of Saint Peter Westminster's financial activities during the year and of its financial position at the end of the year.

Report of the Dean and Chapter (continued)

For the year ended 29 September 2007

Statement of the financial responsibilities of the Dean and Chapter of Westminster (continued)

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards; and
- prepare the financial statements on the going concern basis.

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

The maintenance and integrity of the website is the responsibility of the Dean and Chapter; the work carried out by the auditor does not involve consideration of these matters, and accordingly, the auditor accepts no responsibility for any changes that may have occurred to the information contained in the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Management controls and risk

The Dean and Chapter have responsibilities for ensuring that effective management controls are in place and operate effectively. They consider that existing controls are appropriate for the size and nature of Westminster Abbey's operations. The Dean and Chapter confirm that this remains the case through regular reviews of management information, the receiving of reports from key department heads and regular committee meetings held throughout the year.

Internal risks are minimised through procedures for authorisation of all transactions and projects, and periodic review to ensure consistent quality. However, there is a significant external risk to the visitor income, which has led to the adoption of a strategy to broaden the income base.

During the year certain other risks have been addressed as part of the continuous review of the major operational and financial risks. In particular, all aspects of the Abbey's security remain subject to constant review. The Abbey's risk management process will continue to be developed.

Reserves policy

The Dean and Chapter has a policy whereby the level of free cash reserves should be sufficient, but not excessive, to cover both short and longer term volatility in day-to-day income. It is currently estimated that £3 million is required to cover short term volatility, the result of variations in net annual income from year to year, seasonal fluctuations in tourist revenues and timing delays of payments on projects funded externally but in arrears.

Report of the Dean and Chapter (continued)

For the year ended 29 September 2007

Reserves policy (continued)

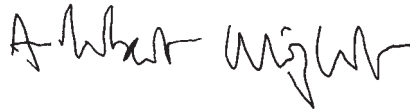
In addition, the intention is to build up additional reserves to a level to cover total resources expended annually, in order to cover the significant reduction in net revenues associated with, for example, a catastrophic decline in London's tourism business. Reserves to cover this longer term volatility are assumed to be at £7 million, giving a total of £10 million, to cover both short and longer term volatility.

The Dean and Chapter are still considering the level of reserves required to cover a sudden, unpredicted call for a major item of fabric expenditure. The overriding aim is to ensure as far as possible that the Abbey's mission is safeguarded.

This report was approved by the Dean and Chapter of Westminster on 17 January 2008.



JR Hall



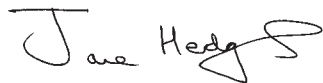
AR Wright



N Sagovsky



RP Reiss



JB Hedges

Independent auditor's report

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

I have audited the accounts of The Collegiate Church of Saint Peter Westminster for the year ended 29 September 2007 ('the accounts') which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 19. These accounts have been prepared under the accounting policies set out therein.

This report is made solely to the Dean and Chapter. 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 anyone other than the Dean and Chapter, for my audit work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and auditors

As described in the Report of Dean and Chapter you are responsible as the Dean and Chapter of The Collegiate Church of Saint Peter Westminster for the preparation of the accounts in accordance with applicable law, United Kingdom Accounting Standards and the Statement of Recommended Practice for Charities.

I have been appointed as auditor under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. My responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. I also report to you if, in my opinion, the Report of the Dean and Chapter is not consistent with the accounts, if the Abbey has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I read other information contained in the Report of the Dean and Chapter and consider whether it is consistent with the audited accounts. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the accounts. My responsibilities do not extend to any other information.

Basis of audit opinion

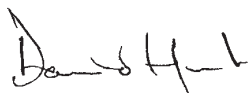
I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates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

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

Opinion

In my opinion the accounts:

- give a true and fair view of the state of affairs of The Collegiate Church of Saint Peter Westminster and the Group as at 29 September 2007 and of the Group's incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.



Chartered Accountant
Registered Auditor

17 January 2008

7 The Collegiate Church of Saint Peter Westminster

25 Moorgate
London
EC2R 6AY

Consolidated statement of financial activities

For the year ended 29 September 2007

	Notes	Unrestricted	Restricted	Endowment	2007 Total	2006 Total (restated note 17)
		£'000	£'000	£'000	£'000	£'000
Incoming resources						
Charges made to visitors		7,509	-	-	7,509	6,832
Choir School fees		171	-	-	171	146
Donations and gifts	2	245	333	-	578	651
Income of trading subsidiary	4	2,660	-	-	2,660	2,517
Income from special events		424	-	-	424	423
Other income		21	-	-	21	53
Total operating income		11,030	333	-	11,363	10,622
Investment income	3	655	305	-	960	843
Total incoming resources		11,685	638	-	12,323	11,465
Resources expended						
Costs of generating income						
Expenditure of trading subsidiary	4	1,955	-	-	1,955	1,818
Charitable expenditure						
Religious activities		1,860	116	-	1,976	1,816
Visitor-related		1,865	-	-	1,865	1,696
Choir and music		1,695	83	-	1,778	1,660
Upkeep		2,129	388	90	2,607	2,702
Expenditure of special events		505	-	-	505	667
Total charitable expenditure		8,054	587	90	8,731	8,541
Total resources expended	5	10,009	587	90	10,686	10,359
Net incoming resources during the year before transfers		1,676	51	(90)	1,637	1,106

Consolidated statement of financial activities (continued)

For the year ended 29 September 2007

	Notes	Unrestricted	Restricted	Endowment	2007 Total	2006 Total (restated note 17)
		£'000	£'000	£'000	£'000	£'000
Net incoming resources during the year before transfers		1,676	51	(90)	1,637	1,106
Transfers between funds in the year	12,13	(1)	1	-	-	-
Net incoming resources after transfers, before other recognised gains and losses		1,675	52	(90)	1,637	1,106
Net investment (losses)/gains during the year	6,7	(27)	106	9,536	9,615	745
Actuarial gains on defined benefit pension scheme		627	-	-	627	52
Net movement in funds during the year		2,275	158	9,446	11,879	1,903
Reconciliation of funds including defined benefit pension scheme liability:						
Opening fund balances as previously stated		793	1,051	23,433	25,277	24,083
Prior year adjustment – note 17		709	-	-	709	-
30 September 2006		1,502	1,051	23,433	25,986	24,083
Fund balances carried forward at 29 September 2007		3,777	1,209	32,879	37,865	25,986

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

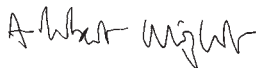
Consolidated balance sheet

As at 29 September 2007

	Notes	2007 £'000	2006 (restated) £'000
Fixed assets			
Tangible assets	6	13,680	8,959
Investments	7	25,015	17,100
		<u>38,695</u>	<u>26,059</u>
Current assets			
Stocks - goods for resale		170	146
Debtors	8	483	424
Cash at bank		1,504	3,275
		<u>2,157</u>	<u>3,845</u>
Creditors: amounts falling due within one year	9	<u>(1,424)</u>	<u>(1,453)</u>
Net current assets		<u>733</u>	<u>2,392</u>
Total assets less current liabilities		39,428	28,451
Creditors: amounts falling due after more than one year	10	<u>(6)</u>	<u>(7)</u>
Net assets excluding pension liability		39,422	28,444
Defined benefit pension scheme liability	15	<u>(1,557)</u>	<u>(2,458)</u>
Net assets		<u>37,865</u>	<u>25,986</u>
Capital funds			
Permanent endowment funds	11	32,879	23,433
Income funds			
Restricted funds	12	1,209	1,051
Unrestricted funds:			
Unrestricted funds excluding pension reserve	13	5,334	3,960
Pension reserve	15	(1,557)	(2,458)
Total unrestricted funds		<u>3,777</u>	<u>1,502</u>
		<u>37,865</u>	<u>25,986</u>

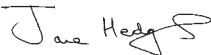
The financial statements were approved by the Dean and Chapter of Westminster on 17 January 2008

JR Hall 

AR Wright 

N Sagovsky 

RP Reiss 

JB Hedges 

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

Consolidated cash flow statement

For the year ended 29 September 2007

	2007 £'000	2006 £'000
Reconciliation of changes in resources to net cash outflow from operating activities		
Net incoming resources before investment gains	1,637	1,106
Depreciation	195	168
FRS 17 adjustment	(274)	60
(Increase)/decrease in stock	(24)	17
(Increase)/decrease in debtors	(59)	83
(Decrease)/increase in creditors	(30)	241
Net cash inflow from operations	<u>1,445</u>	<u>1,675</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(87)	-
Receipts from sale of tangible assets	1	5
Receipts from sales of investments	3,795	2,727
Purchase of investments	(3,680)	(2,428)
Net cash inflow from capital expenditure and financial investment	<u>29</u>	<u>304</u>
Financing		
Finance lease payments	-	(13)
Increase in cash in the year	<u>1,474</u>	<u>1,966</u>

	At 29 September 2006 £'000	Cash flow £'000	At 29 September 2007 £'000
Analysis of net cash			
Cash at bank and on deposit	3,275	(1,771)	1,504
Cash held as investments	401	3,245	3,646
Total	<u>3,676</u>	<u>1,474</u>	<u>5,150</u>

Notes to the financial statements

For the year ended 29 September 2007

1 Accounting policies

The principal accounting policies are set out below. All of the policies have been applied consistently throughout the year and the preceding year.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and certain properties, and in compliance with applicable Accounting Standards. They comply with the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005).

The consolidated financial statements include the income, expenditure, assets and liabilities of:

Westminster Abbey, including Westminster Abbey Choir School, St Margaret's Church, and the Westminster Abbey Appeal 1953 Trust Fund and other funds;
Westminster Abbey Investment Pool;
Westminster Abbey Enterprises Limited;
Whicher & Kifford Almshouses; and
Westminster Abbey Developments Limited (dormant).

The financial statements of the Garfield Weston Trust for Westminster Abbey are not included because the Trust has external trustees and is not the responsibility of the Dean and Chapter of Westminster.

b) Fund accounting

All movements on funds, including new endowments, are reflected through the statement of financial activities, being allocated to the appropriate fund. Designated funds comprise funds which have been set aside at the discretion of the Dean and Chapter to help finance specific projects and build reserves. Restricted funds are subject to specific restricted conditions imposed by donors.

c) Income

Income is accounted for on an accruals basis. Gift aid and covenanted income is included gross of attributable tax recoverable. Donations, gifts and legacies are included in full in the statement of financial activities where there is certainty, measurement and entitlement.

d) Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Administration costs represent the costs of the office of the Receiver General, including IT support, the finance, protocol and press departments, legal services and certain central overheads (e.g. insurance). These costs have been apportioned on appropriate bases to the charitable expenditure categories.

Notes to the financial statements (continued)

For the year ended 29 September 2007

1 Accounting policies (continued)

e) *Leases and finance leases*

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Leasing agreements which transfer to the company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. Such assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding.

f) *Tangible fixed assets and depreciation*

The balance sheet does not include any amount in respect of the heritage assets, the historic buildings and their contents, referred to below, because it is not considered practicable to obtain valuations. All of these buildings are used by the Abbey for worship, administration purposes or occupation by Abbey Clergy or other members of Abbey staff.

The Abbey and its precincts, including Treasury, Library and Muniments room and gardens;
St Margaret's Church;
Certain official houses; and
Certain other properties within the boundaries of the Abbey.

The contents of these historic buildings comprise, inter alia:

Numerous tombs, monuments, memorials, shrines and statues;
Windows of stained and coloured glass;
Bells, organs and musical instruments;
Furniture, plates, crosses, candlesticks and vestments;
Printed books, music, archives and manuscripts; and
Certain more personal effects of individuals that have been connected with the Abbey over the centuries.

Included within tangible fixed assets, freehold land and buildings, are the following properties:

Choir School and associated buildings
The Chapter Office, 20 Dean's Yard
21 Dean's Yard
Headmaster's house, 3b Dean's Yard
4b Dean's Yard

These properties are valued using the 'existing value in use' method. Depreciation is charged on a straight line basis on the freehold buildings over 100 years.

Notes to the financial statements (continued)

For the year ended 29 September 2007

1 Accounting policies (continued)

f) *Tangible fixed assets and depreciation (continued)*

A number of freehold properties are held for investment purposes and are stated in the balance sheet at valuation. No depreciation is charged on these properties. Realised and unrealised gains and losses on investment properties are reflected in the movement on permanent endowment funds.

The freehold almshouses are stated at cost. Depreciation is provided on rehabilitation expenditure (net of grants), on a straight line basis over a period of 22 years.

Other fixed assets are stated in the balance sheet at cost and are depreciated at rates estimated to write them off over their expected useful lives, which are considered to be:

Fixtures and fittings	10 years
Equipment	4 years
Computers	1 to 4 years

g) *Housing Association grants*

Housing Association grants were paid by the Housing Corporation to reduce the cost of development and are therefore shown as a deduction from the cost of the freehold almshouses. Housing Association grants are repayable under certain circumstances, primarily following the sale of a property but will normally be restricted to net proceeds of sale.

h) *Investments and investment income*

Investments are stated in the balance sheet at market value at the balance sheet date. It is the Abbey's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the statement of financial activities only includes those gains and losses arising from the revaluation of the investment portfolio during the year.

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.

i) *Pension costs*

The Abbey operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Abbey, being invested with an insurance company. Contributions into the scheme are made in accordance with advice received from the scheme's actuary. Current service costs, net financial returns and actuarial gains and losses are included in the SOFA.

The Abbey makes certain contributions to a defined contribution scheme which are charged to resources expended.

The Abbey also participates in the Church of England Funded Pensions Scheme for six employees. The scheme is a defined benefit scheme, but the Abbey is unable to identify its share of the underlying assets and liabilities and therefore the scheme has been accounted for as a defined contribution pension scheme in accordance with FRS 17.

j) *Stocks*

Stock, which comprises goods for resale, is stated at the lower of cost and net realisable value.

Notes to the financial statements (continued)

For the year ended 29 September 2007

2 Donations and gifts

	2007	2006
	£'000	£'000
Abbey candle boxes	71	70
Service collections	156	156
Donations from Garfield Weston Trust towards fabric expenditure	218	263
Grants from Heritage Lottery Fund towards conservation of Retable	-	26
Other donations and gifts	133	136
	<u>578</u>	<u>651</u>

3 Investment income

	2007	2006
	£'000	£'000
Investment income is analysed as follows:		
Investment properties	438	435
Investments listed on a recognised stock exchange	388	361
Interest on cash deposits	134	47
	<u>960</u>	<u>843</u>

4 Trading subsidiary

The Abbey has a wholly owned subsidiary registered in England and Wales, Westminster Abbey Enterprises Limited. It operates the Abbey's shop and carries out other commercial activities. The company gifts the taxable profits under Gift Aid to the Abbey and also pays rent and management charges to the Abbey. A summary of the trading results and balance sheet of Westminster Abbey Enterprises Limited is shown below:

Notes to the financial statements (continued)

For the year ended 29 September 2007

4 Trading subsidiary (continued)

Profit and loss account for the year ended 30 September 2007	2007	2006
	£'000	£'000
Sales	2,660	2,517
Cost of sales	(1,177)	(1,155)
Gross profit	1,483	1,362
Overhead expenditure	(778)	(663)
Management charge from Westminster Abbey	(40)	(40)
Bank interest received	9	5
Net profit	674	664
Gift aid to Westminster Abbey	(671)	(664)
Profit on ordinary activities before taxation	3	-
Taxation credit	8	7
Retained in subsidiary	11	7
Balance sheet at 30 September 2007	2007	2006
	£'000	£'000
Tangible fixed assets	59	91
Current assets	946	428
Creditors: amounts falling due within one year	(936)	(461)
	69	58
Share capital	50	50
Profit and loss account	19	8
	69	58

Notes to the financial statements (continued)

For the year ended 29 September 2007

5 Analysis of total resources expended

	Staff costs £'000	Other £'000	Depreciation £'000	Support allocation £'000	2007 Total £'000	2006 Total £'000
Cost of generating funds:						
Expenditure of trading subsidiary	501	1,409	45	-	1,955	1,818
Direct charitable expenditure:						
Religious activities	1,141	398	-	437	1,976	1,816
Choir and music	1,020	299	7	452	1,778	1,660
Visitor related	996	237	41	591	1,865	1,696
Upkeep	1,229	761	90	527	2,607	2,702
Special events	-	337	-	168	505	667
Support	906	1,257	12	(2,175)	-	-
Total	5,793	4,698	195	-	10,686	10,359

Support costs refer to the costs of the office of the Receiver General, IT, finance and press departments, legal services and certain central overheads (e.g. insurance). These costs have been apportioned on appropriate bases (per capita, time etc.) to the charitable expenditure categories as indicated above.

This has resulted in the following allocation of support costs:

Central function	Religious activities	Choir & music	Visitor related	Upkeep	Special events
IT	18%	24%	27%	28%	3%
Legal	20%	20%	20%	20%	20%
Administration	19%	20%	20%	34%	7%
Finance	23%	20%	19%	33%	5%
Press	22%	22%	49%	1%	6%

Included in the support costs above are the following figures:

	2007 £'000	2006 £'000
Auditor's remuneration (paid to related auditors)		
- audit services: Abbey	41	39
Remuneration paid to related auditors		
- audit services: other entities	11	9
: Retirement and Death Benefit Scheme	8	8
Remuneration paid to related companies of the related auditors		
- advisory services: Abbey	-	5

Notes to the financial statements (continued)

For the year ended 29 September 2007

6 Tangible fixed assets

	Freehold land and buildings	Freehold almshouses	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation:				
30 September 2006	8,980	188	810	9,978
Additions	-	-	87	87
Disposals	-	-	(385)	(385)
Revaluation surplus	4,560	-	-	4,560
29 September 2007	13,540	188	512	14,240
Housing Association Grants:				
30 September 2006 and 29 September 2007	-	176	-	176
Depreciation:				
30 September 2006	180	9	654	843
Charge for the year	90	-	105	195
Disposals	-	-	(384)	(384)
Eliminated on revaluation	(270)	-	-	(270)
29 September 2007	-	9	375	384
Net book value:				
29 September 2007	13,540	3	137	13,680
29 September 2006	8,800	3	156	8,959

The freehold land and buildings are included at open market value on the existing use basis by Knight Frank, a firm of chartered surveyors, on 29 September 2007. It is intended that the freehold land and buildings will continue to be valued every three years.

The freehold almshouses are used to house the residents of the Whicher and Kifford charity. The almshouses are charged to secure repayment of loans from the Housing Corporation.

As at 29 September 2007, there were no capital commitments (2006: nil).

Notes to the financial statements (continued)

For the year ended 29 September 2007

7 Fixed asset investments

	2007 £'000	2006 (restated) £'000
Market value of investment properties and listed investments:		
At 29 September 2006	16,699	16,253
Disposal proceeds	(3,795)	(2,727)
Acquisitions at cost	3,680	2,428
Net gains on revaluation and realisation	4,785	745
	<hr/>	<hr/>
At 29 September 2007	21,369	16,699
Cash held as investments	3,646	401
	<hr/>	<hr/>
Total value of investments held at 29 September 2007	<u>25,015</u>	<u>17,100</u>
Historical cost at 29 September 2007	<u>8,614</u>	<u>8,318</u>
Investments are analysed as follows:		
Investment properties	9,200	5,475
Listed investments - United Kingdom	9,857	8,755
- Overseas	2,312	2,469
Cash	3,646	401
	<hr/>	<hr/>
	<u>25,015</u>	<u>17,100</u>

The investment properties are included at open market value by Knight Frank LLP, a firm of chartered surveyors, on 29 September 2007. It is intended that the investment properties will continue to be valued every three years.

The cash held as investments was classified within cash at bank in the prior year. The comparative has been restated to include within investments.

8 Debtors: amounts falling due within one year

	2007 £'000	2006 £'000
Other debtors	384	399
Prepayments and accrued income	99	25
	<hr/>	<hr/>
	<u>483</u>	<u>424</u>

Notes to the financial statements (continued)

For the year ended 29 September 2007

9 Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Taxes and social security costs	556	563
Other creditors	500	307
Accruals and deferred income	367	582
Amounts due on Housing Corporation loan	<u>1</u>	<u>1</u>
	<u>1,424</u>	<u>1,453</u>

10 Creditors: amounts falling due after more than one year

	2007 £'000	2006 £'000
Housing Corporation loan	<u>6</u>	<u>7</u>
Split as follows:		
Housing Corporation loan repayable:		
Between two and five years	3	3
After five years	<u>3</u>	<u>4</u>
	<u>6</u>	<u>7</u>

The loan from the Housing Corporation, used to finance an earlier refurbishment of the property, is secured by a charge on the freehold almshouses. It is repayable by equal instalments of principal and interest, the final instalment falling due on 1 August 2015. Interest is charged on the loan at 10.875% per annum.

Notes to the financial statements (continued)

For the year ended 29 September 2007

11 Permanent endowment funds

	Balance 30 September 2006 £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	Balance 29 September 2007 £'000
1953 Choir School Endowment	2,220	-	238	-	2,458
1953 Fabric Coronation Fund	2,409	-	258	-	2,667
Church Commissioners Property	3,196	-	342	-	3,538
St Margaret's funds	349	-	37	-	386
Scholarships and prizes	637	-	69	-	706
Memorial funds	13	-	1	-	14
Other fabric funds	250	-	27	-	277
Properties revaluation	14,275	(90)	8,555	-	22,740
Other funds	84	-	9	-	93
	<u>23,433</u>	<u>(90)</u>	<u>9,536</u>	<u>-</u>	<u>32,879</u>

12 Restricted funds

	Balance 30 September 2006 £'000	Incoming resources £'000	Expenditure £'000	Investment Gains £'000	Transfers £'000	Balance 29 September 2007 £'000
1953 Choir School Endowment	-	66	(66)	-	-	-
1953 Fabric Coronation Fund	-	72	(72)	-	-	-
Church Commissioners Property	-	95	(95)	-	-	-
1953 Coronation Appeal Reserve	247	8	-	26	-	281
Scholarships and prizes	253	27	(18)	26	1	289
Fabric funds	239	17	-	25	-	281
St Margaret's funds	46	14	(11)	5	-	54
Almshouse funds	27	1	-	-	-	28
Charitable funds	9	104	(104)	-	-	9
Garfield Weston Trust	-	218	(218)	-	-	-
Memorial funds	109	5	(3)	11	-	122
Other funds	121	11	-	13	-	145
	<u>1,051</u>	<u>638</u>	<u>(587)</u>	<u>106</u>	<u>1</u>	<u>1,209</u>

Notes to the financial statements (continued)

For the year ended 29 September 2007

13 Unrestricted funds

	Balance 30 September 2006 £'000	Incoming resources £'000	Expenditure £'000	Investment gains £'000	Actuarial gains £'000	Transfers £'000	Balance 29 September 2007 £'000
General funds	2,301	11,651	(10,031)	(27)	-	(3,853)	41
Designated funds:							
Fabric fund	744	-	(201)	-	-	-	543
Almshouse funds	21	-	-	-	-	3	24
Charitable giving	35	34	(48)	-	-	-	21
Reserve fund	838	-	-	-	-	(838)	-
Other funds	21	-	(3)	-	-	-	18
Reserves to cover volatility in day-to-day revenues:							
Short term	-	-	-	-	-	2,413	2,413
Longer term	-	-	-	-	-	2,274	2,274
Total unrestricted funds excluding pension liability	3,960	11,685	(10,283)	(27)	-	(1)	5,334
Defined benefit pension scheme liability (restated)	(2,458)	-	274	-	627	-	(1,557)
	<u>1,502</u>	<u>11,685</u>	<u>(10,009)</u>	<u>(27)</u>	<u>627</u>	<u>(1)</u>	<u>3,777</u>

14 Analysis of net assets between funds

	Unrestricted £'000	Restricted £'000	Permanent endowment £'000	2007 Total £'000
Fund balances at 29 September 2007 are represented by:				
Tangible fixed assets	140	-	13,540	13,680
Investments	1,453	1,111	18,805	21,369
Net current assets	3,747	98	534	4,379
Long term liabilities	(6)	-	-	(6)
Defined benefit pension scheme liability	(1,557)	-	-	(1,557)
Total net assets	<u>3,777</u>	<u>1,209</u>	<u>32,879</u>	<u>37,865</u>
Unrealised gains included above	<u>18</u>	<u>366</u>	<u>12,370</u>	<u>12,754</u>

Notes to the financial statements (continued)

For the year ended 29 September 2007

15 Pension costs

The total pension charge for the year was:

	2007 £'000	2006 £'000
Westminster Abbey 1972 Retirement and Death Benefits Scheme	488	404
Defined contribution scheme	23	25
Church of England Funded Pensions Scheme	53	41
	<u>564</u>	<u>470</u>

Employees of the Abbey are eligible for membership of the Westminster Abbey 1972 Retirement and Death Benefits Scheme which provides benefits based on final pensionable salary.

FRS 17 disclosures

The FRS 17 calculations have been carried out by a qualified actuary and relate to the Westminster Abbey 1972 Retirement and Death Benefits scheme.

The amounts recognised in the balance sheet are as follows :

	2007 £'000	2006 (restated) £'000
Fair value of scheme assets	12,087	11,157
Present value of funded obligations	<u>(13,644)</u>	<u>(13,615)</u>
Deficit	(1,557)	(2,458)
Present value of unfunded benefits	-	-
Assets not recognised	<u>-</u>	<u>-</u>
Net liability	<u>(1,557)</u>	<u>(2,458)</u>

Notes to the financial statements (continued)

For the year ended 29 September 2007

15 Pension costs (continued)

The amounts recognised in the statement of financial activities are as follows :	2007	2006
	£'000	£'000
Current service cost	488	404
Interest cost	701	568
Expected return on scheme assets	(616)	(508)
Past service cost	-	-
Gains on curtailment and settlement	-	-
Total	<u>573</u>	<u>464</u>
Actual return on scheme assets	<u>475</u>	<u>856</u>
Changes in the present value of scheme assets (excluding any AVC's) are as follows :	2007	2006
	£'000	(restated) £'000
Opening fair value of scheme assets	11,157	10,235
Expected return	616	508
Actuarial (losses) / gains	(213)	333
Assets distributed on settlements	-	-
Contributions by employer	847	404
Contributions by employees	162	154
Benefits paid	(482)	(477)
Closing fair value of scheme assets	<u>12,087</u>	<u>11,157</u>
Changes in the present value of the defined benefit obligation are as follows :	2007	2006
	£'000	(restated) £'000
Opening defined benefit obligation	13,615	12,685
Interest cost	701	568
Service cost – employer	488	404
Service cost - employees	162	154
Actuarial (gains) / losses	(840)	281
Past service costs	-	-
Losses on curtailments	-	-
Liabilities extinguished on settlement	-	-
Benefits paid	(482)	(477)
Closing defined benefit obligation	<u>13,644</u>	<u>13,615</u>

The participating employers expect to contribute £500,000 to the scheme in 2008.

Notes to the financial statements (continued)

For the year ended 29 September 2007

15 Pension costs (continued)

At 29 September 2007 the Scheme had 298 members.

	2007	2006 (restated)
The major categories of scheme assets as a percentage of total scheme assets are as follows :		
Equities	47%	46%
Bonds	9%	8%
Property	-	-
Insured annuities	13%	18%
Cash and other assets	31%	28%
Total	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at balance sheet date (expressed as weighted averages) :	2007	2006
Discount rate at 31 December	5.90%	5.15%
Expected return on scheme assets at 31 December	6.80%	6.00%
Future salary increases	4.00%	3.50%
Future pension increases	3.50%	3.25%
Inflation assumption	3.00%	2.50%
Proportion of employees opting for early retirement	0.00%	0.00%
Mortality table used	PA90-4	PA90-4

The Mortality tables above relate to the following expectations of life:

65 year old male – 17.5 years

65 year old female – 21.8 years

Notes to the financial statements (continued)

For the year ended 29 September 2007

15 Pension costs (continued)

	2007	2006	2005	2004	2003
		(restated)	(restated)		
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(13,644)	(13,615)	(12,685)	(10,583)	(10,153)
Scheme assets	12,087	11,157	10,235	6,629	6,049
Deficit	(1,557)	(2,458)	(2,450)	(3,954)	(4,104)
Experience adjustments on scheme liabilities	-	-	183	-	-
Experience adjustments on scheme assets	(213)	333	652	291	(127)

The figures for 2006 and 2005 have been restated from previous years' accounts to make allowance for the assets and liabilities relating to the pensioners with insurance policies bought out in the name of the Trustees.

The Abbey also participates in the Church of England Funded Pensions Scheme and employs 6 members of the scheme.

The Church of England Funded Pensions Scheme is a defined benefit scheme, with each employer in the scheme paying a common contribution rate, but the Abbey is unable to identify its share of the underlying assets and liabilities and, therefore, the scheme has been accounted for as a defined benefit contribution pension scheme. The latest valuation of the scheme was carried out as at 31 December 2003. This revealed a shortfall of £91 million, with assets of £196 million and a funding target of £287 million, assessed using the following assumptions:

Investment return	6.8% per annum
Increase in pensionable stipends	3.8% per annum
Pension increases	3.8% per annum

16 Employees and employee costs

Number of employees

The average number of persons employed by the Abbey during the year was:

	2007	2006
	Number	Number
Clergy	7	6
Other Abbey, maintenance and administration staff	188	184
	<u>195</u>	<u>190</u>

Notes to the financial statements (continued)

For the year ended 29 September 2007

16 Employees and employee costs (continued)

Employment costs

	2007 £'000	2006 £'000
Wages and salaries	4,386	4,116
Social security costs	383	367
Other pension costs	564	470
	<u>5,333</u>	<u>4,953</u>

Employees with emoluments exceeding £50,000 are as follows:

	2007 Number	2006 Number
£50,001 - £60,000	6	4
£60,001 - £70,000	2	2
	<u>8</u>	<u>6</u>

17 Prior year adjustment

This year, for the first time, the Actuaries have reflected the full value of the insured element of the Westminster Abbey pension scheme. The impact of this change on the pension scheme liability and the reserves of the Abbey is as follows:

	Pension scheme liability £'000	Unrestricted Reserves £'000
As originally stated at 29 September 2006	3,167	25,277
Prior year adjustment	<u>(709)</u>	<u>709</u>
As restated at 29 September 2006	<u>2,458</u>	<u>25,986</u>

The effect of including the value of the insured element of the pension scheme in the FRS 17 valuation has been to reduce the net movement in funds during the year by £182,000.

18 Connected charity

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 trust, whose membership includes Chapter and independent trustees, meet regularly to approve grants for fabric projects.

Notes to the financial statements (continued)

For the year ended 29 September 2007

19 Summary income and expenditure account

In accordance with Financial Reporting Standard No. 3 the Dean and Chapter is required to present a summary income and expenditure account, excluding permanent endowments received in the year:

	2007 £'000	2006 £'000
Gross income of continuing operations	9,663	8,948
Income from non-charitable trading activities	<u>2,660</u>	<u>2,517</u>
	12,323	11,465
Expenditure of continuing operations	8,731	8,541
Expenditure on non-charitable trading activities	<u>1,955</u>	<u>1,818</u>
	10,686	10,359
Net income before net investment gains	<u>1,637</u>	<u>1,106</u>

Pictures by Andrew Dunsmore of The Picture Partnership,
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