

CHELMSFORD CATHEDRAL

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025



REGISTERED CHARITY NUMBER 1207270

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ANNUAL REPORT OF CHELMSFORD CATHEDRAL CHAPTER 2025

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The Chapter of the Cathedral Church of St Mary the Virgin, St Peter and St Cedd in Chelmsford (“Chelmsford Cathedral”, and in this report “the Cathedral”), presents its Annual Report and Financial Statements for the Cathedral together with the auditor’s report for the year ended 31 December 2025.

Objectives and Activities

Mission statement

The Constitution of the Cathedral, under the provisions of the Cathedrals Measure 2021 (adopted by Chelmsford Cathedral on 28 November 2023), sets out two elements to which the Cathedral must have due regard in fulfilling its ecclesiastical purpose. These elements are ‘to be the seat of the Bishop and a centre of worship and mission’ and through doing so provide ‘a focus for the life and work of the Church of England in the Diocese’.

Charitable Objects

On 1 March 2024, the Cathedral received its second certificate from the Church Commissioners to confirm its implementation of the Cathedrals Measure 2021, and it also received its certifications as a registered charity under the Charity Commission’s regulation and in accordance with the Charities Act 2011.

The Cathedral’s charitable objects are:

- (A) to advance the Christian religion in accordance with the faith and practice of the Church of England, in particular by furthering the mission of the Church of England;
- (B) to care for and conserve the fabric and structure of the Cathedral church building;
- (C) to advance any other charitable purposes which are ancillary to the furtherance of the purpose referred to in sub-paragraph (A) or (B).

The registration of the Cathedral as a charity means that the Chapter must act for the public benefit within the meaning of section 4(3) of the Charities Act 2011.

Chapter Priorities

Over the past three years, the Cathedral has worked towards four strategic aims, in response to the outcomes of the Bishop’s Visitation in early 2023:

- Growing the Congregation;
- Stabilising the Cathedral’s finances in the short term, and growing the finances in the long-term; (This recommendation included the launch of a fundraising

programme for a capital project, and Chapter is, through its envisioning work, continuing to work towards identifying an appropriate project);

- Improving and bolstering our governance;
- Making the Cathedral the cultural hub of the city and county.

During 2025, under the leadership of the new Dean, Chapter has worked to build upon these aims and has now articulated a developed strategic vision for the next four years, in alignment with the Diocesan values, 'Travelling Well Together'. The vision was discussed and developed at Chapter workshops, has included the results of a stakeholder questionnaire and has been discussed at the staff winter Awayday, at Diocesan Synod and at the congregation Forum. The Vision continues to be developed and refined by Chapter.

Who We Are - both a Place and a People

- A charity promoting and living out the Christian faith in the Church of England context;
- A beautiful and historic place of worship and community, now and for the future;
- At our heart: worship, learning, fellowship;
- The Mother Church for our Diocese;
- A civic, cultural and spiritual hub for celebration, reflection and remembrance;
- A sacred and safe space - for all;

Our Values

- Open, generous and inclusive - a place of belonging;
- Nurturing spirituality and faith exploration - in depth and diversity;
- Connecting communities and inspiring debate, creativity, learning and the arts;
- Promoting excellence, justice and compassion;

Focus areas for the next four years

Our work is focused on:

- Theology and the Arts
- Learning and Nurture
- Sustainability

Theology and the Arts

Exploring the missional potential of the Cathedral as a cultural centre by:

- Curating art exhibitions that inspire new perspectives;
- Welcoming authors to engage in significant conversations with our community;
- Expanding our choral legacy and its missional potential through outreach initiatives and educational programs.

Learning and Nurture

Enhancing and expanding our social impact, while strengthening our capacity to serve as a centre for spiritual, theological, and missional resources for both adults and children by:

- Growing our education and schools team;
- Re-thinking the interpretation of our Cathedral;

- Providing a hub for ministerial training;
- Providing a safe and inclusive space for difficult conversations and the work of reconciliation.

Sustainability

Maintaining our Gold Eco status, developing our thinking about the environment and climate justice and exploring pathways to achieve net zero emissions by:

- Replacing our heating and lighting with sustainable systems;
- Celebrating the season of creation with worship and prayer;
- Supporting those who farm and fish in our Diocese;
- Growing our fundraising to ensure we can be sustainable into the future.

We have addressed our progress against these priorities in the Achievements section below. The recommendations from the Bishop's Visitation are now completed, although the Chapter is committed to continuous improvement and continues to work in the areas set out in those recommendations.

Achievements and Performance

Advancing the Christian religion in accordance with the faith and practice of the Church of England

In 2025, our congregation has continued to grow significantly, and we have observed a broader range of people attending, in particular, the 11.15am Sunday service with an increase in young adults and students from the university attending. Our congregation also includes a large group of those currently awaiting the outcome of asylum applications, particularly from Iran, and many from this group have also studied for baptism and confirmation, with service and study materials made available to them in Farsi. Attendance at our Sunday morning services now averages 250 adults and 50 children across the three services. Midweek and evening services average 100 across the week.

With the choirs also growing, we now have around 50 children and teenagers involved in cathedral music each week. Outreach programmes are being planned as a way of supporting the Anglican musical tradition in churches throughout the Diocese and this year, we have brought children from the city into the Cathedral to explore the liturgy through musical events and held a choral outreach day for schools, which explored faith and the environment. We also hosted a day's workshop during our autumn programme thinking about war and conflict, where children explored, created and performed their own choral Mass setting under the MARS installation.

Study and home groups and pastoral care training sessions run at regular intervals throughout the year. Many of the children in our Junior Church have been gone on to be baptised or prepared for first communion (around twelve across the year). Our work continues to prepare candidates for baptism, confirmation and marriage and in conducting funerals and memorial services. Two marriages were solemnised this year and, following Chapter's resolution and publication of its approach to Prayers of Love and Faith, we

conducted our first prayers for a same sex union as part of an existing Sunday Evensong service, in a very warm and supportive congregational setting.

During 2025 the Cathedral fulfilled its statements of mission as the seat of the Bishop, and its role as the mother church for the Diocese in its liturgical life in the Cathedral Church but also in its care for and outreach to the community and through its teaching and nurture, particularly of the young across the Diocese. The Cathedral has continued to provide a focus for daily prayer and worship across the Diocese of Chelmsford, live-streaming most of its daily services to ensure that as many people as possible across the Diocese could participate in prayer and the daily offices so important to the spiritual life of the Cathedral. The Dean is a member of the Bishop's Leadership Team.

This year, as in previous years, The Right Reverend Dr Guli Francis-Dehqani, Bishop of Chelmsford, presided over a number of services and events including the Chrism Eucharist, Diocese Confirmations, clergy ordinations, a Bishop's Study Day, Diocesan Synods, and installations of Honorary Canons appointed by the Bishop. The Bishop also presided over the Installation of the Archdeacon of Southend. Most impactfully for the Cathedral, the Bishop led the installation in January of the new Dean of Chelmsford, The Very Revd Dr Jessica Martin, and later in the year of the Canon for Congregation and Community, Vice Dean, The Revd Canon Joseph Fernandes.

The Cathedral is also a place of importance for the whole Diocese, seeking to ensure that members of its Chapter and statutory committees are drawn from across the Diocese. Diocesan services have included the Diocesan Safeguarding Service, Diocesan Environment Service and services for the Diocesan Church Schools. We have continued to maintain existing relationships with the civic organisations in the city and wider Diocese, though much remains to do to grow the Cathedral's reach into the eastern and northern parts of the county and into east London. We are seeking to build new connections by hosting civic services and ceremonies, such as services with the Royal British Legion to mark the 80th Anniversary of VE Day, the County Harvest Festival, the Mayor and County Council Civic Services and the Remembrance Service, which this year was held under the dramatic installation of Luke Jerram's Mars; War & Peace installation.

As the mother church of the Diocese, we also encouraged and supported those seeking a life in ministry by taking diocesan ordinands on placement and hosting and supporting the training of ordinands and licensed lay ministers. Until September, we also welcomed students at St Mellitus College to the Chapter House and Cathedral as a base for weekly teaching and worship.

Caring for and conserving the fabric and structure of the Cathedral church building

The Cathedral's Surveyor of the Works retired in 2025, and a new statutory architect will be appointed in the spring of 2026 and a new Quinquennial Inspection to take place in the autumn. An Interim Architect practising with Purcell has helped care for the Cathedral in the interregnum period.

The Fabric Advisory Committee has continued to meet to review potential works on the Cathedral church and identify future needs. Maryanne Fleming, the Cathedral's

Governance and Committees' Manager became its new Secretary. Three new members of FAC have been appointed in advance of the new Quinquennial commencing in 2026, with specialist expertise in early English books, contemporary art history and textiles, respectively.

Throughout 2025 a modest amount of work continued to care for the Cathedral's gutters and drains. A schedule of minor repairs to the main Cathedral roof has been agreed for 2026 and significant structural investigations have taken place following part of a lower roof becoming unsafe. Work to repair it will take place in 2026 in conjunction with reviewing the Cathedral's heating system. Following consultation with the FAC, CCTV cameras have been installed to improve security.

Chapter Focus: Theology and the Arts

Visitor Engagement and installations

We are growing our cultural programme to expand events and activities curated and presented by our team here, as well as welcoming other amateur and professional users of our space to grow our significance as a place of cultural richness and diversity.

In June we staged a week of Tudor exploration which included opening our Knightbridge library to public access, lectures on early music, Tudor dancing and a visit from author Alison Weir.

We were also delighted to take part in the Essex Book Festival and to support author lectures and book sales. Our Keene lectures were expanded to termly series and covered the themes of Anglican music, Early and Tudor music and then powerful reflections from Christians involved in military action and peacekeeping in our late autumn season.

Our visitor event projects in 2025 included delivery of a programme of events to support the Luke Jerram installation project "War and Peace" over a three-week period in October. Whilst this programme did not attract the high level of footfall that we hoped for and anticipated, it delivered a deeply thoughtful programme of music, performance and lectures exploring themes of war and peace in our currently fragile global geopolitical landscape, interwoven to support the theology, music and liturgy of the season. The installation enabled us to engage with school children, welcome new visitors to the Cathedral and build a revived team of volunteer stewards, with twenty-one new volunteers recruited. It also enabled us to refresh our data records of supporters and visitors to the Cathedral and to conduct research into our visitor profile.

As part of our cultural life, we have also had the continued privilege this year of welcoming people of all communities to hold concerts, celebrations, and other meetings in the Cathedral building. From a celebration of Welsh culture and music with the Chelmsford & District Welsh Society, to hosting charities such as Lennox Children's Cancer fund as they fundraise, we have been able to host old partners, as well as inviting many new organisations into our Cathedral

The year ended with our exhibition of Mark Cazalet's beautiful and striking Advent Stations; each station accompanied with Richard Leaf's poetry captured in the calligraphy of Pansy Campbell.

Music

Music is core to our mission and our charitable purpose of furthering the Christian religion through the practice of the Church of England. As well as being a vital part of our liturgy, music enables us to meet our wider mission and priorities of learning and nurture, and exploration of theology through the arts.

The Cathedral Music Department has continued to grow and flourish throughout 2025.

Following a major recruitment drive and the debut of our new probationer choristers in December 2024, our choristers have made excellent progress towards being fully integrated into the main Cathedral Choir and their enthusiasm has been inspiring. We are grateful to the committed and highly talented group of adult singers who, together with the choristers, form the Cathedral Choir and support the life of the Cathedral with such dedication.

We said farewell to Organ Scholar Logan Williamson in the summer, and Helen Lunn joined the team as the Graham Rogers Organ Scholar for 2025-2026. We believe that offering this scholarship is key to our mission and charitable objects as we seek to nurture and develop young musicians in the Anglican musical tradition.

Outreach projects have become an important part of the Music Department's work in reinforcing the Cathedral's role as a spiritual, educational and cultural hub for the people of Chelmsford, the Diocese of Essex and East London and beyond. Highlights have included two Primary Schools outreach days, a Diocesan Choral Festival, which brought over one hundred and twenty singers from twenty-two different churches across the Diocese together, a collaborative project with St Edward's Church in Romford and a project working with professional groups Tenebrae and the Britten Sinfonia. We also initiated a collaboration with Colchester New Music, a wonderful project supporting composition and culminating in an Evensong of new music specially written for the occasion.

We continued to work with L'Isola (previously the Cambridge Early Music Consort) in the first part of the year to sing Choral Evening Prayer, exploring the blend of early 15th and 16th Century polyphony into the framework of Common Worship Evening Prayer, and latterly supporting many of our visitor and learning events with their evocative work. We welcome visiting choirs, including from secondary schools across the Diocese on a regular basis, both singing by themselves and with the Cathedral Choir.

In October, we celebrated the 30-year anniversary of the installation of the two organs that have enriched the Cathedral's worship and music since 1995. We were delighted to welcome Dr Graham Elliott, who served as Master of Music 30 years ago and was the driving force behind the two-organ project, back to speak at this event and the recital from Samuel Bristow showcased the grandeur and impressive range of our instruments.

Both the Cathedral Young Singers and Cathedral Singers have continued to grow and develop, making a valuable contribution to the choral life of the Cathedral, and our free Friday lunchtime concert series continues to flourish, attracting large and enthusiastic audiences and providing an important regular community event.

We look forward to continuing to nurture musical talent, enrich worship and deepen our connections with the wider community.

Chapter Focus: Learning and Nurture

Education and outreach

The Cathedral seeks to cater for a wide range of educational needs, from nurturing and encouraging children in their discipleship to supporting adults in their theological and worshipping education and experience, ensuring that everyone is supported in taking their next step.

The Rev'd Canon Kate Moore continued to lead on education until her departure in August. She led on a broad range of educational events from "Ask us Anything" open sessions to the Lent courses and welcome suppers for new members of the congregation and arriving students at Anglia Ruskin University. The Cathedral continues to offer a weekly "Breakfast with the Bible" sessions each Sunday morning, led by both lay and ordained people, Cathedral clergy and members of the Diocesan Senior Leadership team. The Dean is leading on the Cathedral's education programme pending the appointment of a new Residentiary Canon for Learning and Nurture.

The Junior Church and Little Robins toddler groups have continued to flourish. The Junior Church families come into the Cathedral each week to join the Parish Eucharist and once a month are in the Cathedral for a full All-Age service.

The Education team welcomed more than a thousand children and young people to organised educational and cultural events, often themed around the church's liturgical calendar as well as celebrating students, with the Diocese-led service for graduating Year 6 pupils in June, where leavers are presented by the Cathedral with a commemorative Bible. The Cathedral also hosted Anglia Ruskin University for their graduation ceremonies in summer and autumn.

We are continuing to work more closely with the Diocesan Education Team and exploring ways to support the primary and secondary school curriculum. We maintain a close relationship with the Cathedral School, a primary school with 315 pupils at which several of our clergy team and senior staff serve as Governors, supporting the development of the school under the direction of Head Teacher Gemma Smith. Cathedral clergy also regularly lead collective worship at the school.

Ministry, Congregational & Community Nurture and Development

At the Cathedral we have a dedicated Home Communion team and Cathedral prayer group, who are supported by the Minister with oversight. The Minister also takes the lead on our community mission by undertaking pastoral visits to homes, hospitals, and hospices and takes the occasional offices (baptisms, weddings and funerals) and preparation for Confirmation.

The Cathedral takes part in various networking and community groups such as the Homelessness forum. It also works actively, via our Associate Priest, Revd Olivia Maxfield-Coote, in the Chelmsford Against Slavery Partnership and has hosted several training sessions on this crime and a network event involving other organisations such as Essex

Police, the Salvation Army, Open Road and Amnesty International.

During 2025, the Cathedral was delighted to be accredited as a Dementia friendly community. This recognition followed an informal accessibility audit by a person living with a dementia diagnosis and their family, and also celebrated the fact that we hold Dementia Friendly services for Harvest and Christmas (open to all but particularly with those affected by dementia in mind) and have, for many years, hosted for the annual Singing for the Brain event which is hugely popular.

For the last two years, we have marked the Mothers' Union 16 days of Activism Against Gender-Based Violence by marking every third chair in the Cathedral with a purple ribbon - reminding us that one in three women globally are affected by this crime (double the number of men). We were awarded a bronze certificate by the Mothers' Union in recognition of our efforts as part of their Rise Up campaign. In 2025 we also supported the Love, Grace charity which provides those living in local refuges with handbags filled with luxury personal items, in memory of local woman Grace Milan who was murdered in New Zealand.

Key to our mission in the Diocese is our care and support for refugees. The Cathedral has a substantial number of congregation members who are refugees, most of them from Iran. They are supported with a weekly study group, as well as preparation for Baptism and an Advent course. We have a copy of the Sunday service in Farsi and can supply bibles in different languages. For Refugee Week, the Cathedral hosted the Chelmsford Ideas Hub and several of their clients, bringing together refugees, asylum seekers and the groups who support them locally.

Regular training services in support of our missional work have been offered for the Cathedral congregation, volunteers and staff. Including Dementia Friendly training, training on Modern day slavery and human trafficking; domestic abuse awareness; mental health awareness training; homelessness awareness; Unconscious Bias and Bystander Training.

The Cathedral also offers practical missional care by providing emergency provisions, including warm clothing for rough sleepers and refugees and signposting to other agencies.

Volunteers

Our Head of Events and Visitor Engagement expanded her role in September this year to include volunteer management, taking over from the voluntary member of the clergy previously leading on the safer recruitment of volunteers. Following the success of our MARS installation at attracting new volunteers to the Cathedral, the Head of Events, Volunteers and Visitor Engagement is now planning a programme of recruitment of further new volunteers, training and support for new and existing members of our volunteer team and embedding systems of recording volunteer information and training records. The Cathedral has about two hundred volunteers, many offering help in more than one capacity and who contribute enormously to worship, hospitality and fundraising. Volunteer teams include our Cathedral Wardens, Day Chaplains, Bellringers, Flower Guild, Servers team, Helping Hands hospitality team, Education and school visits and Children and Families team, Social and Fundraising Committee, Cash counters and bankers, Sidesmen,

Readers, Bookstall managers and our Purple Tees stewarding and refreshment team. The Cathedral would not be able to work as it does without these volunteers and is profoundly grateful for all that it receives from them in terms of their time, dedication, creativity and expertise. In return, we strive to provide our volunteers with training and experience to support them in the workplace, and a sense of purpose and community. Our volunteers include refugees living in Chelmsford for whom we hope the Cathedral can offer a place of safety, welcome and fellowship.

Chapter Focus: Sustainability

Eco - Family outreach

Throughout the summer, the Cathedral was in partnership with Farleigh Hospice, hosting a large bee sculpture in the Cathedral grounds as part of their 'Buzz in the City' fundraising season. In response, the Cathedral hosted our own season of eco-based activities to honour both the city project and the Cathedral's Gold Eco-Church Status. Events included arts and crafts, a Pipes and Popcorn concert and lectures.

The Arts

Our Theology and Arts programme this year has included an evening exploring Mark Cazalet's Tree of Life work with the artist. We also welcomed Alastair Penman's Sound Collective during MARS to explore global sustainability musically.

Financial sustainability

Last year, we have been able to develop our commercial hire of the Cathedral by developing our work with high quality and popular production organisations such as London Concertante, Xperience Live, and Kinda Dusty. These partnerships enable us to deliver a wide range of professional concerts and events throughout the year, including classical concerts, tribute bands, a silent disco and theatrical performance, bringing in new audiences to our Cathedral and significantly enhancing income for the Cathedral. As well as helping support the Cathedral financially, these events enable us to showcase the Cathedral as a lively and welcoming space for all. We also hired the space for private third-party events such as the Chelmsford BID Awards; schools' end of term concerts and events and the ARU Graduations.

In 2025, we increased the number of visitor events and cultural performances in the Cathedral curated and presented by the Cathedral team, rather than a third-party hirer. We hoped to reflect a more cohesive programme to integrate learning and mission in fulfilment of Chapter's vision and although much excellent work was delivered, we found it difficult to meet budgetary projections for sales for these events and, as we build on this work, we have been very pleased that our earned income through the hire of the Cathedral space for private events and third-party events has continued to grow and support the other areas of our cultural programming.

Chelmsford Cathedral is also a community hub through its hosting of multiple organisations' Annual General Meetings and services and welcoming such organisations as the Mothers' Union and the Essex Change Ringers Association.

We continued to offer our Chapter House as a venue for hire for meetings and conferences as well as its use by our own community and committees. This is an important source of earned income which will help us plan short to medium-term income.

We were letting three houses (formerly used for clergy and other staff members) at the year end.

Public Benefit

The Cathedral became a Charity regulated by the Charity Commission on 1 March 2024. Chapter confirms that it has had regard to the public benefit guidance published by the Charity Commission in determining the activities of the Cathedral and considers its public benefit obligations in its meetings.

The Cathedral serves the local community and wider Diocese daily in its religious and social engagement work. The Cathedral space is a free space to enter and as well as daily acts of worship, offers cultural events, lectures and music (both those organised internally and those where it is a venue for others) that are also often free of charge and to which the whole community is invited. It works closely with civic agencies in the city and has close relationships with Anglia Ruskin University, whose graduations are held in the Cathedral twice a year when graduands' friends and families are also welcomed onto our site. We support school visits which are free of charge and the provision of educational opportunity and musical outreach are important elements of our work with children and young people. Our precincts offer an important green lung in the centre of the city where passers-by can sit and enjoy the Churchyard. It is important to us that we are an active resource and share knowledge and good practice with other cultural organisations in the promotion of religion, music, education, history and architecture. Locally, we are involved in the Chelmsford Business Improvement District and partner with Chelmsford for You to coordinate events, particularly school holiday activities for children. Our Clergy and Chief Operating Officer are engaged nationally within the Anglican cathedral community, and more widely in the Church of England.

Financial Review

The overall operating result for 2025, taking unrestricted and restricted activity together, was net income of £568,000 with losses on investments of £82,000 giving total net income of just under £487,000. The investment losses followed gains in 2024 of £55,000 and 2023 of £193,000. A major factor contributing to this result was exceptional legacy income of £830,000 compared with £14,500 in 2024.

A surplus of £684,000 on the unrestricted General Fund was offset by £79,000 of budgeted expenditure from the unrestricted designated Visitor Engagement and Development Funds to give net income of £605,000. The Visitor Engagement Fund was used as intended to support the development of the Cathedral's work in that area with a small balance left for use in 2026. The Development Fund was used as planned for major projects, principally the refurbishment of residential properties to allow the Cathedral to maximise rental

income and prepare them for incoming clergy.

On the restricted side, net operating expenditure of £36,000 arose principally from the decision in 2024 to build up the music and choir at the Cathedral by making a drawdown from the Choral Fund.

Principal funding sources

Legacy income was an exceptional £830,000 in 2025, up from £14,500 in 2024. As a percentage of income, it went from 1% to 38%. The level of legacy income in 2025 was such that it has significantly affected the relative percentages of other sources of income compared with 2024.

Other trading activities income was much increased at £457,000 (2024: £402,000) and was the joint second largest source of funding at 21% of total income. However, this was the lower percentage than in 2024, mainly because of the much higher legacy income.

Grant income remained a large source of income comprising 21% (2024: 36%) of total operating income. It fell as a percentage because of the high legacy income and increase in income from other trading activities. Of the total grant income of £450,000, (slightly down from £469,000 in 2024), the majority, £430,000 (2024: £425,000) came from the Church Commissioners. The grant income from the Church Commissioners supported the work of the Dean and Residentiary Canons, the verger team, and lay staff posts that contributed to the sustainability of the Cathedral.

Donation income at £304,000 (2024: £298,000) also remained a significant source of income comprising 14% of operating income, down from 23% in 2024. Of this total, £212,000 (2024: £219,000) came from congregational giving including through the Parish Giving Scheme.

Investments

It is Chapter's investment policy that Cathedral funds should be invested according to the Church of England Ethical Investment Advisory Group's advice. Hence, most of its capital is placed in CBF Church of England Funds managed by CCLA and the rest in M&G Charifund.

Approximately 93% (2024: 94%) by value of the Cathedral's investments other than cash deposits consist of income shares in the CBF Investment Fund. The total return performance in 2025 was -1.17% (2024: 5.09%) compared to the comparator of 10.97% (2024: 15.30%). A further 4.2% (2024: 4.0%) by value is in the CBF Property Fund. Its total return performance in 2025 was 7.70% (2024: 6.14%) compared to the benchmark of 5.06% (2024: 5.05%).

The Cathedral's short-term cash deposits are with the CBF Deposit Fund. The total return performance in 2025 was 4.37% (2024: 5.18%) compared to the benchmark of 4.31% (2024: 5.23%).

Reserves

As at 31 December 2025, the total funds of the Cathedral were £6.488m, compared with the 2024 total of £6m. Of this total, £4.86m (2024: £4.95m) were restricted and not available for the general purposes of the charity. Unrestricted funds totalled £1.59m (2024: £1m). Of these £93,000 (2024: £172,000) are designated by the Chapter for the purposes set out in note 15 to the financial statements. The 2026 budget includes provision for drawing down £86,000 of the designated funds in that year.

The restricted funds include an estates fund of £2.91m (2024: £2.91m) which represents the historic value of the Cathedral's residential properties and Chapter House.

The unrestricted reserves as at 31 December 2025 were £1,040,000 (2024: £462,481) being total unrestricted funds (including designated funds), less unrestricted tangible fixed assets, investments and stocks. Unrestricted reserves excluding designated funds were £947,000 (2024: £290,000).

Reserves policy

It is Chapter's policy to maintain reserves at least equal to three months' normal unrestricted expenditure. The reserves required by this policy are £245,000 (2024: £232,000) which is below the actual unrestricted reserves of £1,040,000 (2024: £462,481). Unrestricted cash at bank and in short-term deposits in support of these reserves amounted to £305,000 at 31 December 2025 (2024: £488,000).

The plans for reserves above the level required by the reserves policy include work in respect of the most urgent items identified in the Quinquennial Inspection in 2026.

Principal risks and uncertainties

Chapter is responsible for ensuring effective risk management and that internal controls are in place to appropriately manage the organisation's risk exposure. The Cathedral recognises that any risk management system can only manage risks and not eliminate them and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Audit and Risk Committee's Terms of Reference include oversight of both financial and non-financial risks across the whole Cathedral, reporting to Chapter. Under the Cathedrals Measure 2021, the membership of the Audit and Risk Committee ensures some independence from Chapter to ensure that the Committee can work freely to hold the Cathedral's governance and operations to account.

Risks are considered in a broad context, and Chapter focuses on the significant matters that might prevent the Cathedral from achieving its vision - this has to date informed the structure of the Risk Register and approach to risk management. With the appointment of the Governance and Committees Manager, further work will be done next year to review this approach in liaison with the Cathedral's insurers.

The Cathedral's insurance policies, currently with Ecclesiastical Insurance, are reviewed twice a year through in-depth meetings with our insurers looking at the Cathedral's work and use of its assets. The Chief Operating Officer, in liaison with the Head of Property and Operations, maintains close and regular contact with the insurers to discuss specific risks as they occur, and to ensure appropriate insurance provision in advance of particular special events and art installations.

In December 2024, Ecclesiastical Insurance worked with the Chief Operating Officer to inform the development of the Cathedral's Risk Register, and whilst work has been done to re-structure and populate the Risk Register, further work is being done to ensure that the Register is fully embedded into the management structures of the Cathedral. The Chief Operating Officer incorporates risk reporting into each of their Chapter reports and produces a Current Risk Report for the Audit & Risk Report.

The principal risks, and the Cathedral's approach to managing them, are set out in the following sections: -

Financial

Controls are in place to ensure the Cathedral's financial activities are responsibly managed. These financial controls include budgetary control, account reconciliation procedures, managed authority levels, periodic stock counts and monitoring of the Cathedral's investment strategy and related risks. Work continued during the year to develop management information and to move to the issuing of monthly management accounts. Management accounts are reviewed by the Senior Leadership Team, Finance Committee and Chapter, with any emerging risks reported to the Audit and Risk Committee regularly.

The Cathedral continues to develop its cashflow and investment management arrangements, ensuring that the balance between cash, short-term deposits and investments is appropriate and meets the needs of its reserves policy.

Health and safety

Following the Worknest General Risk Assessment that took place in early 2024, a programme of works led by the Chief Operating Officer and Head of Property and Operations has significantly reduced the Cathedral's risk and resulted in an extremely positive audit in 2025. Training programmes have been maintained and extended to newly recruited volunteers and a rolling programme of checking and recording has been implemented.

We remain acutely aware of the risks presented to the organisation by the safety of the historic Cathedral buildings, and in keeping staff and visitors safe from external risks from terrorism, protest and civic unrest, and extreme weather events. We have put in place revised policies to cover these events, put in place staff and volunteer training and now engage a private security presence at large events or when civic protests are planned in the city.

People

In 2024, we identified lack of capacity on the staff team as a primary risk, with greater staff capacity being needed to enable the Cathedral to carry out its missional activities, meet its compliance responsibilities and drive income necessary to achieve its budget year on year. In 2025, the Cathedral successfully recruited to thirteen new or existing roles including a senior clergy role. Turnover of staff in 2025 (other than by way of retirement) was 13%, considerably below average rate for a UK charity and about average for a commercial organisation. In terms of other achievements, staff confidence and well-being appears to have improved and following a safety culture questionnaire in the summer, further surveys to gauge staff satisfaction are planned for 2026.

Ongoing risk includes retention of staff in a competitive marketplace where, as a charity, we cannot pay market-rate salaries for all roles, and significant work pressures are generated because the site is active and open to the public seven days a week. To mitigate this risk and to further our Diversity and Belonging goals, we amended staff annual leave this year to increase the number of days' leave, giving staff greater choice as to when these days are taken around Christmas.

In terms of other mitigations of people risk, we have continued with an extensive HR reset with new contracts, job descriptions, policies and handbook being issued to all staff.

Safeguarding

We put safeguarding at the heart of all to ensure the safety of children, young people, for vulnerable adults at risk of harm and for all victims of abuse. In addition, the Cathedral strives to maintain a culture of openness and trust, where keeping each other safe is core to our work.

The Chapter recognises that there is a low but continuing reputational risk from media reports about the Diocese of Chelmsford and more widely in the Church of England. This year has seen a ruling by the Charity Commission in respect of recent alleged safeguarding issues and the Commission's concerns as to how these were addressed by the in the Diocese. Chapter also recognises that it cannot easily mitigate against the significant legal and financial risks to the organisation, as well as the human harm and trauma, should there be disclosures of a non-recent nature.

We recognise too that we cannot eliminate the risk of safeguarding events happening or from disclosures being made in a safeguarding context that require careful management. These risks can be reduced but cannot be eliminated. To mitigate against the risks, the Cathedral ensures that it has robust safeguarding processes and practices in place, led by the Vice Dean, the Canon for Congregation and Community, who has, since late September, adopted the role of Cathedral Safeguarding Lead from the previous safeguarding lead. The Cathedral also has two volunteers Safeguarding Officers and a member of administrative staff who carries out DBS checks. The Cathedral safeguarding team works closely with the Diocesan Safeguarding Officer and their team and this year a Service Level Agreement was agreed between the Cathedral and Diocese to regularise the relationship between the respective teams around any disclosures and safeguarding

agreements, and any consequential casework. Under the terms of the SLA, the Diocese Team will also continue to lead on training for Cathedral clergy and senior management and provides regular updates on safeguarding where appropriate.

In 2026, additional staff resource is being recruited to ensure that our practices continue to improve. The Vice Dean reports to Chapter at every meeting and Safeguarding is a standing item at fortnightly SLT Meetings to ensure that it is embedded in the governance and operational management of the Cathedral. We follow Safer Recruitment guidelines in our staff and volunteer recruitment.

Data Protection and IT

The Cathedral has recently changed its IT provider, entering into a contract with the IT provider Penelope, thereby severing its previous relationship with the Diocese IT department in neighbouring offices. This move increases the Cathedral's financial spend on IT services but strengthens its governance by enabling it to have a direct contractual relationship with its provider, move from its previous servers to a cloud-based system and improve cyber security.

Plans for Future Periods

Priorities and projects for 2026

- 1) Appoint a Canon for Learning and Nurture, who will lead our work with children and families, support whole family discipleship, provide spiritual development for the congregation and develop and plan outreach and formation programmes;
- 2) Appoint key members of lay staff including a Cathedral Safeguarding Officer and Head Verger;
- 3) Continue growth of our choirs and development of our Music department's outreach;
- 4) Having entered into a service contract with IT provider Penelope, a company which specialises in third sector provision, develop, launch and imbed a robust, improved and comprehensive data protection and training and management programme which will in turn improve our cyber protection and data security;
- 5) Continue with our two-year Governance project led by the Chief Operating Officer, supported by the Governance and Committees Manager, intended to improve our Governance and ensure that we meet fully our obligations under the Cathedral Measure 2021 and charity law. This will include the re-working of the way in which we record and manage risk on the Cathedral's Enterprise Risk Management Register to reflect new Chapter priorities, amending the Cathedral Statutes following a review two years after becoming a charity, and developing and implementing a programme of Chapter training and appraisal led by the Chair of the Nominations Committee;

- 6) Identify, adopt and populate a new CRM system to help improve data management and support income generation;
- 7) Further development of the Cathedral as a cultural centre to increase visitor numbers, build income, support our mission and fulfil our priority of exploring theology and the arts. This work will include an autumn-themed programme to celebrate the season of creation, centred around the Jacqui Parkinson installation “Threads Through Creation”. The programme will include events exploring the themes of creation, sustainability and harvest with textiles;
- 8) Continuous improvement to our safeguarding practice and preparation for the 2027 audit by INEQE of the Cathedral and Diocese’s safeguarding culture, structures and management;
- 9) Continued implementation and delivery of the second stage of a two-year Estates Plan to include repairs to the Cathedral roof, appointing new Fabric Advisory Committee members and a new Statutory Architect, commissioning the Quinquennial Report and planning a refurbishment of our Knightbridge library;
- 10) Advancement of our Eco church work to preserve our Gold status and to move towards our carbon Net Zero goals including scoping for a new heating system in the Cathedral.

Structure, Governance and Management

History of the Cathedral's governing statute

The Cathedral is an ecclesiastical corporation established for charitable purposes, with perpetual succession and a common seal.

The Constitution and Statutes were confirmed by an Order in Council dated 12 July 1968 under the Cathedrals Measure 1963. They were amended by Schemes confirmed by Orders in Council dated 21 December 1977 and 19 December 1984 under the Cathedrals Measure 1976. A new Constitution and Statutes, drawn up by a Transitional Council established in accordance with the Cathedrals Measure 1999, came into effect on 6 February 2000. The body corporate was established as the members for the time being of the Cathedral Chapter, Cathedral Council, and the College of Canons. The Constitution and Statutes were amended by the Cathedral Council at its meetings on 9 March 2005, 3 December 2008, and 2 December 2009. On 1 July 2015, the Statutes were further amended to change the composition of Chapter and to allow for the appointment of Area Deans as Honorary Canons and Lay Chairs as Honorary Lay Canons.

Registration as a Charity

New Constitution and Statutes, as required by the Cathedrals Measure 2021, came into effect on 28 November 2023. On that date, the Chapter became the sole body of the corporation and other significant changes to the Cathedral’s governance were introduced.

On 1 March 2024, the implementation of the Cathedrals Measure 2021 was certified as completed by the Church Commissioners. The Cathedral was registered with the Charity Commission on 1 March 2024. The Church Commissioners and the Charity Commission became co-regulators of the Cathedral from that date. Chapter members became Trustees for the purposes of the Charities Act 2011.

The Cathedral's role in the Diocese

The Rt Revd Dr Guli Francis-Dehqani was confirmed as the 11th Bishop of Chelmsford on 11 March 2021. The Cathedral is the seat of the Bishop of Chelmsford, who is also the Visitor of the Cathedral. As Visitor, the Bishop has a regulatory role in supervising the Cathedral's observance of its Constitution and Statutes.

The Cathedral supports the Bishop's ministry and seeks to serve the wider Diocese. The Cathedral is home to a wide range of Diocesan celebrations and events, including ordinations, installations, Diocesan Synod, clergy training days and quiet days. It has in recent years been used weekly as one of five St Mellitus College's centres, where students study part-time for ordination. It is a major venue for civic events, a wide range of concerts, cultural activities, school conferences and events, graduation ceremonies and lectures involving the parishes and wider communities from across Essex and East London.

The Cathedral is also the parish church for the ecclesiastical parish of St Mary, St Peter and St Cedd, Chelmsford. The Dean is the Rector of the Parish. As at April 2025, there were 232 names on the parochial electoral roll (2024: 294).

Chapter

The Cathedral Chapter is the governing body. It directs and oversees the administration of the Cathedral and has responsibility for leadership, policy, strategy, and vision. It meets on at least six occasions each year.

In accordance with the Cathedrals Measure 2021, the members of Chapter are:

- The Dean;
- the Residentiary Canons;
- six to ten further non-executive members appointed in accordance with the Constitution.

The Dean and Residentiary Canons are executive members; all other members are non-executive members of Chapter.

There must be more non-executive members than executive and at least two thirds of the non-executives must be lay. One of the non-executive members is appointed by the Bishop to be the Senior Non-Executive Member (SNEM). The SNEM will chair meetings in the absence of the Dean or Interim Dean. Non-executive members must be communicants of the Church of England.

The Chief Operating Officer (COO) is Chapter Clerk and attends all Chapter meetings. The Chief Finance Officer (CFO) also attends all meetings.

We are currently working to enhance the Chapter members' induction process in line with the Association of English Cathedrals (AEC) recommendations. Chapter members also complete a Register of Interests, Skills Audit and Diversity Questionnaire. Documents, meeting notes and other information is held on a restricted area of the Cathedral's website and the portal for trustees is currently under development.

Annual AEC training courses are provided and safeguarding training is mandatory. Chapter members are always welcome in the team offices and are afforded hospitality and desk space to prepare for meetings or to talk with staff members. Chapter members are invited to robe and participate in special Cathedral services.

The College of Canons

The College of Canons ceased to be part of the corporation of the Cathedral but there continues to be a body called the College of Canons which is independent of the Chapter, and which seeks to contribute to the corporate life of the Cathedral and to promote its mission and service in the Diocese. Its members are:

- the Dean;
- the Area Bishops;
- the Archdeacons; and
- the Residentiary, Non-Residentiary and Lay Canons, appointed by the Bishop after consultation with the Dean.

Non-Residentiary Canons cease to be members of the College when they are no longer beneficed or licensed in the Diocese. Lay Canons are appointed for an initial period of five years but are eligible for reappointment for further periods. They will cease to be a Lay Canon if they cease to live in the Diocese or be on the electoral roll of a parish in the Diocese.

Statutory committees

These are currently:

- Nominations Committee - advises on recruitment to Chapter and statutory committees;
- Finance Committee - advises Chapter in its responsibilities in the field of financial and investment management;
- Audit and Risk Committee - keeps under review the activities and management of the Cathedral;
- Estates Committee - manages the property of the Cathedral and Cathedral Estate. The purpose of the committee was reviewed in 2025 following the resignation of the Chair. Chapter resolved to dissolve the committee as a standing Statutory Committee.

Statutory advisory bodies

The Cathedral Forum is a statutory body but is not a Chapter committee. Its principal function is to advise the Chapter on matters relating to the Cathedral which the Chapter from time to time assigns to it. It acts as a conduit between the congregation and Chapter as its membership includes the Churchwardens and Deputy Churchwardens, and its meetings are open to all members of the Cathedral community.

The Fabric Advisory Committee (FAC) is a statutory body, which reports to the Cathedrals Fabric Commission for England (CFCE). It has a minimum of six members, three each appointed by Chapter and the CFCE, and two consultants, the Surveyor to the Fabric and the Cathedral Archaeologist. The Committee currently meets twice a year, and meetings include a tour and inspection of the Cathedral space and its Churchyard.

The powers and responsibilities of the FAC come from the Care of Cathedrals Measure 2011. No work may be carried out on the Cathedral that would materially affect its architectural, archaeological, artistic or historic character, nor may any object of architectural, archaeological or artistic interest be sold, lent or disposed of without the approval of either the CFCE or the Fabric Advisory Committee.

Governance structure and decision - making

Cathedral Chapter

Under section 11 of the Cathedrals Measure 2021, the Cathedral Chapter must direct and oversee the administration of the affairs of the Cathedral, and in performing that duty the Chapter must in particular:

- Order the worship of the Cathedral and promote its mission;
- Formulate, after consultation with the Bishop, proposals relating to the general direction and mission of the Cathedral;
- Prepare an annual budget for Chapter;
- Prepare an annual report for the Chapter and annual accounts for audit and subsequent approval;
- Keep under review the Constitution and Statutes;
- Manage the property vested in the Chapter and the income accruing from it and ensure that necessary repairs and maintenance in respect of the Cathedral and its contents and other buildings and monuments are carried out.

Senior Leadership Team

Chapter delegates the operational running of the Cathedral to its Senior Leadership Team (SLT). The Senior Leadership Team is a senior management committee required under the Measure. Its function is to oversee the day-to-day management, operation and administration of the Cathedral on behalf of Chapter. Its membership is the Dean,

Residentiary Canons with executive responsibilities and the Chief Officers.

Changes in clerical and senior lay appointments

Changes in clerical appointments

- The Very Rev'd John Paul Kennington, Interim Dean, completed his term of office on 4 January 2025
- The Very Rev'd Dr Jessica Martin was installed as Dean on 5 January 2025.
- The Rev'd Kate Moore, a full time non-stipendiary Associate Priest, left her role on 31 August 2025.
- The Rev'd Canon Joseph Fernandes was installed as Canon for Congregation and Community (Vice Dean) on 22 September 2025

Through the year we said farewell to the following heads of department:

- Claire Snewin, Communication & Marketing Manager, March 2025
- John Elliot, Head Verger, September 2025

Appointments to our senior staff team and heads of department team in 2025 include:

- Jennifer Wall, Head of Events, Volunteers & Visitor Engagement - May 2025
- James Cottis, Head of Communications & Media - July 2025
- Maryanne Fleming, Governance & Committees Manager - December 2025

Arrangements for setting staff remuneration

The pay of senior staff is set on appointment in relation to market rates applicable to other charitable organisations in the region and to comparative cathedral rates. We also usually benchmark annual pay rises to follow the Central Stipends Authority increase in the National Stipends Benchmark, and for lay staff, with reference to Chelmsford Diocese team salary raises. It is the Cathedral's policy that all staff should receive at least the Real Living Wage as calculated by the Living Wage Foundation.

Investment powers

Under the Cathedrals Measure 2021, the Cathedral Chapter may invest the Cathedral's funds in any of the following:

- the acquisition of land, with the consent of the Church Commissioners;
- an investment fund or deposit fund constituted under the Church Funds Investment Measure 1958;
- investments in which trustees may invest under the general power of investment in the Trustee Act 2000 (as restricted by sections 4 and 5 of that Act); and
- the improvement or development of property belonging to the Cathedral, except that endowment funds may not be used to improve or develop the Cathedral itself and its ancillary buildings.

The Chapter may not exercise the power under regulation 4 of the Charities (Total Return) Regulations 2013 (which enables borrowing of up to 10% of permanent endowment) unless it has obtained the consent of the Church Commissioners.

Reference and Administrative Details

Full legal name and address

The Cathedral Church of St Mary the Virgin, St Peter and St Cedd, Chelmsford, also known as Chelmsford Cathedral.

The Cathedral Office
Guy Harlings
New Street
Chelmsford
CM1 1TY

Enquiries: 01245 294492 or hello@chelmsfordcathedral.org.uk
Registered Charity number: 1207270

Members of the Cathedral Chapter

The members of the Cathedral Chapter serving during 2025 or at the date of this report are:

The Very Rev'd JP Kennington, Interim Dean - until 4 January 2025
The Very Rev'd Dr J H Martin, Dean - from 5 January 2025
Mr D Aboaba
Prof V Anderson
Mr AN Copp
Mr R Eveleigh
The Rev'd Canon S Harries, Canon Precentor
Dr E Henry, Senior Non-Executive Member
Mr T Matthews - until 28 February 2025
Mrs L Quinn
Mrs D Weddell
The Venerable Jonathan Croucher - from 20 May 2025
The Rev'd Canon Joseph Fernandes - from 22 September 2025

Statutory post holders

Chief Operating Officer	Mrs J Horseman Sewell
Chief Finance Officer	Dr D Edgar
The Surveyor to the Fabric	Mr S Marks Dip Arch RIBA AABC - retired 1 June 2025
The Archaeologist	Dr D Andrews

The Cathedral Director of
Music/Organist

Dr E Gibbins

Ms Marta Gazika has been confirmed as Interim Cathedral Architect whilst the appointment of the new Statutory Architect is made.

The Nominations Committee

Membership:

Prof V Anderson - Chair

Mrs L Quinn

Mr A Smith

Mrs D Weddell

Mr Andrew Scott - from 9 September 2025

The Finance Committee

Membership:

Mr AN Copp - Chair

Mr D Aboaba

Mr T Allen

Mr D Jebanesen - from 15 July 2025

In attendance:

The Very Rev'd JP Kennington, Interim Dean of Chelmsford - until 04 January 2025

The Very Rev'd Dr J H Martin, Dean of Chelmsford - from 05 January 2025

Mrs J Horseman Sewell, Chief Operating Officer

Dr D Edgar, Chief Finance Officer

The Audit and Risk Committee

Membership:

Mr A Smith - Chair

Mrs H Allen

Mr M Brookes

Mr AN Copp

Mr R Eveleigh

Mrs S Shordon - from 9 September 2025

Mr J Spence - from 25 November 2025

In attendance:

Dr D Edgar, Chief Finance Officer

Mrs J Horseman Sewell

The Very Rev'd Dr Jessica Martin, Dean of Chelmsford - from 05 January 2025

The Estates Committee

Membership:

Mr T Matthews - Chair - to 28 February 2025

Mr P Goodman

Mr B Greatrex

Mr P Kemp

The Very Rev'd JP Kennington - to 4 January 2025

Note: Please see note above on p19.

The Fabric Advisory Committee

Membership:

Dr J Bettley - Chair

Ms A Locke

The Venerable C Burke

Mr J Bromsgrove

Ms V Gkoufa

In attendance:

The Very Rev'd JP Kennington, Interim Dean of Chelmsford - to 04 January 2025

Mrs J Horseman Sewell, Chief Operating Officer

Mr S Marks Dip Arch RIBA AABC - Surveyor to the Fabric - retired 01 June 2025

The Very Rev'd Dr Jessica Martin, Dean of Chelmsford - from 05 January 2025

At the date of this report, candidates for three vacancies have been interviewed and appointed subject to CFCE and Chapter ratification.

Auditor	Edmund Carr LLP 146 New London Road Chelmsford CM2 0AW
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Bankers	Barclays Bank plc 40/41 High Street Chelmsford CM1 1BE
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Solicitors	Winckworth Sherwood 255 Blackfriars Road London SE1 9AX
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Librarian and Archivist	Vacant c/o Cathedral Offices
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Jessica Martin

Andrew Copp

The Annual Report was approved by Chapter on 13 May 2026 and signed on its behalf by the Very Rev'd Dr Jessica Martin, Dean of Chelmsford and Mr Andrew Copp, Chair of Finance.

ANNUAL REPORT OF CHELMSFORD CATHEDRAL CHAPTER

CHAPTER MEMBERS' RESPONSIBILITIES STATEMENT

The Chapter members (who are the Trustees of the charity) are responsible for preparing the Annual 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 Chapter members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Cathedral and of the incoming resources and application of resources of the Cathedral for that period.

In preparing these financial statements, the Chapter members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Cathedral will continue in operation.

The Chapter members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Cathedral and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Cathedral and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

REPORT OF THE INDEPENDENT AUDITOR TO THE CHAPTER MEMBERS (TRUSTEES) OF THE CATHEDRAL CHURCH OF ST MARY THE VIRGIN, ST PETER AND ST CEDD, CHELMSFORD

Opinion

We have audited the financial statements of the Cathedral Church of St Mary the Virgin, St Peter and St Cedd, Chelmsford (the 'Cathedral') for the year ended 31 December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow 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 Cathedral's affairs as at 31 December 2025, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Cathedral 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.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Chapter members are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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:

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

Responsibilities of Chapter members

As explained more fully in the Chapter members' responsibilities statement set out on page 25, the Chapter members 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 Chapter members 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 Chapter members are responsible for assessing the Cathedral'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 Chapter members either intend to liquidate the Cathedral or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements of the operations for the Cathedral, including the Cathedrals Measure 2021, tax and employment legislation.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the Cathedral's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by:

- Making enquiries of management as to their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation.
- Reading the minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify unusual transactions.
- Tested journal entries to identify unusual transactions.

- Investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cathedral's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chapter members.
- Conclude on the appropriateness of the Chapter members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cathedral's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cathedral to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Cathedral's Chapter members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has

been undertaken so that we might state to the Cathedral's Chapter members 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 Cathedral and the Cathedral's Chapter members as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

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Edmund Carr LLP, Statutory Auditor

146 New London Road
Chelmsford
CM2 0AW

Date 15 May 2026

Edmund Carr LLP is eligible for appointment as auditor of the Cathedral by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted £	Restricted £	Endow- ment £	2025 £	2024 £
Income and endowments from:						
Donations, legacies and grants:	2					
Donations		280,472	24,151	-	304,623	298,412
Legacies		811,000	19,264	-	830,264	14,500
Grants		19,638	430,433	-	450,071	469,382
Charitable activities	3	9,971	-	-	9,971	11,496
Other trading activities	4	444,512	12,864	-	457,376	401,578
Investments		27,123	75,278	-	102,401	95,914
Other income		18,871	777	-	19,648	19,065
Total income		1,611,587	562,767	-	2,174,354	1,310,347
Expenditure on:						
Raising funds	5	353,508	42,748	-	396,256	280,534
Charitable activities:	6					
Ministry		366,775	436,566	-	803,341	628,940
Cathedral, St Peter-ad-Murum and Chapter House upkeep		231,185	91,694	-	322,879	318,954
Education and outreach		4,352	6,776	-	11,128	41,575
Community, parish and congregation		32,800	21,276	-	54,076	56,477
Other expenditure		18,229	-	-	18,229	887
Total expenditure		1,006,849	599,060	-	1,605,909	1,327,367
Net income/(expenditure) before gains/(losses) on investments		604,738	(36,293)	-	568,445	(17,020)
Net gains/(losses) on investments	12	(20,188)	(59,769)	(1,650)	(81,607)	54,661
Net income/(expenditure)		584,550	(96,062)	(1,650)	486,838	37,641
Transfers between funds		-	-	-	-	-
Net movement in funds		584,550	(96,062)	(1,650)	486,838	37,641
Total funds brought forward		1,008,507	4,951,503	41,278	6,001,288	5,963,647
Total funds carried forward		1,593,057	4,855,441	39,628	6,488,126	6,001,288

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted £	Restricted £	Endow- ment £	2024 £
Income and endowments from:					
Donations, legacies and grants:	2				
Donations		279,962	18,450	-	298,412
Legacies		9,500	5,000	-	14,500
Grants		18,813	450,569	-	469,382
Charitable activities	3	11,496	-	-	11,496
Other trading activities	4	396,703	4,875	-	401,578
Investments		34,346	61,568	-	95,914
Other income		18,872	193	-	19,065
Total income		769,692	540,655	-	1,310,347
Expenditure on:					
Raising funds	5	235,097	45,437	-	280,534
Charitable activities:	6				
Ministry		247,871	381,069	-	628,940
Cathedral, St Peter-ad-Murum and Chapter House upkeep		206,855	112,099	-	318,954
Education and outreach		19,744	21,831	-	41,575
Community, parish and congregation		34,656	21,821	-	56,477
Other expenditure		887	-	-	887
Total expenditure		745,110	582,257	-	1,327,367
Net income before gains/(losses) on investments		24,582	(41,602)	-	(17,020)
Net gains on investments	12	11,300	42,418	943	54,661
Net income		35,882	816	943	37,641
Transfers between funds		-	-	-	-
Net movement in funds		35,882	816	943	37,641
Total funds brought forward		972,625	4,950,687	40,335	5,963,647
Total funds carried forward		1,008,507	4,951,503	41,278	6,001,288

This statement has been included for comparative purposes.

BALANCE SHEET AS AT 31 DECEMBER 2025

	Notes	Unrestricted £	Restricted £	Endowment £	2025 £
Fixed assets					
Tangible assets	10	56,637	2,910,000	-	2,966,637
Investments	12	484,788	1,920,078	39,628	2,444,494
Total fixed assets		541,425	4,830,078	39,628	5,411,131
Current assets					
Stocks		11,237	-	-	11,237
Debtors	13	827,829	22,765	-	850,594
Short term deposits		180,289	45,901	-	226,190
Cash at bank and in hand		125,048	(38,928)	-	86,120
Total current assets		1,144,403	29,738	-	1,174,141
Creditors: amounts falling due within one year	14	(92,771)	(4,375)	-	(97,146)
Net current assets		1,051,632	25,363	-	1,076,995
Total net assets		1,593,057	4,855,441	39,628	6,488,126
Funds					
	15, 16				
Unrestricted funds					
General funds		1,499,876	-	-	1,499,876
Designated funds		93,181	-	-	93,181
Restricted funds					
Permanent endowment		-	4,855,441	-	4,855,441
		-	-	39,628	39,628
		1,593,057	4,855,441	39,628	6,488,126

The annual report and financial statements of Chelmsford Cathedral were approved by Chapter and authorised for issue on 13 May 2026 and signed on its behalf by:

Jessica Martin

Andrew Copp

The Very Rev'd Dr Jessica Martin
Dean

Andrew Copp
Chapter member

13 May 2026

BALANCE SHEET AS AT 31 DECEMBER 2024

	Notes	Unrestricted £	Restricted £	Endowment £	2024 £
Fixed assets					
Tangible assets	10	31,703	2,910,000	-	2,941,703
Investments	12	504,976	1,999,847	41,278	2,546,101
Total fixed assets		536,679	4,909,847	41,278	5,487,804
Current assets					
Stocks		9,348	-	-	9,348
Debtors	13	103,423	13,444	-	116,867
Short term deposits		286,507	78,764	-	365,271
Cash at bank and in hand		201,713	(46,456)	-	155,257
Total current assets		600,991	45,752	-	646,743
Creditors due within one year	14	(129,163)	(4,096)	-	(133,259)
Net current assets		471,828	41,656	-	513,484
Total net assets		1,008,507	4,951,503	41,278	6,001,288
Funds					
	15, 16				
Unrestricted funds					
General funds		836,448	-	-	836,448
Designated funds		172,059	-	-	172,059
Restricted funds					
Permanent endowment		-	4,951,503	-	4,951,503
		-	-	41,278	41,278
		1,008,507	4,951,503	41,278	6,001,288

This statement has been included for comparative purposes.

STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted £	Restricted £	2025 £	2024 £
Cash flows from operating activities					
Net cash provided by/ (used in) operating activities		(179,501)	(120,613)	(300,114)	(52,544)
Cash flows from investing activities					
Income from investments		27,123	75,278	102,401	95,914
Investments: sale proceeds	12	20,000	-	20,000	-
Purchase of tangible fixed assets		(30,505)	-	(30,505)	(31,703)
Net cash provided by investing activities		16,618	75,278	91,896	64,211
Change in cash and cash equivalents in the year		(162,883)	(45,335)	(208,218)	11,667
Cash and cash equivalents at the beginning of the year		488,220	32,308	520,528	508,861
Cash and cash equivalents at the end of the year		325,337	(13,027)	312,310	520,528

Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities

Net income/(expenditure) as per SOFA		604,738	(36,293)	568,445	(17,020)
Adjustments for:					
Depreciation		5,571	-	5,571	-
Income from investments		(27,123)	(75,278)	(102,401)	(95,914)
(Increase) in stocks		(1,889)	-	(1,889)	(148)
(Increase)/decrease in debtors	13	(724,406)	(9,321)	(733,727)	(33,360)
Increase/(decrease) in creditors	14	(36,392)	279	(36,113)	93,898
Net cash provided by/(used in) operating activities		(179,501)	(120,613)	(300,114)	(52,544)

Cash and cash equivalents comprise the following balances:

	At 1 January £	Cash flows £	At 31 December £
Cash at bank and in hand	155,257	(69,137)	86,120
Cash on deposit with CCLA	365,272	(139,082)	226,190
Total cash and cash equivalents	520,528	(208,219)	312,310

STATEMENT OF CASH FLOWS FOR YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted £	Restricted £	2024 £
Cash flows from operating activities				
Net cash provided by/(used in) operating activities		41,670	(94,214)	(52,544)
Cash flows from investing activities				
Income from investments		34,346	61,568	95,914
Net cash provided by investing activities		(31,703)	-	(31,703)
		2,643	61,568	64,211
Change in cash and cash equivalents in the year		44,313	(32,646)	11,668
Cash and cash equivalents at the beginning of the year		443,907	64,954	508,861
Cash and cash equivalents at the end of the year		488,220	32,308	520,528
Reconciliation of net income/(expenditure) to net cash inflow/(outflow) from operating activities				
Net income/(expenditure) as per SOFA		24,582	(41,602)	(17,020)
Adjustments for:				
Income from investments		(34,346)	(61,568)	(95,914)
(Increase)/decrease in stocks		(148)	-	(148)
(Increase)/decrease in debtors	13	(44,526)	11,166	(33,360)
Increase /(decrease) in creditors	14	96,108	(2,210)	93,898
Net cash provided by/(used in) operating activities		41,670	(94,214)	(52,544)

Cash and cash equivalents comprise the following balances:

	At 1 January £	Cash flows £	At 31 December £
Cash at bank and in hand	168,929	(13,672)	155,257
Cash on deposit with CCLA	339,931	25,341	365,272
Total cash and cash equivalents	508,860	11,669	520,528

This statement has been included for comparative purposes.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting policies

Basis of preparation

The Cathedral is a charity registered with the Charity Commission for England and Wales. The nature of the Cathedral's operations and principal activities are set out in the annual report.

The accounts have been prepared in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice* dated October 2019, and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Cathedral meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the *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 issued in October 2019 rather than the *Accounting and Reporting by Charities: Statement of Recommended Practice* effective from 1 April 2005 which has since been withdrawn.

The accounts are presented in sterling, which is the functional currency of the Cathedral, and rounded to the nearest pound.

Consolidation

The Cathedral does not have any active trading subsidiaries. It is connected to the Friends of Chelmsford Cathedral, which does not meet the criteria for consolidation. Further details are provided in note 17.

Going concern

Chapter has considered whether the use of the going concern basis of accounting is appropriate. To do this, it has considered whether there are any material uncertainties as to the Cathedral's ability to continue as a going concern. It has carried out this assessment for a period of at least one year from the date of approval of these financial statements. It has concluded that there are no material uncertainties about the Cathedral's ability to continue as a going concern.

Funds

Unrestricted funds are available for use at the discretion of the Chapter in furtherance of the general objects of the Cathedral and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Chapter for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Cathedral for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the Cathedral. The purposes of the Cathedral's endowment fund is set out in the notes to the financial statements. Income arising on the endowment funds can be used in accordance with the objects of the Cathedral. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Income

All incoming resources are included in the Statement of Financial Activities when the Cathedral is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

The Cathedral's main sources of income are congregational giving and other donations and associated Gift Aid, Church Commissioners' grants, investment income, and income from letting of the Cathedral building and meeting rooms in the Chapter House and Cathedral Centre. Income is recognised in the year in which it arises. The Church Commissioners pay the stipends and associated payroll costs of the Dean and two Residentiary Canons. The amounts are included in the Statement of Financial Activities, both under grants received and under clergy costs. Legacies are recognised when it is established that the Cathedral is entitled to the legacy, it is probable that it will be received, and the amount can be measured or estimated with sufficient reliability.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classed under the following headings:

- Costs of raising funds comprise the costs of lettings, fundraising activities and their associated support costs; and
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the Cathedral and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which expenditure was incurred.

Support costs are those functions that assist the work of the Cathedral but do not directly undertake either charitable or fundraising activities. See note 8 for details of these costs and the basis of allocation.

Redundancy and termination payments

Redundancy and termination payments are recognised when a legal obligation to incur the payments exists.

Tangible and intangible fixed assets

It is Chapter's policy to write off the cost of these assets in the year in which they are purchased, unless their purchase price exceeds £5,000. Depreciation is applied at rates calculated to write off the value of each asset evenly over its expected useful life with no residual value assumed.

Property	Not applicable
Building improvements	Ten years
Plant and machinery	Five to ten years
Fixtures and fittings	Five to ten years
IT equipment and software	Five years

The Cathedral's properties include seven houses, which are occupied rent-free by clergy and lay employees of the Cathedral, and the Chapter House, which are included in the balance sheet at current use value. Three houses (2024: four) are temporarily not required for Cathedral use and were let or being prepared for letting at the year end. The houses in Harlings Grove are valued without their site value as the land is not owned by the Cathedral. The houses and Chapter House were valued by an RICS registered valuer, as at 31 December 2011. This valuation is being used as the deemed cost of these properties on transition to the 2015 Regulations as allowed under FRS 102 35.10. No depreciation is provided on properties for Cathedral use as the Chapter has a policy and practice of regular maintenance and refurbishment which maintains the value.

The Chapter has the right to occupy and use part of the Guy Harlings Estate for charitable purposes. This includes having been granted permission to erect buildings to be used for the residence of clergy and lay persons employed by the Cathedral, upon such terms and conditions as the Managing Trustees from time to time think fit. The Cathedral has four houses in the Guy Harlings Estate and owns three freehold properties elsewhere in the city.

The Cathedral office accommodation is occupied under licence. The Cathedral Chapter does not pay rent but is responsible for all outgoings and repairs. Overall responsibility remains with Guy Harlings Managing Trustees.

The Cathedral Bookstall is in the Cathedral itself and has no separate value.

Heritage assets

Heritage assets include the Cathedral, St Peter-ad-Murum Chapel, Bradwell, and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011. No value has been attributed to these assets acquired before 31 December 2018, because information on their historical cost is not available.

Items donated to the inventory since 1 January 2019 are valued in the year of acquisition and shown as a heritage asset unless there is insufficient information available to reliably estimate the value of the asset.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the mid-market value (net asset value).

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Realised gains and losses on investments are calculated as the difference between sale proceeds and their opening carrying values or their purchase price if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

The Cathedral does not acquire put options, derivatives, or other complex financial instruments.

The main form of financial risk faced by the Cathedral is that of volatility in equity markets and investment markets due to wider economic conditions, the attitudes of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or subsectors.

Stocks

This asset comprises Bookstall and bar stock and is valued at the lower of cost and net realisable value.

Debtors

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

Cash at bank and in hand, and short-term deposits

Cash at bank and cash in hand includes cash and deposits in non-interest bearing current accounts. Short term deposits are 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.

Creditors and provisions

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

Pension scheme arrangements

Lay staff

Pensions for lay staff are provided by Church Workers Pension Fund. Lay staff are enrolled in the Pension Builder Classic Scheme which is classed as a defined benefit scheme. The contributions to the fund by the Cathedral are charged to the Statement of Financial Activities as incurred, as the scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities relating to the Cathedral.

The Cathedral also contributed to the personal pension plans of two staff during the year.

Clergy

With effect from 1 July 2024, the Cathedral became a Minor Responsible Member of the Church of England Funded Pensions Scheme in respect of members of the clergy (other than the Dean and Residentiary Canons) employed by the Cathedral.

This scheme operates as an occupational pension scheme and contributions, at a rate determined having regard to actuarial advice, are paid into a separate fund in the trusteeship of the Church of England Pensions Board. Benefits arising from pensionable service are provided from that fund. The contributions to the fund by the Cathedral are charged to the Statement of Financial Activities as incurred, as the scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities relating to the Cathedral.

Pensions and related benefits for the Dean and Residentiary Canons are also provided by the Church of England Funded Pensions Scheme with the Church Commissioners as the Responsible Body.

Donated facilities and services

Facilities and services donated for the Cathedral's own use and which would otherwise have been purchased are included in the accounts when received provided the value of the gift can be measured reliably. The value of the contribution of general volunteers cannot be measured reliably and is therefore not included in the accounts.

2. Income from donations, legacies and grants

	Unrestricted £	Restricted £	Total 2025 £	Unrestricted £	Restricted £	Total 2024 £
<u>Donations</u>						
Congregational giving	212,077	-	212,077	217,552	1,900	219,452
Other donations	68,395	24,151	92,546	62,410	16,550	78,960
Total donations	280,472	24,151	304,623	279,962	18,450	298,412
<u>Legacies</u>						
	811,000	19,264	830,264	9,500	5,000	14,500
<u>Grants</u>						
Church Commissioners	-	430,433	430,433	-	424,985	424,985
Friends of Chelmsford Cathedral	-	-	-	-	20,584	20,584
Other	19,638	-	19,638	18,813	5,000	23,813
Total grants	19,638	430,433	450,071	18,813	450,569	469,382
Total	1,111,110	473,848	1,584,958	308,275	474,019	782,294

Other grants mainly comprise £15,803 (2024: £18,813) from the Benefact Trust, £3,358 (2024: £nil) Listed Places of Worship grant from the Department for Culture, Media and Sport; and £nil (2024: £5,000) from the Ouseley Church Music Trust.

3. Income from charitable activities

	Unrestricted £	Restricted £	Total 2025 £	Unrestricted £	Restricted £	Total 2024 £
Fees	9,971	-	9,971	11,496	-	11,496

4. Income from other trading activities

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	2025	£	£	2024
	£	£	£	£	£	£
Fund raising income	89,232	-	89,232	41,892	-	41,892
Letting of Cathedral	192,825	-	192,825	176,558	-	176,558
Letting of Chapter House and Cathedral Centre	87,152	-	87,152	112,717	-	112,717
Rental income	57,197	12,864	70,061	50,991	4,875	55,866
Bookstall sales	18,106	-	18,106	14,545	-	14,545
Total	444,512	12,864	457,376	396,703	4,875	401,578

5. Cost of raising funds

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	2025	£	£	2024
	£	£	£	£	£	£
Costs of fund raising	86,680	400	87,080	27,383	-	27,383
Costs of lettings	184,733	-	184,733	161,037	-	161,037
Costs of bookstall	14,051	-	14,051	10,234	-	10,234
Publicity	5,734	-	5,734	9,492	-	9,492
Support costs	62,310	42,348	104,658	26,951	45,437	72,388
Total	353,508	42,748	396,256	235,097	45,437	280,534

6. Expenditure on charitable activities

	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	(note 7)	(note 8)	2025	(note 7)	(note 8)	2024
	£	£	£	£	£	£
Ministry Cathedral, St Peter-ad-Murum and Chapter House upkeep	593,496	209,844	803,340	495,292	133,648	628,940
Education and outreach Community, parish and congregation	7,938	3,190	11,128	7,382	34,193	41,575
Total	26,857	27,219	54,076	31,111	25,366	56,477
Total	862,341	329,083	1,191,424	797,686	248,260	1,045,946

7. Direct costs of charitable activities

	Total 2025 £	Total 2024 £
Ministry		
Clergy stipends, housing and support	278,774	218,935
Music	246,753	217,606
Services	67,969	58,751
	<u>593,496</u>	<u>495,292</u>
Cathedral, St Peter-ad-Murum and Chapter House upkeep		
<i>Cathedral</i>		
Major repairs and maintenance	-	10,685
Maintenance and interior upkeep	160,378	195,537
Insurance	31,417	26,568
<i>St Peter-ad-Murum</i>		
Maintenance and interior upkeep	8,388	2,875
Insurance	1,092	960
<i>Chapter House</i>		
Maintenance and interior upkeep	32,774	27,276
	<u>234,049</u>	<u>263,901</u>
Education and outreach		
Educational activities	7,918	5,462
Library	20	20
Charitable giving	-	1,900
	<u>7,938</u>	<u>7,382</u>
Community, parish and congregation		
Junior Church and young people	21,126	19,165
Parish groups and activities	485	1,167
Hospitality	5,246	10,779
	<u>26,857</u>	<u>31,111</u>
Total direct costs	<u>862,340</u>	<u>797,686</u>

8. Support costs

	Costs of raising funds	Charitable activities	Total 2025	Costs of raising funds	Charitable activities	Total 2024
	£	£	£	£	£	£
Administration and finance	54,811	84,418	139,229	50,314	90,040	140,354
IT and telephony	8,004	39,935	47,939	3,047	27,423	30,470
Human resources	14,724	81,441	96,165	8,088	32,351	40,439
Premises and office supplies	13,125	72,598	85,723	6,770	60,929	67,699
Governance	9,165	50,691	59,856	4,169	37,517	41,686
Total support costs	99,829	329,083	428,912	72,388	248,260	320,648

Administration and finance staff have estimated the proportion of their time spent under each of the main headings of the Statement of Financial Activities. Information technology and telephony costs are apportioned on the basis of full-time equivalent lay staff and clergy numbers. Human resources, office premises and supplies and governance costs are apportioned on the basis of the headcount numbers for lay staff and clergy.

Governance costs are costs associated with the governance infrastructure which allows the Cathedral to operate, rather than mission or fundraising. They include the cost of statutory requirements including Chapter and College of Canons meetings, the Annual Parochial Church Meeting and the preparation and audit of the Annual Report and Financial Statements

9. Employees and office holders

	Clergy	Lay staff	Total 2025	Clergy	Lay staff	Total 2024
	£	£	£	£	£	£
Salaries and stipends	96,450	621,216	717,666	85,139	516,295	601,434
Social security costs	10,987	68,781	79,768	7,247	43,919	51,166
Pension costs	15,793	23,291	39,084	9,318	20,826	30,143
Total	123,231	713,287	836,518	101,704	581,040	682,743

Average staff numbers	Headcount		Full-time equivalent	
	2025	2024	2025	2024
Raising funds	3	2	3	2
Charitable activities:				
Clergy	4	4	3	3
Lay staff	18	17	10	11
Support and administration	6	5	4	4
Total	31	28	20	20

Redundancy and termination payments totalling £30,979 were made to three staff during the year (2024: £nil).

One member of lay staff received employee benefits (excluding employer pension contributions) in the band £70,000 to £80,000 (2024: £nil).

The key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Cathedral. The key management personnel are members of the Chapter, the Chief Operating Officer and the Chief Finance Officer. The total benefits (stipend or salary, employer's pension contributions and employer's National Insurance) received by key management personnel were £246,006 (2024: £205,620).

Included within clergy costs are payments to members of Chapter under the Cathedrals Measure 2021 and the Cathedral constitution. The remuneration of, and pension provision for, clerical members of Chapter are paid in accordance with scales laid down annually by the Church Commissioners, Archbishops' Council, and the Church of England Pensions Board. No supplements to these scales are paid. These payments are set out in the next table.

	Stipend	Pension	NI & apprentice- ship levy	Total 2025
	£	£	£	£
The Very Rev'd Dr J Martin, Dean	42,847	7,988	5,644	56,479
The Rev'd Canon J Fernandes, Vice Dean and Canon for Congregation and Community	9,611	-	1,053	10,664
The Rev'd Canon S Harries, Canon Precentor	34,356	6,405	3,702	44,463
	86,814	14,393	10,399	111,606

	Stipend £	Pension £	NI & apprentice- ship levy £	Total 2024 £
The Very Rev'd JP Kennington, Interim Dean	35,148	-	3,500	38,648
The Rev'd Canon I Moody, Vice Dean and Canon Pastor	14,515	2,909	1,316	18,740
The Rev'd Canon S Harries, Canon Precentor	25,905	5,183	2,385	33,473
	<u>75,568</u>	<u>8,091</u>	<u>7,201</u>	<u>90,860</u>

In addition, removal and resettlement allowances were paid as follows.

	2025 £	2024 £
The Very Rev'd Dr J Martin, Dean	4,218	11,716
The Rev'd J Fernandes, Vice Dean	7,990	-

One (2024: four) member of the Chapter was reimbursed a total of £205 (2024: £1,957) for expenses incurred on Cathedral business during the year on travel. Expenses for 2024 were for travel, entertainment and stationery.

9a. Pension schemes and costs

Lay staff: Church Workers Pension Fund

Chelmsford Cathedral participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of Chelmsford Cathedral and the other participating employers.

The Church Workers Pension Fund has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections:
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Chelmsford Cathedral participates in the Pension Builder Classic section. Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

The Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending upon investment returns and other factors.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are contributions payable (2025: £20,573, 2024: £17,934).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2026, the Board chose to grant a discretionary bonus of 10% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 1997 service so that the pension increase was also 10% (where usually it would be calculated based on inflation up to an annual cap of 5% for pensions in payment in respect of service prior to April 2006 and 2.5% for pensions in payment in respect of service post April 2006). This followed improvements in the funding position over 2025. There is no requirement for deficit payments at the current time.

The next valuation is being carried out at 31 December 2025.

The legal structure of the scheme is such that if another employer fails, Chelmsford Cathedral could become responsible for paying a share of that employer's pension liabilities.

Lay staff: personal pensions

The Cathedral also contributed 5% of salary to the personal pension schemes of two staff who do not participate in the Church Workers Pension Fund. These contributions amounted to £2,717 (2024: £2,878).

Clergy: Church of England Funded Pension Scheme

With effect from 1 July 2024, the Cathedral became a Minor Responsible Member of the Church of England Funded Pensions Scheme in respect of members of the clergy (other than the Dean and Residentiary Canons) employed by the Cathedral.

The scheme operates as an occupational pension scheme and contributions, at a rate determined having regard to actuarial advice, are paid into a separate fund in the trusteeship of the Church of England Pensions Board. Benefits arising from pensionable service are provided from that fund. The contributions to the fund by the Cathedral are charged to the Statement of Financial Activities as incurred, as the scheme is a

multi-employer scheme as described in Section 28 of FRS 102 and it is not possible to identify the assets and liabilities relating to the Cathedral.

Pensions and related benefits for the Dean and Residentiary Canons are also provided by the Church of England Funded Pensions Scheme with the Church Commissioners as the Responsible Body.

The contributions payable in 2025 in respect of all clergy were £15,793 (2024: £9,318).

A valuation of the Scheme is carried out once every three years. The 2021 valuation showed the Scheme to be fully funded. The most recent Scheme valuation completed was carried out at as 31 December 2024, and also showed the Scheme to be fully funded; as such in 2025, the deficit contributions paid were £nil (2024: £nil).

The December 2024 valuation revealed a surplus of £560m, based on assets of £2,570m and a funding target of £2,010m, assessed using the following assumptions:

- An average discount rate of 6.0% pa;
- RPI inflation of 3.4% pa (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.7% pa pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increases in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S4NA_L tables, with allowance for improvements in mortality rates from 2017 in line with the CMI2023 extended model with a long term annual rate of improvement of 1.5%, a smoothing parameter of 7, an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 and 2021 data of 20% (i.e. $w = 20\%$).

The 2024 valuation reflects the benefit improvements that the General Synod agreed in principle in July 2025 (and confirmed in February 2026).

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. However, as there were no deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2024 and 31 December 2025 is nil.

10. Tangible assets

	Property £	Office and property improvements £	IT infrastructure £	Total £
Cost or valuation				
At 1 January	2,910,000	31,703	-	2,941,703
Additions	-	24,690	5,815	30,505
At 31 December	<u>2,910,000</u>	<u>56,393</u>	<u>5,815</u>	<u>2,972,208</u>
Depreciation				
At 1 January	-	-	-	-
Charge for year	-	5,571	-	5,571
At 31 December 2025	<u>-</u>	<u>5,571</u>	<u>-</u>	<u>5,571</u>
Net book value				
At 31 December 2025	<u>2,910,000</u>	<u>50,822</u>	<u>5,815</u>	<u>2,966,637</u>
At 31 December 2024	<u>2,910,000</u>	<u>31,703</u>	<u>-</u>	<u>2,941,703</u>

In accordance with Chapter's accounting policy for property, the most recent professional valuation, which was as at 31 December 2011, is being used as the deemed cost of the properties. The valuation of residences was £2,490,000 and of the Chapter House, £420,000. All property is freehold.

11. Heritage assets

As stated in the accounting policies, no value has been placed on the Cathedral building, St Peter-ad-Murum Chapel, Bradwell, and the items in the inventory prepared under section 24(1) of the Care of Cathedrals Measure 2011.

The Care of Cathedrals Measure 2011 requires cathedrals to keep an inventory of all items considered to be of architectural, archaeological, artistic or historic interest in the possession of the cathedral church. Primarily this consists of communion plate, the Bishop's crozier, bells, and documents in the Knightbridge Library. No additions in the last five years have met the definition of a heritage asset and there have been no transactions involving heritage assets in the same time period.

12. Investments

	Unrestricted £	Restricted £	Endow- ment £	Total 2025 £
Market value at 1 January	504,976	1,999,847	41,278	2,546,101
Proceeds from disposals	-	(20,000)	-	(20,000)
Net decrease on revaluation	(20,188)	(59,769)	(1,650)	(81,607)
Market value at 31 December	484,788	1,920,078	39,628	2,444,494

2024

	Unrestricted £	Restricted £	Endow- ment £	Total 2024 £
Market value at 1 January	493,676	1,957,429	40,335	2,491,440
Net increase on revaluation	11,300	42,418	943	54,661
Market value at 31 December	504,976	1,999,847	41,278	2,546,101

All investments are held in managed funds, listed on the UK Stock Exchange, and in accordance with the Church of England Ethical Investment Policy.

13. Debtors

	Unrestricted £	Restricted £	Total 2025 £	Unrestricted £	Restricted £	Total 2024 £
Trade debtors	104,692	-	104,692	83,813	-	83,813
Prepayments and accrued income	700,770	22,765	723,535	19,110	982	20,093
Other debtors	22,367	-	22,367	500	12,461	12,961
	827,829	22,765	850,594	103,423	13,444	116,867

14. Creditors: amounts falling due in less than one year

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	2025	£	£	2024
	£	£	£	£	£	£
Trade creditors	38,200	-	38,200	74,491	-	74,491
Accruals and deferred income	32,024	1,940	33,964	30,436	3,443	33,879
Taxation and social security	22,547	-	22,547	15,672	-	15,672
Other creditors	-	2,435	2,435	8,564	653	9,217
	92,771	4,375	97,146	129,163	4,096	133,259

15. Description of funds

Unrestricted Funds - these are funds which can be used in accordance with the charitable objects of the Cathedral at the discretion of Chapter.

General Fund - This fund is for any of the Cathedral's charitable purposes including the day-to-day running of the Cathedral, Chapter House, Cathedral office, and houses.

Designated Funds - these are funds set aside by Chapter out of unrestricted funds for specific future purposes or projects.

Bookstall Fund - The Bookstall is run by volunteers from the congregation. Profits are transferred to the General Fund.

Development Fund - This fund is used for major projects.

Visitor Engagement Fund - The profit from ticket sales for the art installation, Gaia, in 2022 were designated to support future visitor engagement projects and have been used for that purpose in 2025.

Restricted Funds - these are funds that can only be used for particular restricted purposes within the charitable objects of the Cathedral.

Choral Fund - This fund was founded in 1993 following an appeal. It supports the music of the Cathedral including through the payment of bursaries to Lay Clerks, Choral Scholars, Choristers and the Organ Scholar.

Development Fund - This fund receives donations specified for the maintenance of the Cathedral.

Estate - This comprises the Chapter House and seven houses for Cathedral use which are occupied rent-free by clergy and lay staff. Three were temporarily let or available for letting at the year end.

General Fund - Former Church Commissioners' capital is invested to provide an unrestricted income. Because of its historical origins, the capital can only be realised if it used to purchase investment property and with the permission of the Church Commissioners. Restricted grants, such as those from the Church Commissioners, that do not relate to the activities of the other restricted funds are passed through this fund.

Herrick Fund - The fund was established in 1986 (following the closure of the Cathedral Centre for Research and Training) to promote learning in applied theology primarily for the benefit of churches, clergy, and ministers in the Chelmsford Diocese. It is fully ecumenical. Part of the Centre's funding had been given in memory of Provost Herrick, hence the name of this fund.

Keene Fund - In 1932, £20,000 was given to the Cathedral Chapter by Lavinia Clarissa Keene of Galleywood for several purposes including repairs to the spire and to the organ, and the building of two Canons' houses. The remaining parts of the trust fund are for an annual series of 'John Keene' lectures on social and economic questions and practical religion to be delivered in the Cathedral, and for charitable purposes for the advancement of religion or education in the Diocese.

Library Fund - This fund was established at the same time as the Herrick Fund with a capital of £10,000. The fund is used to maintain the Cathedral's working library and the historic Knightbridge library. A legacy of £10,000 was received in 2025 for the Knightbridge library.

St Peter-ad-Murum, Bradwell - The Chapel was founded in 654 by St Cedd, who brought Christianity to East Anglia. It was given to the Cathedral by Christopher Parker in 1916. The rector and churchwardens of the parish of Bradwell on Sea look after the Chapel day-to-day.

The Mrs Amy Jolley Fund - This fund supports the Junior Church.

Endowed Fund - this is a restricted fund where only revenue can be spent on charitable objects and the capital must remain invested.

Choral Foundation - A donation from The Friends of Cathedral Music supports the Junior Choral Scholarship Scheme.

16. Movement in funds

	1 January 2025 £	Income £	Expenditure £	Transfers £	Investment (losses)/ gains £	31 December 2025 £
<i>Unrestricted</i>						
General	836,447	1,588,188	(909,139)	4,568	(20,188)	1,499,876
Bookstall	15,382	18,148	(13,580)	(4,568)	-	15,382
Development	135,920	5,251	(65,644)	-	-	75,527
Visitor Engagement	20,758	-	(18,486)	-	-	2,272
Total unrestricted	1,008,507	1,611,587	(1,006,849)	-	(20,188)	1,593,057
<i>Restricted</i>						
Choral	1,576,763	89,876	(148,343)	-	(57,333)	1,460,963
Development	-	1,500	(1,500)	-	-	-
Estate	2,910,000	-	-	-	-	2,910,000
General	57,763	439,696	(430,833)	-	(2,309)	64,317
Herrick	121,937	4,052	(1,718)	-	(4,170)	120,101
Keene	87,590	4,522	(5,425)	-	4,531	91,218
Library	46,469	11,958	(20)	-	4,662	63,069
St Peter-ad-Murum	137,387	10,605	(9,680)	-	(4,626)	133,687
Amy Jolley	13,595	558	(1,540)	-	(524)	12,089
Total restricted	4,951,503	562,767	(599,060)	-	(59,769)	4,855,441
<i>Endowment</i>						
Choral Foundation	41,278	-	-	-	(1,650)	39,628
Total funds	6,001,288	2,174,354	(1,605,909)	-	(81,607)	6,488,126

2024

	1 January 2024 £	Income £	Expenditure £	Transfers £	Investment gains £	31 December 2024 £
<i>Unrestricted</i>						
General	812,112	727,146	(730,468)	16,358	11,300	836,447
Bookstall	15,382	14,786	(10,235)	(4,551)	-	15,382
Development	119,026	16,894	-	-	-	135,920
Social and Fundraising	5,616	10,597	(4,406)	(11,807)	-	-
Visitor Engagement	20,489	269	-	-	-	20,758
Total unrestricted	972,625	769,692	(745,110)	-	11,300	1,008,507
<i>Restricted</i>						
Choral	1,595,364	67,632	(120,261)	-	34,028	1,576,763
Development	-	1,800	(1,800)	-	-	-
Estate	2,910,000	-	-	-	-	2,910,000
General	56,470	453,124	(453,124)	-	1,293	57,763
Herrick	115,797	3,806	-	-	2,334	121,937
Keene	86,219	3,522	(3,217)	-	1,066	87,590
Library	43,683	1,992	(20)	-	815	46,469
St Peter-ad-Murum	130,334	8,299	(3,835)	-	2,589	137,387
Amy Jolley	12,820	481	-	-	293	13,595
Total restricted	4,950,687	540,655	(582,257)	-	42,419	4,951,503
<i>Endowment</i>						
Choral Foundation	40,335	-	-	-	943	41,278
Total funds	5,963,647	1,310,347	(1,327,367)	-	54,661	6,001,288

17. Connected entity: The Friends of Chelmsford Cathedral

The Friends of Chelmsford Cathedral exists wholly for the benefit of the Cathedral but is not controlled by Chapter. It is a registered charity (number 1096353) whose aim is the generation of funds for the provision of works, furnishings, and ministry of Chelmsford Cathedral.

The most recent accounts available are for the year ending 5 April 2025. They have been examined by an Independent Examiner and are unqualified.

The summary financial performance and position for their financial year is as below.

	General Fund £	Choristers Fund £	Total 2025 £	Total 2024 £
Statement of financial activities				
Income	4,116	179	4,295	4,407
Grants paid to				
Cathedral	12,461	25	12,486	8,122
Other expenditure	526	-	526	1,285
	<u>12,987</u>	<u>25</u>	<u>13,012</u>	<u>9,407</u>
Surplus/(deficit) for the year	(8,871)	154	(8,717)	(5,000)
(Losses)/gains on revaluation of investments	(2,151)	(306)	(2,457)	5,561
Net movement on funds	(11,022)	(152)	(11,174)	561
Opening funds	71,191	7,048	78,240	77,679
Closing funds	<u>60,170</u>	<u>6,896</u>	<u>67,067</u>	<u>78,240</u>
Balance sheet				
Investments	50,311	6,271	56,582	67,038
Net current assets	9,859	625	10,484	11,201
Total net assets	<u>60,170</u>	<u>6,896</u>	<u>67,066</u>	<u>78,239</u>
Funds				
Unrestricted fund	60,170	-	60,170	71,191
Restricted fund	-	6,896	6,896	7,048
	<u>60,170</u>	<u>6,896</u>	<u>67,066</u>	<u>78,239</u>

In 2025, the Cathedral received no grants from the Friends (2024: £20,584).

18. Related party transactions

Three of the six managing trustees of the Guy Harlings Estate are appointed by Chapter. In addition, on 1 May 2025, the Venerable Jonathan Croucher, a trustee of the Estate, was appointed as a member of Chapter. During the period from 1 May to 31 December, the Cathedral paid £12,240 to the Estate for the use of the garden. The Cathedral Office and four Cathedral houses are situated on land belonging to the Estate.

During the year, TMA Chartered Surveyors Limited Liability Partnership provided estate management and contract management services to the Cathedral. Tim Matthews, a Chapter member until 28 February 2025, is a LLP Designated Member of TMA. The value of supplies by TMA to the Cathedral was £5,818 (2024: £25,769). Of this £472 (2024: £7,727) was in respect of professional fees for project management and the balance of £5,346.35 (2024: £18,042) was for disbursements paid directly to contractors, for materials purchased on behalf of the Cathedral, for VAT or, in 2024, for health and safety services provided by a member of TMA staff.

During the year, the Cathedral paid a stipend, employer's NI contributions and pension contributions totalling £11,624 in respect of the spouse of the Rev'd Canon S Harries, a member of Chapter, (2024: £8,132). A grant from the Church Commissioners covered £11,624 (2024: £5,760) of this cost.

For details of remuneration and expenses paid to members of Chapter, see note 9.

Donations of an unrestricted nature totalling £2,706 (2024: £1,688), and none of a restricted nature (2024: none), were made by members of Chapter in the year.

19. Auditor's remuneration

The cost to the Cathedral of audit services (including irrecoverable VAT) was £24,850, of which £16,100 relates to 2025 and £8,750 to 2024 (2024: £8,500).

20. Commitments

There were £nil commitments as at 31 December 2025 (2024: £nil).

The Cathedral is currently in an ongoing dispute which may give rise to a legal claim. The trustees have taken legal advice and, based on the information currently available, consider the likelihood of an outflow of some economic benefits is probable. The ultimate outcome, timing and amount of any potential claim/agreed settlement figure remain uncertain and it is not possible to reliably estimate the potential financial effect at the reporting date.

21. Contingent asset

The Chapter members, (the trustees of the charity), are aware that the Cathedral holds a residual interest in an Estate at the year end, which is expected to result in the future receipt of legacy income. At the reporting date, although the Cathedral's entitlement is established, there is a material uncertainty as to the amount of legacy income receivable. The receipt and value of any legacy income from this Estate is dependent on future events outside of the Cathedral's direct control. Based on this uncertainty, the potential receipt has been treated as a contingent asset and no amount has been recognised in the Balance Sheet in respect of this Estate.