Trustees' Report and Financial Statements

For the year ended 31st December 2025

GUY HARLINGS ESTATE

Registered Charity 1170653

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ADMINISTRATIVE DETAILS OF THE CHARITY AND ITS TRUSTEES

Registered Charity Number 1170653

Trustees

The Very Revd Dr J Martin (appointed 07.03.2025)
B Smith
The Venerable J Croucher (appointed 13.05.2025)
Canon M Southworth (appointed 13.05.2025)
J Horseman-Sewell (appointed 20.05.2025)
D Edgar (appointed 20.05.2025)

The Bishop of Chelmsford (resigned 17.09.25)
B M Greatrex (resigned 20.05.2025)
P Kemp (resigned 20.05.2025)
The Venerable M Power (resigned 13.05.2025)
L R Rudd (resigned 13.05.2025)

Principal Office

The Cathedral Office, 53 New Street, Chelmsford, Essex CM1 1TY

Secretary

J Horseman Sewell - Chief Operating Officer Chelmsford Cathedral

Independent Examiner

Mrs E Daniels

Banking Services

Barclays Bank
CCLA Investment Management Ltd

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report together with the financial statements for the period 1 January 2025 to 31 December 2025.

Structure and Governance

The unincorporated association was created by a Charity Commission scheme dated 8 September 1977 and amended by subsequent schemes dated 23 October 1981 and 16 July 2001. The Charity was restored to the Charity Commission register on 9 December 2016 with a registration number of 1170653.

The Chelmsford Diocesan Board of Finance acts as custodian trustee for the land, buildings and investments.

Objectives and Activities

a. Policies and objectives

The Managing Trustees may appropriate from time to time such part or parts of the land specified in the schedule to the Trust Deed as they think fit as the site for a Diocesan and Cathedral Centre for the training and care of the clergy and laity and such other charitable purposes of the Church of England, primarily but not exclusively in the said Diocese of Chelmsford, as the Managing Trustees with the consent of the Bishop of Chelmsford.

The Managing Trustees shall first defray out of the income of the Charity the cost of repairs and insurance and all other charges and outgoings payable in respect of the property of the Charity and all the proper costs, charges and expenses of and incidental to the administration and management of the Charity.

The Managing Trustees shall out of the yearly income of the Charity:

- Pay the stipends or salaries of any suffragan bishops or assistant bishops of the Diocese of Chelmsford whose stipends or salaries are no longer paid by the Church Commissioners;
- Supplement the stipends or salaries of any such bishops or pay the reasonable expenses incurred by them to the extent that such stipends, salaries or expenses have not been paid by the Church Commissioners, provided that the income of the Charity shall not be applied in such a way as to relieve the funds of the Church Commissioners.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance.

b. Activities for achieving objectives

The organisation manages the endowment of the estate and uses its income to maintain the accommodation and activities of the Diocese and Cathedral. It does not pay stipends or expenses of any bishops as these are paid by the Church Commissioners.

Achievements and performance

a. Review of activities

The Trust continued to maintain the trees and grounds of the estate which is registered as a Conservation Area. The buildings are having essential repairs completed whilst funding for more extensive repairs is found.

Essential work was carried out to the trees following a tree survey.

The grounds were once again hired to a local educational institution.

b. Investment policy and performance

The Trustees regularly review the performance of the investments which are currently invested with CCLA Investment Management Ltd. The objective is to create sufficient income and capital growth to meet the purposes of the charity in maintaining the Diocesan and Cathedral Offices.

The trust invests in line with the Church of England ethical guidelines.

It has a minimum target total return of CPI + 4% long term and in 2025 the total return in the year was a disappointing -1.6% (2024: 5.1%).

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

Financial review

a. Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of at least 12 months from the date of approval of these financial statements.

The investment returns have been poor for two years which has adversely affected the Unapplied Total Return balance to the extent that there was no transfer to income in 2025 and 2026 is also likely to be affected. The Cathedral and CDBF have agreed to support the cashflow for 2026 by £20k and the trustees have resolved to borrow up to 25% of the main endowment investment to fund a building maintenance program over 5 years with the loan being repaid over 20 years. The garden income stream is to be increased if possible.

Factors considered include:

- **Investment returns** are kept under review to ensure that, over time, they outperform cpi to maintain a positive balance in the unapplied total return account (see note 10). Inflation is now falling but the markets are not yet showing consistent signs of recovery.

- **Costs of building and garden maintenance** are reviewed along with prioritisation of work to ensure safe working conditons for the Cathedral and Diocese.

- **Use of professional surveyors** to advise on building and tree maintenance.

- **Insurance cover** is sufficient for unpredictable hazards.

Trustees review the financial position and cashflow of the charity at each trustee meeting and believe they can put enough safeguards in place to support the charity until the investment returns increase sufficiently. The trustees are content to continue to adopt the going concern basis in preparing the finanicial statements.

b. Financial review of 2025

Guy Harlings Estate recorded deficits of £5k on its general fund and £18k on its endowment fund for the year, due entirely to the loss in value of investments. The income of £12k for facilities hire and £20k for investment income was about on budget, whilst expenditure was £15k less than budget mainly due to not starting on the building maintenance. This work will be starting in 2026. The care of the buildings and grounds is essential to the charitable provision of facilities and more will be expended in the coming years following a building survey in March 2025. The general fund closed the year with £25k in reserves which is slightly lower than the target of £30k due to not being able to transfer any income from the Unapplied Total Return account.

There are two separate investments in the permanent endowment fund. Both experienced a loss in value in 2025 of an average 1.6% due to the poor results from CCLA Investment managers.
One investment is under a Charity Commission recoupment order and cannot be drawn upon until 2041. Its value at the end 2025 was £506k (2024: £515k). The other investment is being used in a Total Return Account with a 3% share of investment growth being allocated to income; see note 10. Its value at end 2025 was £686k (2024: £715k).
The total endowment fund is £1,211k (2024: £1,228k) and a total of all funds of £1,235k (2024: £1,258k).

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

Financial review (continued)

The Trustees are limited by the Charity Commission recoupment order and the Charity Commission endowment fund rules on the amount that can be drawn from the investments which makes any substantial improvements or repairs to the facilities difficult to finance. The Trustees have resolved to borrow up to 25% of the available endowment investment over 20 years by which time the income from the recoupment investment will become available. The loan will be used to carry out the 5 year building maintenance plan supplied in March 2025.

c. Investment Policy

The Trustees use the CCLA Investment Management Ltd to hold its investments as it requires them to be managed using ethical, social, environmental and sustainable considerations when selecting companies for investment.

d. Principal Risks and Uncertainties

- **Financial:** The risk posed by lack of available finance to pay for essential work on the buildings and land. The trustees review the investment returns and use the option of Total Return Accounting which incorporates a six-year funding plan for the building maintenance.
- **Building Failure**: The risk of major structural failure in the buildings. The trustees have commissioned a survey of the various buildings on site which shows that maintenance work on roofs and walls is required but has not uncovered anything unexpected.
- **Health and Safety on site**: The risk of accident or injury on site caused by falling trees or masonary and uneven surfaces. The trustees have the trees surveyed regularly and the building has a maintenance plan. The work is prioritised according to risk. Public liability insurance is reviewed each year. The trustees have been made aware that trespassers entering the garden and car park may pose a risk to the Cathedral and Diocese staff and visitors. Plans are in place to make the grounds more secure with extra fencing and gates.

Structure, governance and management

a. Constitution

The principal object of the charity is to appropriate such parts of the land and property as the site for a Diocesan and Cathedral Centre for the training and care of the clergy and laity and such other charitable purposes of the Church of England.

b. Method of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Charity Commission Scheme.

c. Organisational structure and decision making

Three trustees are appointed by the Cathedral Chapter and a further three appointed by the Bishop's Council of the Chelmsford Diocesan Synod. The Bishop of Chelmsford no longer sits on the body of Managing Trustees. The Trustees meet at least twice a year and their decisions are actioned by staff within the Cathedral or Diocese as the trust has no employees.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025 (Continued)

Trustees' responsibilities statement

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures 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 are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

This report was approved by the Trustees on:

and signed on their behalf by:



Report to the Trustees of Guy Harlings Estate
On Accounts for the Year Ended 31st December 2025
Set out on pages: 9 to 15

Responsibilities and Basis of Report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2025

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiners Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: ..... **Date:** 21.9.2026

Name: **Emma Daniels**

Relevant Professional Qualification: ACCA

Address: Black Swan Cottage
Long Lane
Hullbridge
SS5 6BA

Statement of Financial Activities
Year Ended 31st December 2025

	Unrestricted Funds £	Endowment Funds £	Total Funds £	Prior Year £
Income From:				
Charitable Activities				
Facilities Hire	12,240		12,240	10,925
			-	-
Total Income from Activities	12,240	-	12,240	10,925
Investment Income				
Interest	871		871	809
Dividend Income		19,861	19,861	19,397
Total Income from Investments	871	19,861	20,732	20,206
Total Income	13,111	19,861	32,972	31,131
Expenditure on:				
Charitable Activities				
Garden maintenance	5,082		5,082	5,845
Tree surgeon	-		-	8,016
Building maintenance	-		-	23,220
Building insurance	2,458		2,458	2,358
Legal & professional fees	9,360		9,360	-
Trustee Liability Insurance	308		308	553
Total Exp on Charitable Activities	17,208	-	17,208	39,992
Net Income/(Expenditure) before Investment Gains	**(4,097)**	**19,861**	**15,764**	(8,861)
Net Gains/(Losses) on Investments		(38,635)	(38,635)	40,882
Net Income/(Expenditure) before Transfers	**(4,097)**	**(18,775)**	**(22,872)**	32,021
Transfers between funds	(1,080)	1,080	-	-
Transfer from unapplied total return	-	-	-	-
Net Movement in Funds	**(5,177)**	**(17,695)**	**(22,872)**	32,021
Reconciliation of Funds:				
Total Funds Brought Forward	29,908	1,228,387	1,258,295	1,226,274
Total Funds Carried Forward	**24,731**	**1,210,693**	**1,235,424**	1,258,295

Balance Sheet
Year Ended 31st December 2025

	Note	Unrestricted Funds £	Endowment Funds £	**Total Funds £**	Prior Year £
Fixed assets					
Tangible Fixed Assets	4	-	-	-	-
Investments	5	1,692	1,190,832	**1,192,524**	1,230,079
Total fixed assets		1,692	1,190,832	**1,192,524**	1,230,079
Current assets					
Debtors		747		**747**	20,971
Cash at bank and in hand		22,292	19,861	**42,153**	29,536
Total current assets		23,039	19,861	**42,900**	50,507
Creditors: amounts falling due within one year	6	-		-	(22,291)
Net Assets		**24,731**	**1,210,693**	**1,235,424**	1,258,295
Charity Funds					
Endowment funds	7		1,210,693	**1,210,693**	1,228,387
Unrestricted funds	7	24,731		**24,731**	29,908
Total funds		**24,731**	**1,210,693**	**1,235,424**	1,258,295

The financial statements were approved by the Trustees on

and signed on their behalf, by:



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2025

Note 1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.
Guy Harlings Estate constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Endowment funds are funds for which the capital must be retained either permanently or at the Trustees' discretion; the income derived from the endowment is to be used in accordance with the conditions attached to the endowment.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the receipt of volunteer time is not recognised in the accounts but the nature of their contribution would be referred to in the Trustees' Report and notes if applicable.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2025
(continued)

1.4 Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.5 Investments
Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.6 Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

1.7 Debtors
Trade and other debtors are recognised at the settlement amount.
Prepayments are valued at the amount prepaid.

1.8 Cash at Bank and in hand
Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Liabilities and provisions
Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2025
(continued)

Note 2 NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	This year	Last year
	£	£
Fees for examination of the accounts	-	-
Independent examiner's fees		

Note 3 STAFF COSTS

	This year	Last year
	£	£
Amounts paid to Chelmsford Cathedral for secretarial work	-	-

During the year, no Trustees received any remuneration, benefits-in-kind or reimbursement of expenses (2024 - £Nil)

Note 4 TANGIBLE FIXED ASSETS

The Trustees are effectively caretakers for the land and buildings at 53 New Street, Chelmsford which are to be used for the purposes described in the Charity's objectives. The value of this Asset is not recognised in the Balance Sheet as the covenants and agreements attaching to the land make its valuation impracticable to determine.

Note 5 FIXED ASSET INVESTMENTS

Market value	This Year	Last Year
	£	£
At 1 January 2025	**1,230,079**	**1,188,117**
Additions	**1,080**	**1,080**
Sales		
Revaluations	**(38,635)**	**40,882**
At 31 December 2025	**1,192,524**	**1,230,079**

Investments held by fund	General Fund	Endowment Fund	**Total Funds**	**Total Funds**
At 31st December 2025	£	£		
Listed investments	1,692	1,190,832	**1,192,524**	**1,230,079**

Investments at market value comprise of units or shares purchased in common investment funds administered by CCLA Investment Management Limited in the UK.

The Funds are actively managed, diversified portfolios of assets with an emphasis on equities but will also include property, bonds and other asset classes, which may be either liquid or illiquid in nature. Exposure to these assets may be via direct holdings or through investment funds, including those managed by the Manager. The Funds are managed in accordance with the policies of the Church of England's Ethical Investment Advisory Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2025
(continued)

Note 6 DEBTORS

	This year £	Last year £
Debtors	-	-
Prepayments	747	20,971
	747	20,971

Note 7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	This year £	Last year £
Accruals	-	22,291

Note 8 STATEMENT OF FUNDS

	Brought Forward	Income	Expenditure	Transfers	Gains/ (Losses)	Carried Forward
Unrestricted Funds:						
General Fund	29,908	13,111	(17,208)	(1,080)		**24,731**
Endowment Funds:	1,228,387	19,861	-	1,080	(38,635)	**1,210,693**
	1,258,295	32,972	(17,208)	-	(38,635)	**1,235,424**

Note 9 RELATED PARTY TRANSACTIONS

As described in the Trustees Report, the Charity makes available office space to both Chelmsford Cathedral (the Cathedral) and the Chelmsford Diocesan Board of Finance (CDBF). Day to day maintenance expenditure is the responsibility of the Cathedral and the CDBF.

Trustees elected by the Cathedral Chapter:
The Very Revd Dr J Martin, Dean and member of Cathedral Chapter
Mrs J Horseman-Sewell, employee and Chief Operating Officer
D Edgar, employee and Chief Finance Officer
B Greatrex (resigned 20.05.2025), Cathedral Estates Committee Member

Trustees elected by CDBF
The Bishop of Chelmsford (resigned 17.09.2025), President of CDBF
The Venerable M Power (resigned 13.05.2025), Archdeacon and Trustee of CDBF
The Venerable J Croucher, Archdeacon and Trustee of CDBF
Mrs M Southworth, employee and Chief Executive & Diocesan Secretary
Mr B Smith - Finance Executive Committee Member CDBF

The Chelmsford Diocesan Board of Finance reimbursed the trust for 70% of garden maintenance costs and building insurance costs in accordance with its Licence to Occupy.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2025
(continued)

Note 10 TOTAL RETURN ACCOUNTING

From 1 January 2021 the trustees of Guy Harlings Estate adopted a total return approach to one of its investments in its Endowment Funds.
This change treats fund growth as part of the overall income of the investment along with the dividends. The income stays within the fund in the 'Unapplied Total Return' (UTR) until it is transferred to the General Fund in accordance with agreed principles. The original investment value will be protected by allocating cpi indexation from the UTR. The balance of the UTR will remain with the investment until a share sale is required to release the income to the General Fund.
The difference in practice is that the dividends are already being transferred to the General Fund and shares will be sold to top up this amount to match 'the amount allocated to income'.
The initial base value for implementing total return was determined at 1 January 2021. This value being £538,948. The unapplied total return was calculated to be £111,669.
The principles were resolved for application in 2021. The annual percentage to transfer to the General Fund to supplement revenue was agreed at 3.8% for 2021 and 3.0% for future years, unless a particular project requires more funding.
The indexation of the base values is calculated using the National CPI index.

	2025		
Investment name: GUYHA01	Trust for investment	Unapplied Total Return	Total endowment
As at 1 January			
Base Value of the permanent endowment	669,242		669,242
Unapplied total return		43,814	43,814
	669,242	43,814	713,056
Movements in the year:			
Investment income: dividends & interest		19,860	19,860
Investment return: realised and unrealised gains		(28,574)	(28,574)
Management fees		-	-
Add ndexation to original endowment	22,209	(22,209)	-
Unapplied total return allocated to income		-	-
			-
Net movements in the year	22,209	(30,923)	(8,714)
As at 31 December			
Base Value of the permanent endowment	691,451		691,451
Unapplied total return		12,891	12,891
Valuation as at 31 December	691,451	12,891	704,342