Hereford Diocesan Clerical Charity

Annual Report & Accounts 2025

Diocese of Hereford

Proclaiming Christ ✦ Growing Disciples

Charity # 1209423

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Trustees' report

For the year ended 31 December 2025

The trustees present their annual report and the financial statements of the Hereford Diocesan Clerical Charity ("the Charity") for the year ended 31 December 2025.

1. Objectives & activities

The object of the Charity is the advancement of education and relief of persons who are in need, hardship or distress and who are, in the following order of priority:

(1) Widowed spouses and orphans (who are under the age of eighteen or attending full-time education) of:
   a. Clergy licensed in the Diocese of Hereford at the time of their death;
   b. Clergy who have retired having been licensed for not less than three years in the Diocese of Hereford immediately before their retirement;

(2) Clergy who have been licensed in the Diocese of Hereford for a period of not less than three years and who have resigned from that licensed appointment on account of disablement, sickness or infirmity;

(3) Clergy licensed in the Diocese of Hereford;

(4) Clergy who have served a minimum term of not less than fifteen years' service in the Diocese of Hereford with incumbency status or equivalent and have no similar provision or scheme available to them, at the discretion of the trustees.

2. Grant-making policy

The Hereford Diocesan Clerical Charity has established a grant-making policy to achieve its objects for the public benefit, for the advancement of education and relief of those in need. The Charity does not trade but exists to make grants from income and capital in accordance with its objects set out in section 1 above.

The Charity invites applications for grants from eligible beneficiaries in accordance with its objects. The Charity offers a fixed sum bereavement grant to widowed spouses or orphans. It also makes a fixed sum grant to eligible beneficiaries each Easter, and a means-tested grant each Christmas. Trustees review grant levels every two years to ensure they remain appropriate and sustainable.

3. Public benefit

The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission when reviewing the Charity's aims and objectives, in planning future activities, and setting the grant making policy for the year.

The Charity meets its public benefit remit by providing grants to various categories of beneficiaries covered in the grant-making policy.

4. Review of activities and achievements

The Charity has continued to provide grants on a bi-annual basis to relieve poverty among qualifying beneficiaries in accordance with its objects. Income for grants has been sustained through the Charity's holding of a portfolio of investment securities.

5. Financial review

5.1 The results for the year are set out in the accounts on pages 8 to 15.

5.2 The unrestricted general fund showed a surplus for the year of £12,289 (2024: £9,157) before investment gains and losses. The Charity received dividends from a range of listed investments and interest from CCLA's CBF Church of England Deposit Fund. Dividends and interest increased in 2025 by 9.0% to £28,491 (2024: £26,128). The net dividend and interest yield on listed investments after fees and expenses rose to 3.9% (2024: +3.5%).

5.3 The charity made 15 Easter and Christmas grants (2024: 14) to qualifying clergy widows amounting to £12,440 (2024: £12,330), and one bereavement grant totalling £1,500 (2024: £4,000). In 2025, there was no supplementary 'cost of living' contribution within the Christmas grants (2024: £200 per recipient).

5.4 Total funds as at 31 December 2025 amounted to £833,879 (2024: £801,610), of which unrestricted general funds were £179,592 (2024: £158,379) and endowment funds were £654,287 (2024: £643,231).

5.5 The market value of the Charity's listed investments decreased during the year by £16,248 or 2.2% to £735,370 at 31 December 2025 (2024: annual increase of £15,353 to £751,618). This was due primarily to the holding of 15,750 Keystone shares being liquidated for £36,228.

6. Reserves policy

6.1 It is the policy of the Charity to maintain a level of reserves that will produce an annual income sufficient in most years to cover the usual level of grant applications and to respond promptly to any urgent needs, as well as meet management and administration costs. In light of the above requirements, the trustees' reserves policy is to maintain the equivalent of approximately 18 months' operating expenditure in cash in the general unrestricted fund. Based on 2025 expenditure, the amount required under this policy totalled £24,300 (2024: £25,500). Due to a slightly lower level of grants in 2025 and the liquidation of the Keystone investment, of which 25% (£9,057) was capitalised income, the unrestricted cash balance had increased by year-end to £70,998 (December 2024: £50,036). As this is nearly three times the target level required by the policy, trustees intend to reinvest surplus deposit balances in 2026 as part of the planned rebalancing of the investment portfolio. Trustees are also exploring how to reach more beneficiaries within the objects of the charity.

7. Risk management and going concern

7.1 The principal risks faced by the Charity lie in the performance of investments and operational risks from ineffective grant making, and the capacity of the Charity to make effective grants. The trustees consider variability of investment returns on the investments to constitute the Charity's major financial risk. This is mitigated by maintaining a diversified investment portfolio, and the Charity seeks to achieve an increase in the capital value of its investments over the long term, recognising that losses may occur in the short term.

7.2 The trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

7.3 The Charity holds a diversified portfolio of mainly equity-based investments for the long-term in order to ensure a balance of capital and income growth in real terms over time. The Charity

uses the investment income generated from its portfolio to fund its grant making. The trustees consider that the Charity has a stable financial outlook for the foreseeable future and hence have concluded that it is appropriate for these accounts to be prepared on a going concern basis.

8. Structure, governance and management

8.1 Hereford Diocesan Clerical Charity ("the Charity") is constituted under a Charity Commission Scheme dated 29 March 2010, under which four charities formerly known as Hereford Clerical Charity (3971578), Ludlow Clerical Charity, Archdeacon Oldham Charity, and Clergy Sisters Charity were combined. The object of the Charity was updated on 11 January 2019 by means of a Charity Commission Scheme.

8.2 The managing trustees of the Charity are:

- Four ex-officio trustees:
  a. The Right Reverend the Lord Bishop of Hereford;
  b. The Venerable the Archdeacon of Hereford;
  c. The Venerable the Archdeacon of Ludlow; and
  d. The Secretary of the Hereford Diocesan Board of Finance.
- Two co-opted trustees; and
- One nominated trustee to represent each Deanery in the Diocese of Hereford.

8.3 Co-opted trustees are appointed by the trustees at a special meeting. Nominated trustees are appointed by the Chapters of the deaneries in the Diocese of Hereford.

8.4 The trustees hold at least two ordinary meetings a year and special meetings as required.

8.5 The Charity does not actively fundraise and seeks to continue the charitable work of the Fund through careful stewardship of its existing resources.

8.6 The Charity has no employees.

8.7 All trustees give of their time freely; no trustees received any remuneration during the year.

9. Reference and administrative details

9.1 ***Administrative details***

The Charity was entered onto the Register of Charities on 5 August 2024 and assigned charity number 1209423.

The Hereford Diocesan Board of Finance acts as custodian trustee for the Hereford Diocesan Clerical Charity.

The Hereford Diocesan Board of Finance is a company limited by guarantee, registration number 00144467, with charity registration number 249685.

Registered office:	The Diocesan Office, The Palace, Palace Yard, Hereford HR4 9BL
Telephone:	01432 373300
Email:	hdcc@hereford.anglican.org
Website:	www.hereford.anglican.org

9.2 ***Trustees and officers***

The following served as trustees from 1 January 202 to the date this report was approved:

9.2.1 Ex-officio trustees:

The Rt Revd R Jackson, Bishop of Hereford
Ven Dr F R Gibson, Archdeacon of Ludlow (until 9 February 2026)
Ven D C Chedzey, Archdeacon of Hereford
Mr S R Pratley, Diocesan Secretary, Hereford Diocesan Board of Finance (Chair)

9.2.2 Co-opted trustees:

Revd Preb M C Cluett	Hereford Archdeaconry Widows' Officer
Rev M Daborn	Ludlow Archdeaconry Widows Officer (from 25 March 2025)

9.2.3 Nominated trustees:

	Deanery
Revd Preb N Lowton	Abbeydore
Canon A Ellis	Bromyard
Revd Preb R North	Hereford (from 19 November 2025)
Revd S B Bell	Kington & Weobley
Revd S Rosier	Ledbury (from 19 November 2025)
Revd Preb M Kneen	Leominster
Revd C Leggate	Ross & Archenfield
Rev Preb R Shaw	Clun Forest (from 31 October 2024)
Revd Preb C Hargraves	Condover
Revd R H O Hill	Ludlow (until 16 March 2026)
Revd Preb G H Earney	Pontesbury (until 31 December 2024)
Revd R Leigh	Pontesbury (from 19 November 2025)
Revd M Daborn	Severn Borders

9.2.4 Secretary: Revd Preb J Talbot-Ponsonby (until 26 March 2025)
Revd C Leggate, (from 19 November 2025)

9.2.5 Treasurer: Mr S G P Herbert, Director of Finance, Hereford Diocesan Board of Finance

9.3 ***Agents***

Bankers

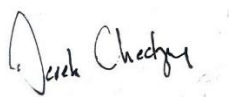
Co-operative Bank PLC, 1 Balloon Street, Manchester M4 4BE
Lloyds Bank PLC, 8 High Town, Hereford HR1 2AE

9.4 ***Independent Examiner***

Kendall Wadley LLP
Granta Lodge, 71 Graham Road, Malvern WR14 2JS

10. Approval

The annual report was approved by the Charity's trustees on 16 March 2026 and signed on their behalf by:



The Venerable D C Chedzey

Trustee

Hereford Diocesan Clerical Charity

Independent Examiner's report

For the year ended 31 December 2025

Independent Examiner's Report to the Trustees of Hereford Diocesan Clerical Charity

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2025 which are set out on pages 8 to 15.

Responsibilities and basis of report

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 charity's accounts carried out under section 145 of the 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 examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do 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].

It should be noted that the Charity's funds were held in a custodian account during the year ended 31 December 2025. A new Co-Operative Bank account in the name of the Charity was opened at the end of the financial year, and assets transferred during the first quarter of 2026.

Signed: 

Sarah Morley ACA
ICAEW

Kendall Wadley LLP, Granta Lodge, 71 Graham Road, Malvern, WR14 2JS

Date: 10 June 2026

Hereford Diocesan Clerical Charity

Statement of Financial Activities

For the year ended 31 December 2025

	Note	General Fund £	Endowment Fund £	Total 2025 £	Total 2024 £
Income and endowments from:-					
Voluntary income		-	-	-	-
Income from investments	**2**	28,491	-	28,491	26,128
Total income and endowments		28,491	-	28,491	26,128
Expenditure on charitable activities					
Grants to individuals and support costs	**3**	16,202	-	16,202	16,971
Total expenditure		16,202	-	16,202	16,971
Net income / (expenditure) before investment gains		12,289	-	**12,289**	9,157
Net gains / (losses) on investment assets		8,924	11,056	19,980	15,353
Net income / (expenditure)		21,213	11,056	**32,269**	24,510
Reconciliation of funds					
Total funds brought forward 1 January		158,379	643,231	801,610	777,100
Total funds carried forward 31 December		179,592	654,287	**833,879**	801,610

Hereford Diocesan Clerical Charity

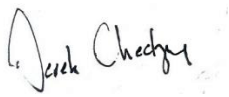
Balance sheet

As at 31 December 2025 Charity # 1209423

	Note	General Fund £	Endowment Fund £	Total 2025 £	Total 2024 £
Fixed assets					
Listed investments	**5**	108,254	627,116	735,370	751,618
Current assets					
Debtors: amounts falling due within one year	**6**	1,000	-	1,000	556
Cash at bank and in hand		70,998	27,171	98,169	50,036
		71,998	27,171	99,169	50,592
Creditors: amounts falling due within one year	**7**	(660)	-	(660)	(600)
Net current assets		71,338	27,171	98,509	49,992
Net assets	**8**	179,592	654,287	**833,879**	801,610
Funds	**9**				
Unrestricted		179,592	-	179,592	158,379
Endowment		-	654,287	654,287	643,231
		179,592	654,287	**833,879**	801,610

The notes on pages 10 to 15 form part of these accounts.

The financial statements were approved by the Charity's trustees and authorised for issue on 16 March 2026 and signed on their behalf by:



The Venerable D C Chedzey
Trustee

Notes to the accounts

For the year ended 31 December 2025

1. Accounting policies

1.1 Charity information

The Hereford Diocesan Clerical Charity is an unincorporated charity and was registered in England and Wales, charity number 1209423. The registered office is The Palace, Palace Yard, Hereford HR4 9BL.

1.2 Classes of funds

Fund balances are split between unrestricted and endowment funds. Unrestricted funds are funds freely available for any purpose within the Charity's objects, at the discretion of the trustees. Unrestricted funds may be split between:

- General funds – to be used for the general purposes of the Charity;
- Designated funds – amounts set aside out of unrestricted funds by the trustees for a purpose specified by the trustees.

A permanent endowment fund is a form of restricted fund where the capital must be invested to generate income to further charitable purposes. The original benefactors to the antecedents of the Hereford Diocesan Clerical Charity did not require their gifts to be held as permanent endowment funds, and hence the Charity Commission Scheme of 29 March 2010 permits the trustees to treat the accumulated endowment fund as expendable, meaning that the trustees may exercise their power to spend or apply the capital to further the Charity's purposes.

1.3 Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction unless otherwise stated in the 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 in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Hereford Diocesan Clerical Charity meets the definition of a public benefit entity under FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.4 Incoming resources

All incoming resources are recognised once the Charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Income is derived principally from investment assets.

Interest on funds held on deposit included upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

1.6 Expenditure on charitable activities

Expenditure and related liability is recognised as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Support costs are minimal and are all considered to relate to charitable activities.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Charity. Single year grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount payable.

1.7 Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.8 Tangible fixed assets – fixed asset investments

Fixed asset investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals through the year, where applicable.

1.9 Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses are calculated as the difference between sales proceeds and opening market value or purchase date if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.10 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.

1.11 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 .

Notes to the accounts

For the year ended 31 December 2025

2. Income from investments

	General fund 2025 £	General fund 2024 £
Income from listed investments	25,097	23,998
Interest receivable	3,394	2,130
Donations	-	-
	28,491	26,128

3. Expenditure on charitable activities

		General fund 2025 £	General fund 2024 £
Grants to individuals	Easter	5,810	6,400
	Christmas	6,630	5,930
	Medical	500	-
	Bereavement grants	1,500	4,000
		14,440	16,330
Support costs – see note 4		1,762	641
		16,202	**16,971**

4. Support costs

	General fund 2025 £	General fund 2024 £
Independent Examiner's fee	660	600
Administration expenses	24	41
Investment management costs	1,078	-
	1,762	**641**

Notes to the accounts

For the year ended 31 December 2025

5. Fixed asset investments

	General Fund £	Endowment Fund £	Total 2025 £	Total 2024 £
Market value as at 1 January	108,387	643,231	751,618	736,265
Disposals	(9,057)	(27,171)	(36,228)	-
Additions	-	-	-	-
Realised investment gains / (losses)	(629)	(1,888)	(2,517)	-
Unrealised investment gains / (losses)	9,553	12,944	22,497	15,353
Market value as at 31 December	108,254	627,116	**735,370**	**751,618**

Represented by:

Holding	Security name	General Fund £	Capital Fund £	Total 2025 £	Total 2024 £
15,068.10	CCLA CBF Church of England Investment Fund	22,242	312,244	334,486	348,415
36,579.60	CCLA CBF C of E Short Duration Bond Fund	-	55,883	55,883	54,547
14,909.80	CCLA CBF Church of England Property Fund	-	18,762	18,762	18,367
9,281.60	CCLA CBF Church of England Global Equity Income Fund	-	28,178	28,178	29,844
374	M&G Equities Inv. Fund for Charities (Charifund) Sterling Inc.	-	6,461	6,461	5,507
13,461	BNY Mellon | Newton UK Income Fund Sterling Inc.	-	12,713	12,713	11,636
194.12	Veritas Global Equity Income Fund Sterling B Class	12,126	36,379	48,505	43,312
29,181.9215	BNY Mellon | Global Income Fund Sterling Income	34,992	39,816	74,808	66,100
15,750	Keystone Positive Change Investment Trust plc	-	-	-	38,745
7,800	Edinburgh Investment Trust plc	16,029	48,087	64,116	58,032
4,287	Murray Income Trust plc	9,785	29,355	39,140	35,025
12,950	abrdn Equity Income Trust plc	13,080	39,238	52,318	42,088
Market value as at 31 December		108,254	627,116	**735,370**	751,618

All investments are quoted in the UK or Ireland.

The historical cost of listed investments held as at 31 December 2025 was £452,418 (2024: £489,880).

6. Debtors: amounts falling due within one year

	General fund 2025 £	General fund 2024 £
CBF Deposit Fund interest for Q4 2025	1,000	556
	1,000	**556**

7. Creditors: amounts falling due within one year

	2025 £	2024 £
Grants	-	-
Independent Examiner's fee	660	600
	660	**600**

Notes to the accounts

For the year ended 31 December 2025

8. Analysis of net assets between funds

8.1 Analysis 2025

	Unrestricted Fund	Endowment Fund	**Total 2025**
	£	£	**£**
Fixed asset investments	108,254	627,116	735,370
Debtors: amounts falling due within one year	1,000	-	1,000
Cash at bank and in hand	70,998	27,171	98,169
Creditors: amounts falling due within one year	(660)	-	(660)
Totals	179,592	654,287	**833,879**

8.2 Analysis 2024

	Unrestricted Fund	Endowment Fund	**Total 2024**
	£	£	**£**
Fixed asset investments	108,387	643,231	751,618
Debtors: amounts falling due within one year	556	-	556
Cash at bank and in hand	50,036	-	50,036
Creditors: amounts falling due within one year	(600)	-	(600)
Totals	158,379	643,231	**801,610**

9. Analysis of charitable funds

9.1 Analysis 2025

	Balance b/fwd 01-Jan-25	Income	Expenditure	Gains/ (losses)	**Balance c/fwd 31-Dec-25**
	£	£	£	£	£
Unrestricted Fund	158,379	28,491	(16,202)	8,924	179,592
Endowment Fund	643,231	-	-	11,056	654,287
	801,610	28,491	(16,202)	19,980	**833,879**

9.2 Analysis 2024

	Balance b/fwd 01-Jan-24	Income	Expenditure	Gains/ (losses)	**Balance c/fwd 31-Dec-24**
	£	£	£	£	£
Unrestricted Fund	150,132	26,128	(16,971)	(910)	158,379
Endowment Fund	626,968	-	-	16,263	643,231
	777,100	26,128	(16,971)	15,353	**801,610**

10. Related party transactions and trustees' remuneration

There were no related party transactions, and no trustees received any remuneration during the year (2024: none).

11. Prior year Statement of Financial Activities (SoFA)

	General Fund £	Endowment Fund £	Total 2024 £	Total 2023 £
Income and endowments from:-				
Voluntary income	-	-	-	-
Income from investments	26,128	-	26,128	25,307
Total income and endowments	26,128	-	26,128	25,307
Expenditure on charitable activities				
Grants to individuals and support costs	16,971	-	16,971	17,121
Total expenditure	16,971	-	16,971	17,121
Net income / (expenditure) before investment gains	9,157	-	**9,157**	8,186
Net gains / (losses) on investment assets	(910)	16,263	15,353	40,998
Net income / (expenditure)	8,247	16,263	**24,510**	49,184
Reconciliation of funds				
Total funds brought forward 1 January	150,132	626,968	777,100	727,916
Total funds carried forward 31 December	158,379	643,231	**801,610**	777,100