Docusign Envelope ID: 879203DB-E6A1-8239-8014-E3B6C8990672

Registered Charity Number: 1155101

LORD CREWE'S CHARITY

Financial Statements

For The Year Ended 31 December 2025

Docusign Envelope ID: 879203DB-E6A1-8239-8014-E3B6C8990672

LORD CREWE'S CHARITY

Financial Statements For The Year Ended 31 December 2025

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LORD CREWE'S CHARITY
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report and audited financial statements of Lord Crewe's Charity (the Charity) for the year ended 31 December 2025. The Trustees confirm that the annual report and financial statements of the Charity have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) effective 1 January 2019.

Structure, governance and management

a. Constitution

Lord Crewe's Charity (Charity No. 1155101) is governed by its constitution as a Charitable Incorporated Organisation.

A linked Charity, Lord Crewe's Library and Archives Trust (Charity No. 1155101-3), owns the libraries and archives collections currently held at Durham Cathedral, Durham University, the North East Religious Learning Resource Centre, and Northumberland Archives. This is governed by its Deed of Trust dated 31 December 2013. On 1 January 2014 the assets of the Reverend John Sharp's Library (Charity number 230347-2) were transferred to the new Charitable Incorporated Organisation for it to continue to act as Corporate Trustee for those assets.

The Charities Commission directed that the Lord Crewe's Library and Archives Trust (charity number 1155101-3) shall be treated as forming part of Lord Crewe's Charity (charity number 1155101) for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are appointed under the terms of the Charitable Incorporated Organisation's constitution.

The constitution provides that there shall be a minimum of five and a maximum of nine Trustees, including one ex-officio, two nominative and up to six co-optative. Of the nominative Trustees, one is nominated by the Bishop of Durham and one by the Bishop of Newcastle. The ex-officio trustee is the Rector of Lincoln College Oxford. The co-optative trustees are selected having regard to the skills, knowledge and experience needed for the effective administration of the CIO.

c. Policies adopted for the induction and training of Trustees

Induction of new Trustees is provided by the Clerk and Chair, with technical induction also provided by the Charity's legal advisors and the Estate Manager. Trustees are familiar with charity law through their service on trustee boards of other charities and through information provided by the Charity Commission. Training, briefing and updating sessions are provided as required. The Clerk circulates relevant information received from the Charity Commission and other sources to the Trustees.

d. Organisational structure and decision making

The Trustees elect a chair and vice-chair annually at the first meeting of the year. All business is formally presented, discussed and, when needed, voted on, each trustee having one vote and the chair a casting vote if required.

The Trustees have delegated the administration of the Charity to the Clerk and the management of the estates to the Estate Manager, Savills.

Both the Clerk and Estate Manager are in frequent contact with the chair or vice-chair, or with the Trustees when appropriate. The board meets and discusses business formally at least four times a year, and a Property Sub-committee meets quarterly to give more detailed attention to property management.

The Charity is linked to the Lord Crewe's Library and Archives Trust (Charity number 1155101-3) and is unconnected with any other Charity.

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e. Key management personnel remuneration

The Trustees consider the Board of Trustees and the Clerk as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 9 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Clerk and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

The Clerk is contracted to work for the Charity in accordance with terms of business agreed in 2022, and during the year charged £26,160 (2024: £26,351) for services provided.

Reference and administrative details

Charity Registration Number	1155101		
Registered Address	Cuthbert House, Durham, DH1 3RY		
Trustees:		Appointed	Resigned
Nominative	***By the Bishop of Durham:***		
	The Venerable E M Wilkinson	01.01.25	
	By the Bishop of Newcastle:		
	The Venerable Dr C A Sourbut-Groves	18.02.22	
Co-optative	Mrs Francesca E Trevelyan	19.01.23	19.01.26
	Mr William F Watson-Armstrong	21.01.23	21.01.26
	Mr Simon F Riddell (Vice-Chair)	14.02.23	
	Mr Robert T deP Hunter	04.05.23	
	Mr Paul G Chandler (Chair)	24.02.25	
	Mr Jonathan Ball	13.02.26	
	Mr Oliver Knight	26.02.26	
Ex-officio	Mr Nigel R Clifford The Rector of Lincoln College, Oxford	01.09.24	
The Clerk	Mr M W Orde		
Estate Manager	Savills		
Bankers	Barclays Bank plc, 6 Market Place, Durham, DH1 3ND		
Auditors	Saffery LLP 10 Wellington Place, Leeds, LS1 4AP		
Solicitors	Womble Bond Dickinson (UK) LLP One Trinity, Broad Chare, Newcastle upon Tyne, NE1 2HF		
Investment Managers	Sarasin & Partners Juxon House, 100 St. Paul's Churchyard, London, EC4M 8BU		

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Objectives and activities

a. Policies and objectives

The principal objects of the Charity, after meeting the costs of managing itself and its properties, and paying a number of annual sums specified in the Trust Deed (totalling £18,320 in 2025), are;

1. The advancement of Christian religion by:

(a) augmenting the stipends of necessitous clergy and their dependents in the Dioceses of Durham and Newcastle, particularly for the education of their children, and assisting them in other charitable demonstrable need; and

(b) the repair or construction of churches, chancels and parsonages in an ecclesiastical parish in which the Charity owns land or to which the Charity has the right of presentation to the benefice; and

(c) providing financial support to Anglican clergy of various ecclesiastical parishes as determined by the Trustees from time to time for religious education within those parishes.

2. The relief of poverty by providing financial and other forms of charitable relief for the general benefit of the inhabitants of the Dioceses of Durham and Newcastle, giving preference to people and groups resident in parishes where the Charity owns land or has the right of presentation to the benefice.

3. The advancement of education by:

(a) providing financial subsidies to university students at Lincoln College at the University of Oxford, or for any other charitable purposes connected with Lincoln College; and

(b) providing other financial subsidies to educational institutions, whether in the ecclesiastical parish in which the Charity owns land or has the right of presentation to the benefice or otherwise, specifically including the City of Durham.

4. The relief of sickness (including physical, mental, emotional and spiritual) by providing such assistance (financial and otherwise) to such beneficiaries resident in the Dioceses of Durham and Newcastle as the Trustees shall from time to time decide.

5. Other charitable purposes which the Trustees shall from time to time determine for the benefit of residents of the ecclesiastical parishes in which the Charity owns land or to which the Charity has the right of presentation to the benefice.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities and setting the grant making policy for the year.

The Charity also furthers its charitable purposes for the public benefit by contributing to the running costs of the Sharp Libraries of modern theology for the benefit of clergy, readers and University students in Durham and Newcastle, but also open to all with a genuine interest, and by conserving and interpreting the Bamburgh Library of rare books, music and its archives. This is achieved through the associated charity The Lord Crewe's Libraries and Archives Trust, Registered Charity no. 1155101-3.

b. Strategies for achieving objectives

The principal beneficiaries of grant aid are the stipendiary clergy of the two Dioceses and their dependants. The Trustees are conscious of the financial pressures facing many of them. Financial assistance with the costs incurred whilst educating their dependents (from the primary stage through to higher education), Chair's grants to address individual cases of hardship, and resettlement grants assisting with costs of moving from clergy housing on retirement are three examples of practical means of easing these difficulties.

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The Charity also works with the two Dioceses and Lincoln College to develop and deliver grant funding furthering its charitable objects for the public benefit.

During the year, the Charity entered into a partnership with Blanchland & Hunstanworth Parochial Church Council successfully applying for a National Lottery Heritage Fund development stage grant for the benefit of Blanchland Abbey and its community.

Whereas the maintenance and proper management and development of its estates and properties remains a key priority, any surplus arising in the estate revenue account and the annual distribution arising from its financial investments operating on a total return basis, enables the Trustees to further the Charity's aims by the making of grants.

c. Activities for achieving objectives

In 2023 the Trustees agreed a further three year programme for clergy support through the Dioceses (2024 - 2026) and for four further academic years for Lincoln College (2023/4 to 2026/7).

Significant activities during the year which form the bulk of what is reported in the Statement of Financial Activities were:

- The on-going management of the Charity's estates and properties, including routine repairs to maintain capital values and income levels, significant refurbishments or improvements usually resulting in increased income, and from time to time major projects significantly uplifting capital values and income as a result of substantial investment in a property.

- The making of grants, particularly to clergy and their families in the dioceses of Durham and Newcastle, and also to other eligible beneficiaries.

The Charity owns the contents of the Sharp Libraries in Durham and Newcastle and makes them available to all clergy, ordinands and readers in the two dioceses, as well as to University students. The Charity also owns the Bamburgh Library (printed books collection from 17th Century onwards), held by the Durham University Library Special Collections, and the Bamburgh Music Library held by Durham Cathedral Library.

The Charity continues to review its systems, partly in the light of recommendations from successive audits, and also to achieve greater administrative efficiency.

Achievements and performance

In 2025 the Charity supported individual members of the clergy in the Dioceses of Durham and Newcastle by making:

- 152 educational grants totalling £190,391 to members of the clergy in support of the education of their children. (These grants related to two educational years – second and final instalments of grants for 2024-25 and instalments for grants for the first term of 2025-26).

- 12 grants totalling £13,800 to members of the clergy to assist with specific instances of hardship and the birth of a child and 7 grants totalling £21,000 to assist clergy moving out of church housing on retirement.

The Charity provided £204,699 to Lincoln College for charitable purposes comprising support for Undergraduates and Postgraduates and support for a part time Career Development Fellow and for improving access to the College.

The Charity granted £180,000 to the Diocese of Newcastle for a package of approved projects to support clergy through services including pastoral care and counselling, mentoring, continuing ministerial development, and support for engagement in parishes in areas of high deprivation.

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£239,400 was granted to Durham Diocese for the Bridge Project, assisting congregations to work with their parish community and together seek its wellbeing, and for pastoral care and counselling to support clergy wellbeing.

Grants to other organisations included £7,000 to the Seahouses Youth Project, £15,000 to Seahouses Hostel, £1,000 to the Blanchland Show and £6,500 to the Framwellgate school STEM project.

2021 marked the three hundredth anniversary of the death of Lord Crewe and therefore the Tercentenary of the Charity. The Charity is concluding a series of grants and other activities in its celebration; the funded projects were completed during the year.

Sarasin & Partners continue to act as the Charity's Investment Managers.

Savills continue as the Charity's Estate Manager.

There were no significant positive or negative factors affecting the achievement of objectives in 2025 compared to 2024 or affecting future plans for 2026 and beyond. The financial base of the Charity through its endowment and the management of the estates by Savills and the investment portfolio by Sarasin ensure that the Charity continues on a sound financial footing.

Financial review

The two primary sources of income for the Charity are from the estates and from the investment portfolio.

In 2025 the net income from these sources was:

Funding Source	Total	% of total income
Estates (net income)	£275,542	47.7%
Investment Portfolio (net income)	£254,459	44.0%
Other	£47,757	8.3%
Total	**£577,758**	**100.00%**

Investment policy and performance

a. Asset allocation

As at 31 December 2025, the allocation of assets, at valuation, was as follows:

	As at 31 Dec 2025 £	% of total	As at 31 Dec 2024 £	% of total
Investment Property	£54,144,380	84.99%	£45,494,926	81.98%
Other Investments	£9,558,805	15.01%	£10,000,105	18.02%
Total	£63,703,185	100.00%	£55,495,031	100.00%

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Asset Class	Asset Value £	Asset % of Total Assets
Fixed Income	£745,587	7.8%
Equities	£7,570,574	79.2%
Alternatives	£1,147,057	12.0%
Liquid Assets	£95,588	1.0%
Total	£9,558,805	**100.0%**

The assets of the Charity are held for several different accounts as follows:

- Personal Estate Account and Endowed Assets, comprising land, properties and other investments, are not available for distribution and are regarded as long-term investments.
- The Libraries and Archives Trust's investments and other net assets are included in the Charity's balance sheet.
- Other funds, which should be maintained in a sum sufficient to meet the annual expenses and disbursements of the Charity, are regarded as short term.

b. Investment policy and performance

The Charity passed a resolution on 26 April 2024 for it to operate the investment portfolio part of the permanent endowment on a total return approach. In accordance with the terms of the Order made by the Charity Commission, the Trustees confirm that:

- In identifying the value of the portion of the permanent endowment that represented unapplied total return, the Trustees identified the base value, known as the Relevant Fund as starting from December 2002.
- When determining the amount of unapplied total return to transfer to income the Trustees have considered the amount of income required to maintain the current level of charitable giving and the likely benefits to future beneficiaries.
- When reaching their decision as to the unapplied total return to transfer to income, the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

Our investment advisor (Sarasin & Partners) are instructed to invest to optimise the total return on the investment portfolio assets within the permanent endowment, within the context of an Investment Policy statement that is kept under regular review and includes appropriate ethical constraints.

Trustees are mindful to protect the long term value of the investment fund, to ensure that the Relevant Fund's real value is maintained after taking into consideration inflation (CPI). As a result, the Trustees will seek a prudent approach to grant distributions.

The Trustees plan to use 3.5% of the five year average value of the investment portfolio for grant making in addition to using funds from their direct property and land investments. In 2025 distributions under the terms of the resolution totalled £315,589.

The risk profile of the investments is categorised by the investment managers as "medium". During the year, investment asset gains of £129,249 were made (an average return of 1.35% on investment assets held) against a long-term benchmark for assets under this risk profile of 10.1%. The Trustees consider this overall performance to be acceptable in the context of prevailing market conditions.

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c. General Investment Policy

The Charity was endowed by its benefactor with lands and property, a significant proportion of which it still owns. These land and buildings and the equity investments referred to below, are held as investments necessary to provide for the income and growth needs of the Charity.

The Trustees seek exposure to good quality, carefully selected equities and other stock consistent with the terms of their Investment Policy Statement, via a well-diversified portfolio in order to manage risk, which also provides a total return exceeding inflation.

d. Ethical Investment Policy

Ethical considerations form an integral part of the investment management process and Sarasin & Partners have sought and received instructions from the Charity. The investment managers seek to invest in companies that will successfully develop their business financially in the interests of their shareholders, but which also demonstrate responsible employment practices and are conscientious concerning issues of corporate governance, environmental performance and human rights and are sensitive to the communities in which they operate. Companies are monitored according to the Charity's ethical investment policy and through developing a dialogue with them.

Risk management

The Trustees regularly assess the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Charity benefits from the strength and stability of its financial position, due to its endowment and its property and investment portfolios. While financial returns may be subject to economic conditions beyond the control of the Trustees, this is mitigated by the standard of professional estates and investment management advice engaged on the Charity's behalf. The Trustees are able to take a long term view of investment and financial performance. The Trustees consider that the use of a total return approach for their investment portfolio helps stabilise the resources available for grant making, thereby facilitating longer term grants.

Because of this financial strength the Trustees are able to maintain the reserves policy outlined below. The Charity maintains reserves sufficient to meet at least six months' outgoings, which should be sufficient to deal with any unforeseen situations and allow time for any remedial action necessary to be undertaken.

The Charity's Risk Management Strategy provides:

- A quarterly review of the principal risks and uncertainties faced by the Charity and its associated charities.
- Policies, systems and procedures to mitigate risks identified in the review.
- Thus managing any potential impact on the Charity and its beneficiaries should these or other risks materialise.

Reserves policy

The Trustees consider the assets to be sufficient to fulfil the Charity's obligations in respect of keeping its property properly repaired, paying its creditors and maintaining adequate funds to provide financial assistance to necessitous clergy and other potential beneficiaries. In order that they can enable the Charity to carry out its purpose effectively, the Trustees' current policy is to maintain sufficient unrestricted reserves to meet at least six months' worth of outgoings, £500,000 from the Charity's funds, assuming payments continue at the average of the last three years.

The Trustees consider that a level of six months is sufficient given the flexibility afforded by the total return approach towards the investment portfolio which allows Trustees to transfer amounts from the unapplied total element of the endowment fund in the case of urgent need.

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The Trustees maintain a minimum balance of £50,000 in the Charity's current account, to meet any immediate or urgent calls on grant funding.

The total funds of the Charity are £64,812,961 of which £60,264,511 are endowed and £62,032 are restricted. The unrestricted free reserves of the Charity at 31 December 2025 were £4,486,037, which is held in liquid investments. This is currently in excess of our target level of reserves and held in investment to optimise returns.

Bearing in mind recent difficulties and volatilities surrounding the economy, the Trustees' policy is to maintain sufficient reserves to ensure the continuation of the Charity's activities whilst alternative means of income can be obtained.

Fundraising

The charity is required to report how it deals with fundraising from the public. As an endowed charity the Charity does not raise funds from the public by any method.

Plans for the future

The Trustees undertake an annual review of spending plans at the beginning of each year. During the latter part of 2025 and early 2026 Trustees have reviewed the balance of their investment assets and developed a revised property strategy that seeks to release value from under-performing property assets and those where a premium over existing value can be secured.

With effect from the financial year end, Trustees have passed a resolution to apply Total Return Accounting to their property assets and have developed an Unapplied Total Return Policy to increase the value of the Investment Fund by CPI in each year and using 3.5% of the 5-year average investment portfolio valuation for income.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

AUDITOR

Saffery LLP were appointed as auditors in the year end.

This report was approved by the Trustees and signed on their behalf by:

Paul Chandler (Chair of the Trustees)

Date: 31/07/2026

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Independent auditors' report to the Trustees of Lord Crewe's charity

Opinion

We have audited the financial statements of Lord Crewe's Charity for the year ended 31 December 2025 which comprise the Statement of Financial Activities, Balance Sheet and Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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Independent auditors' report to the Trustees of Lord Crewe's charity

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- The Charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the Trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

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Independent auditors' report to the Trustees of Lord Crewe's charity

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Saffery LLP
4F568C43DB3B438...

Saffery LLP
10 Wellington Place
Leeds
LS1 4AP

Statutory Auditors

Date: 01 October 2026

Saffery is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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LORD CREWE'S CHARITY

Statement of Financial Activities for the year ended 31 December 2025

	Notes	*Note 1* Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2025 Total Funds £	2024 Restated Total Funds £
Income and endowments from:						
Investments	3	1,648,239	2,051	112,728	**1,763,018**	1,815,105
Other	4	47,757	-	-	**47,757**	26,469
Transfer to Income	5	500,000	-	(500,000)	**-**	-
Total income and endowments		2,195,996	2,051	(387,272)	**1,810,775**	1,841,574
Expenditure on:						
Raising funds:						
Investment management costs	6	1,207,358	459	25,200	**1,233,017**	898,282
Charitable activities:						
Payments under the Will and to Lincoln College Oxford	8	229,780	-	-	**229,780**	165,541
Educational support of clergy dependants	8	237,104	-	-	**237,104**	203,062
Diocese support	8	421,244	-	-	**421,244**	434,117
Clergy support	8	40,639	-	-	**40,639**	92,106
Maintenance of Library	8	-	46,344	-	**46,344**	43,088
Miscellaneous charitable giving	8	30,729	-	-	**30,729**	425,213
Total cost of charitable activities		959,496	46,344	-	**1,005,840**	1,363,127
Total Expenditure		2,166,854	46,803	25,200	**2,238,857**	2,261,409
Net gains/(losses) on investments	11a&b	82,241	840	8,705,622	**8,788,703**	2,467,956
Net income/(expenditure)		111,383	(43,912)	8,293,150	**8,360,621**	2,048,121
Transfer between funds	12	(44,293)	44,293	-	**-**	-
Net movement in funds		67,090	381	8,293,150	**8,360,621**	2,048,121
Reconciliation of funds:						
Total fund brought forward Restated	15 - 17	4,418,947	62,032	51,971,361	**56,452,340**	54,404,219
Total funds carried forward	15 - 17	4,486,037	62,413	60,264,511	**64,812,961**	56,452,340

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LORD CREWE'S CHARITY

Balance Sheet as at 31 December 2025

		Note 1			2025	2024 Restated
	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£	£	£	£	£
Fixed Assets						
Investment Property	11a	-	-	54,144,380	**54,144,380**	45,494,926
Other Investments	11b	6,566,672	62,413	2,929,720	**9,558,805**	10,000,105
Total Fixed Assets		6,566,672	62,413	57,074,100	**63,703,185**	55,495,031
Current Assets						
Debtors	13	111,963	-	-	**111,963**	43,833
Cash at bank and in hand		(1,907,570)	-	3,190,411	**1,282,841**	1,320,859
Total Current Assets		(1,795,607)	-	3,190,411	**1,394,804**	1,364,692
Current Liabilities						
Creditors - amounts falling due within one year	14	(285,028)	-	-	**(285,028)**	(407,383)
Net Current Assets		(2,080,635)	-	3,190,411	**1,109,776**	957,309
Total Assets less Current Liabilities		4,486,037	62,413	60,264,511	**64,812,961**	56,452,340
Total Net Assets		4,486,037	62,413	60,264,511	**64,812,961**	56,452,340
The funds of the charity:						
Endowment fund	15	-	-	60,264,511	**60,264,511**	51,971,361
Income funds:						
Restricted funds	16	-	62,413	-	**62,413**	62,032
Designated funds	17	-	-	-	**-**	250,000
Unrestricted general funds		4,486,037	-	-	**4,486,037**	4,168,947
Total Charity Funds		4,486,037	62,413	60,264,511	**64,812,961**	56,452,340

Approved by the Board of Trustees on 31 July 2026 and signed on their behalf by:

Paul Chandler, Chair of the Trustees.

The notes on pages 17 to 30 form part of these financial statements.

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LORD CREWE'S CHARITY

Statement of Cash Flows for the year ended 31 December 2025

	Note	**2025 Total Funds £**	2024 Total Funds £
Net cash used in operating activities	19	**(2,275,623)**	(2,241,910)
Cash flows from investing activities:			
Distribution, interest and rents from investments		**1,727,605**	1,753,993
Proceeds from sale of investments		**510,000**	307,500
Purchase of investments		**-**	(152,758)
Net cash provided by investing activities		**2,237,605**	1,908,735
Change in cash and cash equivalents in the year		**(38,018)**	(333,175)
Cash and cash equivalents brought forward		**1,320,859**	1,654,034
Cash and cash equivalents carried forward		**1,282,841**	1,320,859

Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in Transit	**80,000**	80,000
Cash at bank	**1,202,841**	1,240,859
	1,282,841	1,320,859

Analysis of changes in net debt

	1 January 2024 £	Cash Flows £	**31 December 2025 £**
Cash and cash equivalents	1,240,859	41,982	**1,282,841**

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1. Accounting Policies

a. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) , and the Charities Act 2011.

Lord Crewe's Charity (Charity No. 1155101) is governed by its new constitution as a Charitable Incorporated Organisation.

A linked charity, Lord Crewe's Library and Archives Trust (Charity No. 1155101-3), owns the libraries and archives collections currently held at Durham Cathedral, Durham University, the North East Religious Learning Resource Centre, and the Northumberland Records Office. This is governed by its Deed of Trust dated 31 December 2013.

The Charities Commission directed that the Lord Crewe's Library and Archives Trust (charity number 1155101-3) shall be treated as forming part of the Lord Crewe's Charity (charity number 1155101) for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS102.

b. Going concern

The Charity has cash resources and has no requirement for external funding. The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider it appropriate that the annual financial statements are prepared on a going concern basis.

c. Personal estate account and endowed assets

The endowed assets of the Charity comprising land and properties are included in the Balance Sheet at open market value. Acquisitions and disposals of land and property are accounted for in the Balance Sheet on the legal completion of transactions. Amounts realised from the disposal of assets of the endowment are credited to the Personal Estate. Amounts expended to enhance the capital value of investment properties are added to the Personal Estate. The accumulated amounts of the Personal Estate Account are invested by the Trustees and form part of these accounts.

d. Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Quoted investments are included in the Balance Sheet at their fair value (market value) using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The quoted investment portfolio is managed on a total return basis. The Trustees, at their discretion, may allocate any part of the unapplied total return to income.

e. Debtors and current assets

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

f. Creditors and provisions for liabilities and charges

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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g. Income recognition

All incoming resources are recognised once the Charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability. All incoming resources receivable from Endowment assets are recognised as unrestricted income in the accounts.

h. Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Grants have been made in accordance with the provisions of the Will of Lord Crewe and the various schemes approved by the Charity Commission. Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

i. Allocation of overhead and support costs

Overhead, support and governance costs relating to charitable activities have been apportioned to each activity based on the number of individual grant awards.

j. Governance costs

Governance costs comprise all costs involving the accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

k. Expenditure on investment properties

Expenditure to repair or maintain investment properties is expensed to the Statement of Financial Activities in the year in which it is incurred. Expenditure on properties of a capital nature over £1,000 is capitalised. Such additions to investment properties are not depreciated, in line with accounting standards.

l. Extraordinary repair fund

The Extraordinary Repair Fund is a designated Fund and was maintained for the purpose of providing for extraordinary repairs, improvements or rebuilding of properties of the Charity. It was fully utilised during the year.

m. Lord Crewe's Libraries and Archives Trust (previously called Dr. Sharp's Trust)

The books and property of the Libraries and Archives Trust are not regarded as fixed assets and do not appear in the Balance Sheet of the Trust. The investments and other net assets of the Trust are included in the Balance Sheet and the Personal Estate Account and Revenue Account of the Trust are treated as Restricted Funds.

The Libraries and Archives Trust is a separate charity (1155101-3) that is linked to the Lord Crewe's Charity and is treated as forming part of this Charitable Incorporated Organisation under part 8 (accounting) of the Charities Act 2011.

n. Heritage assets

Heritage assets are tangible assets with historical, artistic or scientific importance that are held to advance preservation or conservation objectives.

The Trustees consider that some books and property of the Libraries and Archives Trust, the Bamburgh library and the Lord Crewe records held at the Northumberland Archives in Woodhorn fall under the definition of Heritage assets. These assets have not been capitalised as valuations for them cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements.

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2. Charity status and charitable objects

The Lord Crewe's Charity is a Charitable Incorporated Organisation registered in the UK under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S521 to 536 Income Tax Act 2007. The Libraries and Archives Trust is a linked charity. The Lord Crewe's Charity exists to apply the income arising from land and assets of the Charity in accordance with its new constitution registered on 20 December 2013.

3. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2025 £**	Total Funds 2024 £
Total income from properties	1,436,082	-	-	**1,436,082**	1,499,897
Income from Listed Investments and deposits					
Distributions and interest on listed investments	200,810	2,051	112,728	**315,589**	298,734
Other Interest Receivable	11,347	-	-	**11,347**	16,474
Total income from listed investments and deposits	212,157	2,051	112,728	**326,936**	315,208
Total Investment Income	1,648,239	2,051	112,728	**1,763,018**	1,815,105
2024	1,815,105	-	-	1,815,105	

4. Other income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2025 £**	Total Funds 2024 £
Other Income	47,757	-	-	**47,757**	25,561
Disposal of Heritage Assets	-	-	-	**-**	908
	47,757	-	-	**47,757**	26,469
2024	26,469	-	-	**26,469**	

5. Total return investment

The investment power of total return applicable to the endowed listed investments was granted by a Resolution on 26 April 2024. At the time the power was granted the trustees identified the value of the permanent endowment received since 1721 up until 31 December 2002. This set the baseline value of £2,596,239 to which any subsequent gifts of endowment are added. The difference between the total of the listed endowment funds as at 31 December 2002 and the opening value represented the opening value of unapplied total return of £872,781.

The 2024 financial statements disclosed that the baseline value of the endowment had been established as £5,171,795 and the unapplied total return value was disclosed as £4,484,785. Upon review, it has been established that these values included investments on which total return accounting could not be applied and as such an adjustment has been made to the financial statements and the comparative figures restated accodingly in line with the revised resolution dated 31 July 2026. Please refer to note 24 for further details.

The power of total return permits the trustees to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year. Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment.

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The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. Having considered their obligations under the duty of even-handedness, the Trustees made a transfer of £500,000 (2024: £Nil) of unapplied total return to unrestricted income funds in the year. In making this decision the trustees have taken account of the current investment climate, the return on investment for the year and the income needs of the charity. In deciding on the amount to transfer to income funds, the trustees took the advice of their investment advisors, Sarasin & Partners, as to the likely investment trends and the sustainability of the investment fund after considering various levels of transfer to income.

The value of the permanent endownment is maintained each year by CPI and a recoupment transfer is shown from the unapplied total return.

The investment fund and application of total return to permanent endowment funds:

		2025			2024	
	Endowment	Unapplied Total Return	**Total**	Endowment	Unapplied Total Return	Total Restated
	£	£	**£**	£	£	£
Opening value at 31 December 2025:						
Gift component of the permanent endowment	2,646,993	-	**2,646,993**	2,596,239	-	2,596,239
Unapplied total return	-	1,271,795	**1,271,795**	-	872,781	872,781
Total	**2,646,993**	**1,271,795**	**3,918,788**	2,596,239	872,781	3,469,020
Movements:						
Recoupment of trust for investment	86,086	(86,086)	**-**	50,754	(50,754)	-
Distribution	-	112,728	**112,728**	-	110,126	110,126
Recognised and unrecognised gains/(losses)	-	46,168	**46,168**	-	359,806	359,806
Investment management costs	-	(25,200)	**(25,200)**	-	(20,164)	(20,164)
Total	**86,086**	**47,610**	**133,696**	50,754	399,014	449,768
Unapplied total return allocated to income	-	(500,000)	**(500,000)**	-	-	-
Net movement	**86,086**	(452,390)	**(366,304)**	50,754	399,014	449,768
Closing value:						
Gift component of the permanent	2,733,079	-	**2,733,079**	2,646,993	-	2,646,993
Unapplied total return	-	819,405	**819,405**	-	1,271,795	1,271,795
Total	**2,733,079**	**819,405**	**3,552,484**	2,646,993	1,271,795	3,918,788

As described in Note 15, the £3,552,484 balance forms part of the £60,264,511 endowment fund.

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6. Investment management costs

	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total Funds 2025**	Total Funds 2024
	£	£	£	**£**	£
Property costs	880,487	-	-	**880,487**	606,114
Travel and subsistence related costs	1,289	-	-	**1,289**	1,329
Subscriptions	7,890	-	-	**7,890**	5,016
Accountancy - property related	914	-	-	**914**	655
Professional fees - property related	269,960	-	-	**269,960**	231,418
Professional fees - other investments	46,818	459	25,200	**72,477**	53,750
	1,207,358	459	25,200	**1,233,017**	898,282
2024 Restated	877,781	337	20,164	898,282	

7. Allocation of support costs and overheads

The breakdown of support costs and how these were allocated is shown below:

Charitable Activities	Unrestricted activities	Restricted activities	**Total activities**	2024 Total	Basis of apportionment
	£	£	**£**	£	
Office	(10)	-	**(10)**	590	Cost and usage
Communications	7,395	-	**7,395**	6,703	Cost and usage
Printing, postage and stationery	1,256	-	**1,256**	1,034	Cost and usage
Management	26,268	-	**26,268**	26,160	Cost and usage
Accountancy	8,230	-	**8,230**	5,893	Staff time
Tercentenary	-	-	**-**	767	Cost and usage
Libraries and archives	-	5,700	**5,700**	5,700	Specific
Governance costs	21,091	-	**21,091**	21,295	Cost
	64,230	5,700	**69,930**	68,142	

The total support cost attributable to charitable activities is apportioned *pro rata* to the number of grants awarded:

	£
Payments under the Will and to Lincoln College Oxford	**6,761**
Educational support of clergy dependants	**46,713**
Diocese support	**1,844**
Clergy support	**5,839**
Libraries and Archives	**7,544**
Grants to other institutions	**1,229**
Total charitable activities costs	**69,930**

The £7,544 allocated to the Libraries and Archives activity is classified as restricted expenditure within the accounts.

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Analysis of governance costs	**Total Funds 2025**	Total Funds 2024
	£	£
Trustees' expenses and meetings costs	**1,911**	3,279
Audit Fee under accrued prior year	**80**	-
Audit Fee current year	**14,900**	11,350
Professional and Legal fees	**4,200**	6,666
	21,091	21,295

8. Analysis of charitable activities expenditure

	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total Funds 2025**	Total Funds 2024
	£	£	£	**£**	£
Payments under the Will and to Lincoln College Oxford:					
grant funded activity	223,019	-	-	**223,019**	159,720
support costs and overheads	6,761	-	-	**6,761**	5,821
	229,780	-	-	**229,780**	165,541
Educational support of clergy dependants:					
grant funded activity	190,391	-	-	**190,391**	163,903
support costs and overheads	46,713	-	-	**46,713**	39,159
	237,104	-	-	**237,104**	203,062
Diocese support					
grant funded activity	419,400	-	-	**419,400**	432,000
support costs and overheads	1,844	-	-	**1,844**	2,117
	421,244	-	-	**421,244**	434,117
Clergy support:					
grant funded activity	34,800	-	-	**34,800**	80,200
support costs and overheads	5,839	-	-	**5,839**	11,906
	40,639	-	-	**40,639**	92,106
Libraries and Archives:					
grant funded activity	-	30,600	-	**30,600**	28,000
direct costs	-	8,200	-	**8,200**	7,800
support costs and overheads	-	7,544	-	**7,544**	7,288
	-	46,344	-	**46,344**	43,088
Grants to other institutions					
grant funded activity	29,500	-	-	**29,500**	58,000
support costs and overheads	1,229	-	-	**1,229**	1,322
	30,729	-	-	**30,729**	59,322
Tercentenary Grants					
grant funded activity	-	-	-	**-**	365,362
support costs and overheads	-	-	-	**-**	529
	-	-	-	**-**	365,891
Total costs of charitable activities	959,496	46,344	-	**1,005,840**	1,363,127
2024	1,320,039	43,088	-	1,363,127	

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The support costs and overheads of £7,544 allocated to the Libraries and Archives activities includes £5,700 detailed as restricted activities and £1,844 detailed as restricted support costs.

9. Trustees' remuneration and related party transactions

Trustees received no emoluments in the year (2024: £nil). Travel and accommodation expenses reimbursed to one trustee, in the year totalled £475 (2024 three trustees: £1,043).

The Rector of Lincoln College, Oxford is a trustee of the Charity. Under the terms of the will, scholarships and bursaries were paid to undergraduates and graduates of Lincoln College totalling £204,699 in 2025 (2024: £141,100) in addition to a grant for Tercentenary projects of £Nil (2024: £174,187). Other Trustees (the three Archdeacons) have an institutional interest in the Dioceses of Durham and of Newcastle. In 2025 annual grants of £180,000 (2024: £172,000) was paid to Newcastle Diocese and £239,400 (2024: £260,000) to Durham Diocese in addition to grants for Tercentenary projects of £Nil (2024: £100,000) and £Nil (2024: £91,175) respectively. On all occasions Trustees declare any institutional interest and take no part in the voting of such grants.

10. Comparative for Statement of Financial Activities (restated)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income and endowments from:				
Investments	1,703,137	1,842	110,126	**1,815,105**
Other	26,469	-	-	**26,469**
Total income and endowments	1,729,606	1,842	110,126	**1,841,574**
Expenditure on:				
Raising funds:				
Investment management costs	877,781	337	20,164	**898,282**
Charitable activities:				
Payments under the Will and to Lincoln College Oxford	165,541	-	-	**165,541**
Educational support of clergy dependants	203,062	-	-	**203,062**
Diocese support	434,117	-	-	**434,117**
Clergy support	92,106	-	-	**92,106**
Maintenance of Library	-	43,088	-	**43,088**
Miscellaneous charitable giving	425,213	-	-	**425,213**
Total cost of charitable activities	1,320,039	43,088	-	**1,363,127**
Total Expenditure	2,197,820	43,425	20,164	**2,261,409**
Net gains on investments	610,202	6,018	1,851,736	**2,467,956**
Net income/(expenditure)	141,988	(35,565)	1,941,698	**2,048,121**
Transfer between funds	(194,004)	41,246	152,758	-
Net movement in funds	(52,016)	5,681	2,094,456	**2,048,121**
Reconciliation of funds:				
Total fund brought forward	4,470,963	56,351	49,876,905	**54,404,219**
Total funds carried forward (restated)	4,418,947	62,032	51,971,361	**56,452,340**

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11. Fixed Asset Investments

11a. Unquoted Investments - Investment property

	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total Funds 2025**	Total Funds 2024
	£	£	£	**£**	£
Valuation as at 1 January 2025	-	-	45,494,926	**45,494,926**	43,857,738
Additions	-	-	-	**-**	152,758
Proceeds from disposals	-	-	(10,000)	**(10,000)**	(7,500)
Net increase on disposals and revaluations	-	-	8,659,454	**8,659,454**	1,491,930
Valuation as at 31 December 2025	-	-	54,144,380	**54,144,380**	45,494,926
Cost as at 31 December 2025	-	-	4,093,623	**4,093,623**	4,093,623

A formal quinquennial valuation of the properties was carried out by Savills as at 31 December 2025 to establish Fair Market Value and the property valuations included in the accounts as at this date reflect this red book valuation.

11b. Quoted Investments

	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total Funds 2025**	Total Funds 2024
	£	£	£	**£**	£
Investments at market value 1 January 2025 (restated)	6,529,321	62,032	3,408,752	**10,000,105**	9,378,778
Cash withdrawn (current year - under total return policy)	-	-	(500,000)	**(500,000)**	(300,000)
Management fees	(44,890)	(459)	(25,200)	**(70,549)**	(54,699)
Investment gains on disposals and revaluations	82,241	840	46,168	**129,249**	976,026
Investments at market value 31 December 2025	6,566,672	62,413	2,929,720	**9,558,805**	10,000,105
Cost as at 31 December 2025	6,111,275	57,323	2,649,987	**8,818,585**	9,435,971

Analysis of investments at market value

	Unrestricted Funds	Restricted Funds	Endowment Funds	**Total Funds 2025**	Total Funds 2024
	£	£	£	**£**	£
Quoted Investments	6,566,672	62,413	2,929,720	**9,558,805**	10,000,105
	6,566,672	62,413	2,929,720	**9,558,805**	10,000,105

The Charity operates the endowed element of its investment portfolio on a total return basis - see note 5.

Financial instruments measured at fair value equivalent to market value comprise quoted investments. The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Market conditions may limit the investment options available at any one time within the Charity's stated policy on risk and return.

As an organisation which has existed since 1721 and which in addition to its investment portfolio has large holdings of agricultural, commercial and residential property, the Charity is not solely reliant on dividend income from the investment portfolio and in general takes a long term view on investment policy and performance. The Charity manages these investment risks by retaining expert investment managers who manage the portfolio on a discretionary basis, with regular reporting to trustees and information provided electronically and available on line on at least a monthly basis. In addition the Trustees retain an independent investment adviser to assist them in monitoring and assessing the performance of the investment managers.

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12. Fund transfers

A transfer of £500,000 (2024: Nil) of unapplied total return has been made from the Endowment Fund to unrestricted funds. In 2024, a transfer of £152,758 was made from unrestricted funds to the Endowment Fund, representing the additions to the property portfolio (2025: Nil).

Transfers of £44,293 (2024: £41,246) have been made from unrestricted funds to the Libraries and Archives Trust Restricted Fund, representing the maintenance of the Durham and Newcastle Sharp Libraries.

A transfer of £250,000 (2024: Nil) from the Designated Fund to unrestricted reserves was made representing expenditure on major property repairs, fully utilising the fund.

13. Debtors

	Total Funds 2025	Total Funds 2024
	£	£
Prepayments	**20,517**	2,518
Accrued income	**21,503**	41,315
Amounts due from tenants	**69,943**	-
All debtors relate to Unrestricted Funds.	**111,963**	43,833

14. Creditors - Amounts falling due within one year

	Total Funds 2025	Total Funds 2024
	£	£
Accruals and sundry creditors	**85,031**	157,423
Trade creditors	**8,703**	56,620
Payroll taxes and Value Added Tax	**36,366**	39,078
Advances of rents	**-**	10,388
Deferred Income	**89,980**	78,991
Tenants' bonds	**64,948**	64,883
All creditors relate to Unrestricted Funds.	**285,028**	407,383

14a. Deferred Income

	Total Funds 2025	Total Funds 2024
	£	£
Deferred Income b/fwd	**78,991**	72,035
Deferred in the year	**89,980**	78,991
Released in the year	**(78,991)**	(72,035)
Deferred Income c/fwd	**89,980**	78,991

Deferred income relates to rental income received in advance.

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15. Endowment Fund

	Balance as at 1 January 2025 (restated)	Incoming Resources	Amounts Expended	Gains / (Losses) on investments	Transfers	**Balance as at 31 December 2025**
	£	£	£	£	£	**£**
Personal Estate	51,971,361	112,728	(25,200)	8,705,622	(500,000)	**60,264,511**

	Balance as at 1 January 2024	Incoming Resources (restated)	Amounts Expended (restated)	Gains / (Losses) on investments (restated)	Transfers	**Balance as at 31 December (restated) 2024**
	£	£	£	£	£	**£**
Personal Estate (restated)	49,876,905	110,126	(20,164)	1,851,736	152,758	**51,971,361**

The Personal Estate comprises the endowed properties set out in the Schedule to the Scheme of 8 August 1974, together with expenditure incurred to date of £1,557,315 which enhanced the capital value of investment properties of the Personal Estate. All profits realised on disposals of property are added to the Personal Estate Account.

As described in Note 5, £3,552,484 of the £60,264,511 balance is a permanent endowment fund operated on a total return basis. This represents the endowed listed investments within the endowment fund.

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16. Restricted Funds

	Balance as at 1 January (restated) 2025	Incoming Restricted funds	Outgoing Restricted funds	Gains / (Losses) on investments	Transfers	**Balance as at 31 December 2025**
	£	£	£	£	£	**£**
Libraries & Archives Trust Fund:						
Personal Estate Account	29,128	-	-	-	-	**29,128**
Revenue Account	32,904	2,051	(46,803)	840	44,293	**33,285**
	62,032	2,051	(46,803)	840	44,293	**62,413**

	Balance as at 1 January (restated) 2024	Incoming Restricted funds (restated)	Outgoing Restricted funds	Gains / (Losses) on investments (restated)	Transfers (restated)	**Balance as at 31 December (restated) 2024**
	£	£	£	£	£	**£**
Libraries & Archives Trust Fund:						
Personal Estate Account	29,128	-	-	-	-	**29,128**
Revenue Account	27,223	1,842	(43,425)	6,018	41,246	**32,904**
	56,351	1,842	(43,425)	6,018	41,246	**62,032**

The Scheme of 8 August 1974 provides for the upkeep and provision of accommodation for the library of Dr Sharp. The income arising from the Personal Estate investments is primarily to be applied to this purpose. Surplus revenue is accounted for within the Revenue Account.

17. Designated Funds

	Balance as at 1 January 2025	Designations from Revenue	Expenditure movements	Gains / (Losses) on investments	Transfers	**Balance as at 31 December 2025**
	£	£	£	£	£	**£**
Extraordinary Repair Fund	250,000	-	-	-	(250,000)	**-**
	250,000	-	-	-	(250,000)	**-**

	Balance as at 1 January 2024	Designations from Revenue	Expenditure movements	Gains / (Losses) on investments	Transfers	**Balance as at 31 December 2024**
	£	£	£	£	£	**£**
Extraordinary Repair Fund	250,000	-	-	-	-	**250,000**
	250,000	-	-	-	-	**250,000**

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The Trustees have been directed by the Charity Commissioners by an Order dated 30 November 1992 that the Extraordinary Repair Fund shall be maintained by transfer to it, out of the Charity's income, of such annual sum sufficient for the purposes of the Fund which is to provide for extraordinary repairs, improvements or rebuilding of property of the Charity. The Extraordinary Repair Fund can be expended on Permanent Endowment property in almost any way. The expenditure could include adding extensions to existing buildings. The fund was reclassified as a designated fund during the year ended 31 December 2005.

During the year, £250,000 was transferred from the designated Fund to Unrestricted Reserves as £560,705 was expended on major property repairs fully utilising the Extraordinary Repair Fund.

18. Summary of Funds

	Note	Funds brought forward 1 January 2025	Incoming resources	Expenditure	Transfers	Gains / (losses)	**Funds carried forward 31 December 2025**
		£	£	£	£	£	**£**
Unrestricted funds							
General		4,168,947	1,695,996	(2,166,854)	705,707	82,241	**4,486,037**
Designated	17	250,000	-	-	(250,000)	-	**-**
		4,418,947	1,695,996	(2,166,854)	455,707	82,241	**4,486,037**
Restricted funds	16	62,032	2,051	(46,803)	44,293	840	**62,413**
Endowment funds	15	51,971,361	112,728	(25,200)	(500,000)	8,705,622	**60,264,511**
Total funds		56,452,340	1,810,775	(2,238,857)	-	8,788,703	**64,812,961**

Year ended 31 December 2004 restated	Funds brought forward 1 January 2024	Incoming resources	Expenditure	Transfers	Gains / (losses)	**Funds carried forward 31 December 2024**
	£	£	£	£	£	**£**
Unrestricted funds						
General	4,220,963	1,729,606	(2,197,820)	(194,004)	610,202	**4,168,947**
Designated	250,000	-	-	-	-	**250,000**
	4,470,963	1,729,606	(2,197,820)	(194,004)	610,202	**4,418,947**
Restricted funds	56,351	1,842	(43,425)	41,246	6,018	**62,032**
Endowment funds	49,876,905	110,126	(20,164)	152,758	1,851,736	**51,971,361**
Total funds	54,404,219	1,841,574	(2,261,409)	-	2,467,956	**56,452,340**

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19. Reconciliation of net income to net cash flow from operating activities

	2025	2024
	£	£
Net income	**8,360,621**	2,048,121
Adjustments for:		
Other investments management charges	**70,549**	54,699
(Gains) / Losses on investments	**(8,788,703)**	(2,467,956)
Dividends, distributions, interest and rents from investments	**(1,810,775)**	(1,841,574)
Decrease/(increase) in debtors	**15,040**	101,756
Increase/(decrease) in creditors	**(122,355)**	(136,956)
Net cash used in operating acivities	**(2,275,623)**	(2,241,910)

20. Financial commitments

Financial commitments entered into at the end of the financial year were as follows:	**2025**	2024
	£	£
Contracted for but not provided for in the accounts	**217,356**	333,617

21. Grant Commitments

Grants awarded for payment in subsequent years, subject to certain conditions that are required to be met, therefore are not included in year end liabilities.

	2025	2024
	£	£
Education Grants awarded for payment in January and May 2026	**107,394**	131,983
	107,394	131,983

22. Contingent Liabilities

Contingent liabilities can exist in connection with tenants' improvements to properties where a change of tenant arises. In these circumstances, depending on the age and nature of the lease, the Trustees, as landlord, may be obliged to purchase the benefit of the outgoing tenant's improvements at an agreed value.

As at 31 December 2025 there were no immediate contingent liabilities of which the Trustees were aware in connection with agricultural leases. No contingent liabilities existed in respect of other leases.

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23. Heritage Assets

As disclosed in Note 1 (Accounting policies), the Trustees consider that three categories of assets are Heritage Assets and can be summarised as follows:

Asset category	Details
Sharp Library	Mostly modern books held for theological research.
Bamburgh Library	The library comprises of music books and manuscripts and early printed works.
Archives at Woodhorn, the Northumberland Archives	This comprises maps and estate records dating from 1709 to the late 1900s.

The two Sharp Libraries (Durham and Newcastle) provide access to extensive collections of modern theology books for clergy, ordinands, and other Diocesan academic readers who may not have access to the libraries of University departments or other Higher Education institutions. They are also accessible to Theology students in addition to their academic libraries.

The Bamburgh Library held in the Special Collections Department of Durham University Library at Palace Green is an historic library of similar significance to the neighbouring Bishop Cosin's Library. The Bamburgh Library has its origins in the holdings of the Sharp family. These were partly sold to and partly gifted to the Trustees by Archdeacon Sharp in the late eighteenth century. It operated as a public lending library in Bamburgh Castle, even after the sale of the castle to Lord Armstrong. In 1958 it was moved to Durham. It includes notable collections of early science, history and anti-slavery literature, with volumes from the 17th Century onwards and a number of medieval manuscripts. The collection is of considerable academic and historical interest.

The Bamburgh Music Collection held at Durham Cathedral Library comprises around 40 music manuscripts, including secular and sacred, vocal and instrumental items. These are largely 17th and 18th century and were copied either by or for members of the Sharp family. They also include some music from the collection of the Hon. Edward Finch (1664-1738).

The Trustees consider that obtaining valuations for the books and other heritage assets in its care would involve disproportionate costs compared with the benefits derived by users of the accounts. Consequently no values are attributed to heritage assets in the balance sheet.

Further information relating to the management of and access to the assets is provided within the Activities for Achieving Objectives section of the Trustees' Report.

24. Prior Period Adjustment

In the year ended 31 December 2024 the Charity adopted Total Return Accounting for the listed investments within its permanent endowment fund, however at the point of adoption the identification of the original endowment fund included certain investments on which Total Return Accounting should not be applied, which represents an error in the 2024 financial statements. Within these 2025 accounts the comparative figures have been restated to correct the identification of this original endowment fund and the allocation of certain income, expenditure and gains across the funds of the Charity, in line with the revised resolution dated 31 July 2026.

The above restatement has no impact on the overall reported results or net assets as at 31 December 2024, however has changed the allocation of the funds carried forward as follows:

Restated unrestricted funds at 31 December 2024 - £4,418,947 (previously reported - £4,425,133).
Restated restricted funds at 31 December 2024 - £62,032 (previously reported - £62,525).
Restated endowment funds at 31 December 2024 - £51,971,361 (previously reported - £51,964,682) of which £3,918,788 was subject to Total Return Accounting (previously reported - £10,894,064).

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