Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

REGISTERED CHARITY NUMBER: 1201828

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2025
for

The Hereford Cathedral Almshouses Charity
(Charitable Incorporated Organisation)

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Page
Annual Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cashflow Statement	11
Notes to the Cashflow Statement	12
Notes to the Financial Statements	13 to 19

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their report with the financial statements of the charity for the year ended 31 December 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition, 1 January 2019).

OBJECTIVES AND ACTIVITIES

The objectives of the Charitable Incorporated Organisation (CIO)

In accordance with its Constitution, the objects of the CIO are:

(a) the relief of poverty by the provision of almshouse accommodation for poor persons with a preference for persons resident in the Diocese of Hereford, and

(b) relieving either generally or individually persons who are in need, hardship or distress by providing grants, items and services to individuals in need and/or charities or other organisations working to support such persons.

Background and principal activities

At the end of 2011, the charities of Saint Katherine's Hospital and The Hospital of Saint Ethelbert merged into one charity, Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575). The trustees believed the merger of the two charities would provide sufficient combined invested funds to continue the process of providing supported accommodation for elderly and vulnerable people. The Trustee of the combined charity was the Chapter of Hereford Cathedral.

During 2022-2023 work was undertaken to set up this Charitable Incorporated Organisation (CIO), known as The Hereford Cathedral Almshouses Charity, and to prepare for a merger and transfer of assets, liabilities and all operations from the Hereford Cathedral Almshouse Charity of St Katherine and St Ethelbert (registered charity number 218575). The intention of setting up the new CIO was to allow expansion of the trustee body to include more specialised skills, to enable the charity's activities to extend to new or other almshouses, and to improve governance by providing a degree of separation from the previous charity's sole Trustee, the Chapter of Hereford Cathedral, which had itself also registered as a charity during the year.

The new CIO nevertheless retains close links with Hereford Cathedral, an active Christian church, and is run and governed by Christians motivated by the gospel to provide for those in need. Beneficiaries are not necessarily required to be people of faith, but the ethos and operation of the Charity are rooted in the gospel of Jesus Christ.

There are 21 almshouse units available for occupation in Hereford and Ledbury. A small monthly charge is made for the occupation of the almshouses which, together with the property and investment income, allows the trustees to provide a high level of maintenance of the building and almshouses, as well as providing other support for the residents. Vacancies for almshouses are advertised locally, and applicants are assessed by the trustees against a number of criteria, the most significant of which are financial need and a history of local service to the community.

The trustees responded to an approach by the trustees of Coningsby's Hospital, another Hereford almshouse charity with seven almshouse units, and considered a request that the charity be merged with the Hereford Cathedral Almshouses Charity. The merger was agreed in principle and the Coningsby's Hospital trustees have begun work towards Charity Commission approval for the merger. This work was still in progress at the end of the year.

Public benefit

The Charity aims to alleviate poverty by the provision of almshouse accommodation and in relieving either generally or individually persons who are in need, hardship or distress.

Within the scope of the Charity's purposes for the relief of 'need, hardship or distress' the trustees give financial support for agencies working among the needy and vulnerable in the city of Hereford.

Grant-making

Grants are made to other institutions or individuals where the need is consistent with the charity's objects.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

FINANCIAL REVIEW

Investment policy and performance

The trustees have considered the most appropriate policy for investing funds and consider that their current mix of investment properties and investments at Rathbone Investment Management Ltd meet their requirements for both income and capital growth. Investments are held for long term, and the trustees continue to monitor performance on a regular basis.

Following the sale of pastureland at Almshall, the market value of the Charity's remaining investment properties at 31 December 2025 amounted to £2,770,000 (2024: £3,575,000) and its investment portfolio (including cash held for investment) at 31 December 2025 amounted to £7,257,327 (2024: £7,129,615).

Reserves policy

The Charity will in future maintain a reserves policy to ensure sufficient funding for future repairs necessary to maintain the historic almshouse accommodation and for any improvements to the Charity's investment properties necessary to secure increasing returns on investment. Consideration is being given to the options for best use of any future funds to further the Charity's objectives beyond the annual expenditure of the income.

The Charity's reserves consist of three main areas, the purpose and impact of which are shown below:

1. Property reserves. These are physical assets such as building or land which are used to deliver the Charity's objectives.
2. Liquid resources. Cash or easily accessible funds set aside to cover three months of operating expenses. This provides a financial buffer for short-term uncertainties or emergencies, ensuring continuity of the activities of the Charity.
3. Investments. Capital is retained and invested to generate investment income. The income from these investments is used to maintain the properties, reducing the need to use capital funds for the Charity's running costs.

This policy supports the longevity of the Charity in the following ways:

1. Preservation of capital. By not spending the capital tied up in property or investments, the Charity maintains its asset base.
2. Sustainable income. Investment returns provide a steady income stream, particularly for property upkeep.
3. Operational stability. Liquid reserves ensure the Charity can weather short-term financial challenges.

Review of activities during the year

Details of the financial position of the Charity are set out within these financial statements.

For the year ended 31 December 2025, net income before investment gains/(losses) amounted to a loss of £276,953 (2024: loss of £44,254).

Agricultural land at Almshall valued at £875,000 was sold in the year for £1,250,000 providing a realised gain of £375,000. The trustees arranged for a desktop revaluation of all their remaining properties by the professional valuers, Bruton Knowles, at 31 December 2025. This revaluation at the year-end gave rise to an unrealised gain on the investment properties of further £70,000 bringing the total gain in the year to £445,000 (2024: £615,000). The revaluation also produced an unrealised gain on the tangible fixed assets of £25,000 (2024: a loss of £80,000).

The properties covered by the valuation are as follows: -
1-6 St Ethelbert's Hospital, Hereford (social housing provided by the Charity);
1-16 St Katherine's Hospital, Ledbury (social housing provided by the Charity);
17 St Katherine's Hospital, Ledbury (guest flat);
St Katherine's Chapel and Hall, Ledbury;
Nos. 4 & No 6 St Ethelbert Street, Hereford, including ground-floor and upper-floor flats;
Hidelow & Copley Farm, Acton Beauchamp, Herefordshire;
Land at Lyde, Hereford.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

Funds
The Statement of Financial Activities summarises the income and expenditure and these are analysed between unrestricted funds and restricted funds. Restricted funds are funds subject to specific usage declared by donors. Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity.

Risk and risk management
In determining the charitable activity undertaken the trustees have had due regard to the guidance of the Charity Commission as required under section 17 of the Charities Act 2011.

Risk management policies from the merging registered charity have been adopted in full from the date of the merger. The main risk the charity faces is poor return on investment assets. The trustees feel this is mitigated as mentioned above. Without the investment income, the properties would not be able to be maintained to an appropriate standard. The trustees keep this under review at all times and have appointed an independent person to oversee the management of the investments by Rathbones and report to the trustees at least once a year.

The provision of funds to Vennture for the purchase of the Merton Hotel is subject to a legal mortgage to allow a clawback, should the project to convert into accommodation not go ahead.

FUTURE PLANS

The almshouses will continue to be suitably maintained. During 2025, the trustees considered and approved further funding of structural improvements to the properties at St Katherine's which will improve safety and reduce environmental impact.

The Charity also agreed, subject to Charity Commission approval being received by the trustees of Coningsby's Hospital, to merge with that Hospital, being another almshouse charity in Hereford with seven units of accommodation. This will enable the Hospital to continue its work on a more secure footing. Legal and financial due diligence is being undertaken before formal steps are taken.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document
The Charity is a charitable incorporated organisation controlled by its governing document; a constitution dated 3 February 2023.

Organisational structure
The Charity is managed by a Board of Trustees. The trustees are responsible for the overall strategy and financial commitments of the Charity and are supported in this by staff provided by Hereford Cathedral, and an Almshouses Liaison Officer for the Ledbury almshouses, who oversees the day-to-day operations of the Charity at that location.

Recruitment and appointment of new trustees
Appointed trustees are recruited through open advertisement in the local community. Three members of the Chapter of Hereford Cathedral are automatically appointed ex-officio trustees of the Charity.

Induction and training of new trustees
New trustees are briefed appropriately on their duties as trustees and are asked to read Charity Commission guidance and attend courses covering the responsibilities of trustees.

Related parties
The Chapter of Hereford Cathedral (registered charity no. 1205397) shares a minority of trustees with the Charity and provides the Charity with office, fabric and management support under a Services Agreement.

Rent policy
The Charity does not charge rent but applies a monthly maintenance payment charge for residents. The trustees will consider and agree the charges annually for each forthcoming year having regard to inflation and other relevant factors.

Repairs and maintenance policy
Following each quinquennial review for all properties, the trustees will consider and agree priorities and formulate a works programme to carry out the necessary repairs.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1201828

Principal address
5 College Cloisters
The Close
Hereford
Herefordshire
HR1 2NG

Trustees
The Trustees of the Charity during the year are listed below:

The Very Revd Sarah Brown	
The Revd Canon Andrew Piper	(Resigned 30 September 2025)
Canon Dr Duncan Jones	
Mrs Julia Steels	
Mr Jeremy Wilding	
Mrs Barbara Gratton	(Resigned 21 April 2026)
The Revd Dr Belinda Stanley	(Appointed 12 November 2024)
Mr Rob Haydn Jones	(Appointed 5 August 2025)
Mr Alistair McHarg	(Appointed 5 August 2025)

Auditors
Hazlewoods LLP
Staverton Court
Staverton
Cheltenham
GL51 0UX

Solicitors
HCR Legal LLP
Thorpe House
29 Broad Street
Hereford
HR4 9AR

Bankers
Lloyds Bank plc
8 High Town
Hereford, HR1 2AE

Investment advisers
Rathbone Investment Management Ltd
30 Gresham Street
London, EC2V 7QN

Investment powers
The trustees have wide powers of investment.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those 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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which 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, 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.

Approved by order of the Board of Trustees on 21st July 2026 and signed on its behalf by:

Sarah Brown
.....
The Very Revd S Brown – on behalf of the Trustees

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY FOR THE YEAR ENDED 31 DECEMBER 2025

Opinion

We have audited the financial statements of The Hereford Cathedral Almshouses Charity for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, the cashflow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the charity's net movement in funds 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 have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 Auditor's 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 FRC'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity 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 for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

Auditor's responsibilities for the audit of the financial statements

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the charity's industry and its control environment and reviewed the charity's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charity operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Charities Act 2011 and tax legislation, and those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

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

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Scott Lawrence

Scott Lawrence (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Date 23/7/2026

Staverton Court
Staverton
Cheltenham
GL51 0UX

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	31.12.25 Total Unrestricted Funds £	31.12.24 Total Unrestricted Funds £
INCOME AND ENDOWMENTS FROM:			
Charitable activities			
Investment income	2	218,467	211,142
Social housing	3	36,355	33,611
Other income	4	61,277	-
Total		316,099	244,753
EXPENDITURE ON:			
Raising funds	5	70,802	57,240
Charitable activities			
Social housing	6	522,250	231,767
Total		593,052	289,007
Deficit before other gains/(losses)		(276,953)	(44,254)
Net gain on investments	11	374,232	560,987
Net gain on investment property	12	445,000	615,000
NET (EXPENDITURE)/INCOME		542,279	1,131,733
Gain/(loss) on revaluation of tangible fixed assets	10	25,000	(80,000)
Net movement in funds		567,279	1,051,733
RECONCILIATION OF FUNDS			
Total funds brought forward		11,840,757	10,789,024
TOTAL FUNDS CARRIED FORWARD		12,408,036	11,840,757

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes on pages 13 to 19 form part of these financial statements.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

BALANCE SHEET
AT 31 DECEMBER 2025

	Notes	31.12.25 £	31.12.24 £
FIXED ASSETS			
Tangible assets	10	1,175,000	1,150,000
INVESTMENTS			
Investments	11	7,257,327	7,129,615
Investment property	12	2,770,000	3,575,000
		11,202,327	11,854,615
CURRENT ASSETS			
Debtors	13	31,101	10,328
Cash at bank		1,222,078	82,969
		1,253,179	93,297
CREDITORS			
Amounts falling due within one year	14	(47,470)	(107,155)
NET CURRENT ASSETS		1,205,709	(13,858)
TOTAL ASSETS LESS CURRENT LIABILITIES		12,408,036	11,840,757
NET ASSETS		12,408,036	11,840,757
FUNDS			
Unrestricted funds		12,408,036	11,840,757
TOTAL FUNDS		12,408,036	11,840,757

The notes on pages 13 to 19 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 21st July 2026 and were signed on its behalf by:

Sarah Brown
.....
The Very Revd S Brown - on behalf of the Trustees

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	31.12.25 £	31.12.24 £
Cash flows from operating activities:			
Cash generated from operations	1	(562,159)	(158,569)
Net cash (used in) operating activities		(562,159)	(158,569)
Cash flows from investing activities:			
Purchase of fixed asset investments		(1,150,323)	(2,006,243)
Proceeds from sale of fixed asset investments		1,436,153	2,004,032
Proceeds from sale of investment property		1,250,000	-
Rental income received		78,887	69,859
Investment cash		(39,310)	34,987
Dividends received		125,861	141,283
Net cash provided by investing activities		1,701,268	243,918
Change in cash and cash equivalents in the reporting period		1,139,109	85,349
Cash and cash equivalents at 1st January 2025		82,969	(2,380)
Cash and cash equivalents at the end of the reporting period		1,222,078	82,969

The notes on pages 13 to 19 form part of these financial statements.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

THE HEREFORD CATHEDRAL ALMSHOUSES CHARITY

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.25	31.12.24
	£	£
Net income for the reporting period (as per the statement of financial activities)	567,279	1,051,733
Adjustments for:		
Net (gains) on property revaluations	(470,000)	(535,000)
Net (gains) on fixed asset investments	(374,232)	(560,987)
Dividends received	(125,861)	(141,283)
Rental income received	(78,887)	(69,859)
(Increase) in debtors	(20,773)	(10,328)
(Decrease) / increase in creditors	(59,685)	107,155
Net cash (used in) operating activities	(562,159)	(158,569)

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going concern
The financial statements have been prepared on a going concern basis. In the opinion of the trustees, there is no material uncertainty in connection with the charity's ability to continue to operate for the foreseeable future and a minimum period of twelve months from the approval of the financial statements.

Income
All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the charity.

Support costs are general and overhead costs which are not specific to governance, costs of generating funds or direct charitable activities but which enable these activities to be undertaken. These costs include office management costs and are allocated 50:50 over costs of generating funds and charitable activities based on time spent supporting these functions.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Where housing property has been financed wholly or partly by housing association or similar grants, the cost of property has been reduced by the amount of the grant received.

No provisions for depreciation of housing and non-housing properties have been made.

Section 17 of FRS 102 requires all non-investment properties to be depreciated over their anticipated useful lives. However, the housing properties are not depreciated because their useful lives are considered to be well in excess of 100 years and any depreciation charges would be immaterial. To introduce a depreciation charge would not add to the true and fair view presented in the accounts. The property valuations were made by Bruton Knowles, chartered surveyors and property consultants, as at 31 December 2025, on an open market value for existing use basis.

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

1. ACCOUNTING POLICIES - continued

Non-housing properties are classed as investment properties and are shown at their market value as at the balance sheet date.

Investments
Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation or sale is taken to the Statement of Financial Activities (SOFA).

Investment property and fixed asset property valuations were made by Bruton Knowles, chartered surveyors and property consultants, as at 31 December 2025, on an open market value for existing use basis.

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

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

Creditors and provisions
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.

Taxation
The charity is not generally liable to corporation tax on its surplus. The charity is not registered for Value Added Tax purposes.

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	31.12.25	31.12.24
	£	£
Property	92,592	69,709
Wayleave	14	150
Investments	125,861	141,283
	218,467	211,142

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.12.25	31.12.24
		£	£
Social housing	Social housing	36,355	33,611

4. OTHER INCOME

	31.12.25	31.12.24
	£	£
Insurance income recovered	61,277	-
	61,277	-

During the year, the Charity recovered insurance income of £61,277 (2024: £nil) in relation to insurance for property repairs.

5. RAISING FUNDS

	31.12.25	31.12.24
	£	£
Investment property costs	35,296	23,636
Investment management cost	35,506	33,604
Total cost of raising funds	70,802	57,240

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 7)	Support costs (See note 8)	Totals
	£	£	£	£
Social housing costs 2025	494,817	20,833	6,600	522,250
Social housing costs 2024	191,300	34,167	6,300	231,767

7. GRANTS PAYABLE

	31.12.25	31.12.24
	£	£
Social housing	20,833	34,167

The total grants paid to institutions during the year were as follows:

	31.12.25	31.12.24
	£	£
Vennture	20,833	34,167
	20,833	34,167

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

8. SUPPORT COSTS

	Governance costs	
	31.12.25	31.12.24
	£	£
Auditors' remuneration for audit services	6,600	6,300
	6,600	6,300

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024.

Trustees' expenses
Trustees' expenses for the year ended 31 December 2025 were £nil (2024: £nil).

10. TANGIBLE FIXED ASSETS

	Freehold property £
AT VALUATION	
At 1 January 2025	1,150,000
Revaluation in the year	25,000
At 31 December 2025	1,175,000
NET BOOK VALUE	
At 31 December 2025	1,175,000
At 31 December 2024	1,150,000

The property valuations were made by Bruton Knowles, chartered surveyors and property consultants, as at 31 December 2025, on an open market value for existing use basis.

If the freehold properties had not been included at a valuation they would have been included under the historical cost convention as follows:

	2025 £	2024 £
Historic cost (transfer value at 1st January 2025)	1,230,000	1,230,000

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

11. INVESTMENTS

	Listed investments	Cash and settlements pending	Totals
	£	£	£
MARKET VALUE			
At 1 January 2025	7,056,640	72,975	7,129,615
Additions	1,150,323	-	1,150,323
Disposals	(1,436,153)	-	(1,436,153)
Revaluations	374,232	-	374,232
Movement on cash	-	39,310	39,310
At 31 December 2025	7,145,042	112,285	7,257,327

Historical cost of investments (excluding cash) £5,852,259 (2024: £6,105,163). All investments are listed on a recognised stock exchange and are held in the United Kingdom. There were no holdings where the value was over 5% of the total market value of investments at the year-end.

12. INVESTMENT PROPERTY

Investment property	**Freehold land**	**Freehold buildings**	**Total**
	£	£	£
Cost, valuation or nominal value			
At 1 January 2025	2,835,000	740,000	3,575,000
Disposal in the year	(875,000)	-	(875,000)
Revaluation in the year	50,000	20,000	70,000
At 31 December 2025	2,010,000	760,000	2,770,000
Represented by:			
Nominal value	3	4	7
Cost	3	-	3
Sold	(1)	-	(1)
Revaluation	2,009,995	759,996	2,769,991
	2,010,000	760,000	2,770,000

The investment property was professionally valued by Bruton Knowles, independent chartered surveyors and valuers, at 31 December 2025. The valuation was based on market value determined by reference to comparable market transactions. The trustees have reviewed the valuation in light of prevailing market conditions and are not aware of any matters that would indicate that the fair value of the property differs materially from its carrying amount at the reporting date.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25	31.12.24
	£	£
Other debtors	31,101	10,328

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.25	31.12.24
	£	£
Other creditors	18,644	20,715
Accruals and deferred income	28,826	86,440
	47,470	107,155

15. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within the next five years:

	31.12.25	31.12.24
	£	£
Not later than one year	291	291
Later than one year and not later than five years	145	800
Later than five years	-	-
	436	1,091

16. MOVEMENT IN FUNDS

2025	At 01.01.25	Net movement in funds	At 31.12.25
	£	£	£
Unrestricted funds			
General fund	11,788,342	619,694	12,408,036
Major repairs designated fund	52,415	(52,415)	-
TOTAL FUNDS	11,840,757	567,279	12,408,036

The general fund exists to support the day to day running costs of the charity and has been designated for other purposes.

The major repair reserve provides funds to meet the future major repairs through an annual transfer, at a level determined by periodic review by the Charity Commissioners and trustees.

Net movement in funds, included in the above are as follows:

2025	Income	Expenditure	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	316,099	(536,901)	840,495	619,694
Major repairs designated fund	-	(56,152)	3,737	(52,415)
TOTAL FUNDS	316,099	(593,053)	844,232	567,279

Docusign Envelope ID: 0FF8733C-A1B5-851B-8176-295861A2E42F

17. MOVEMENT IN FUNDS COMPARATIVE

2024	*At 01.01.24*	*Net movement in funds*	*At 31.12.24*
	£	*£*	*£*
Unrestricted funds			
General fund	*10,737,183*	*1,051,159*	*11,788,342*
Major repairs designated fund	*51,841*	*574*	*52,415*
TOTAL FUNDS	*10,789,024*	*1,051,733*	*11,840,757*

Net movement in funds, included in the above are as follows:

2024	*Income*	*Expenditure*	*Gains and losses*	*Movement in funds*
	£	*£*	*£*	*£*
Unrestricted funds				
General fund	*244,753*	*(284,314)*	*1,090,721*	*1,051,159*
Major repairs designated fund	*-*	*(4,693)*	*5,266*	*574*
TOTAL FUNDS	*244,753*	*(289,007)*	*1,095,987*	*1,051,733*

18. RELATED PARTY DISCLOSURES

Some of the trustees of the Charity are also members of Chapter of Hereford Cathedral, which itself is a registered charity.

During the year the Charity was charged £67,963 (2024: £58,584) by The Chapter of Hereford Cathedral in relation to staff costs and management expenses. There was a balance outstanding at the year-end due to The Chapter of Hereford Cathedral of £17,057 (2024: £15,362).