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The Chelmsford Diocesan Board of Finance

Annual report and financial statements

For the year ended 31 December 2025

Contents

Introduction	2
Legal objects	2
Strategic Report	
1. Strategic Aims	3
2. Objectives for the year	4
3. Activities and achievements in the year	5
4. Related parties and volunteers	30
5. Planning for 2026	31
6. Financial review	31
7. Custodian trustee	35
8. Principal risks and uncertainties	36
Structure and Governance	37
Trustees Responsibilities	42
Administrative details	44
Independent auditor's report	46
Statement of financial activities	49
Summary income and expenditure account	50
Balance sheet	51
Statement of cash flows	52
Notes to the financial statements	53

INTRODUCTION

The Trustees, who are also Directors for the purposes of company law, present their annual report, together with the audited financial statements, for the year ended 31 December 2025.

The Directors/Trustees are one and the same and in signing as Trustees they are also signing the strategic report sections in their capacity as Directors.

This combined report satisfies the legal requirements for:

- a Directors' Report of a charitable company,
- a Strategic Report under the Companies Act 2006 and
- a Trustees' Annual Report under the Charities Act 2011.

Legal Objects

The objects of the Diocese of Chelmsford cover the county of Essex, the unitary authorities of Southend and Thurrock, the five East London boroughs of Newham, Waltham Forest, Barking & Dagenham, Redbridge, and Havering, and a few parishes in South Cambridgeshire.

The Chelmsford Diocesan Board of Finance's ("CDBF") principal object is to promote, assist and advance the work of the Church of England in the Diocese of Chelmsford by acting as the financial executive of the Chelmsford Diocesan Synod.

The CDBF has the following statutory responsibilities:

- i) the management of glebe property and investments to generate income to support the cost of stipends arising from the Endowment and Glebe Measure 1976;
- ii) the repair of benefice houses as the Diocesan Parsonage Board under the Repair of Benefice Buildings Measure 1972;
- iii) the management of investments and the custodianship of assets relating to church schools under the Diocesan Board of Education Measure 1991;
- iv) the custodianship of permanent endowment and real property assets relating to trusts held by Incumbents and Archdeacons and by Parochial Church Councils as Diocesan Authority under the Incumbents and Churchwardens (Trusts) Measure 1964 and the Parochial Church Councils (Powers) Measure 1956.

The strategic priorities of the company are established by the Diocesan Synod on the advice of the Bishop's Council in communication with Deanery Synods, Parochial Church Councils (PCCs), and the Bishop of Chelmsford (in respect of their responsibility for the provision of the cure of souls). To this end, significant time and effort is committed to communication between and with these bodies, as well as with the Church nationally, including discussions on strategic priorities and budgets.

Strategic Report

I. Strategic

The Chelmsford Diocesan Board of Finance (CDBF) is responsible for the custody and management of diocesan finances and the employment of CDBF staff.

The CDBF's purpose is to provide appropriate personnel and financial resources to assist the Diocesan Synod, Bishop's Council, deaneries and parishes to further the mission and strategic priorities in the Diocese.

Travelling Well Together

2025 was the third full year following the introduction of [Travelling Well Together](#), which set out a new direction of travel and shared values for the Diocese of Chelmsford.

Introduced after a period of listening and discernment that began when the Rt Rev Dr Guli Francis Dehqani became Bishop of Chelmsford in 2021, Travelling Well Together recognises that the churches and communities we serve have been through and remain in a period of significant change and challenge. Challenges that impact each parish and worshipping community very differently.

The approach set out in Travelling Well Together can be articulated as follows:

- Our *purpose* is to love God and to love our neighbour; to worship faithfully and empowered by the Holy Spirit witness to the love of God revealed in Jesus Christ as we serve the extraordinarily diverse array of local communities in Essex and East London.
- Our *approach* is to enable and empower parishes and worshipping communities to discern how they are to be God's people in their own very different local contexts and as part of one diocesan family.
- Underpinning our approach is an invitation to a way of being articulated by *shared diocesan values* which might shape how we travel together, support each other and provide mutual accountability.

More information about Travelling Well Together and the shared diocesan values can be read at [Travelling Well Together | The Diocese of Chelmsford](#)

The approach set out in Travelling Well Together seeks to build on what has gone before. There is much that Transforming Presence, the previous diocesan strategy, brought to the life of our Diocese and to different local contexts. Travelling Well Together builds on its foundations by emphasising, at a diocesan level, not what we need to do (that will be discerned and articulated locally) but, guided by shared values, how we are to live.

- Travelling Well Together is invitational. Parishes, deaneries and worshipping communities are invited to make use of the approach and consider how the values speak to and support their own local context.
- The values underpin diocesan decision making, including complex and difficult decisions. The approach has already shaped decision making in a number of complex areas including Parish Share and how parishes are well supported. It is also hoped that the values can support decision making in more local contexts: in deaneries and parishes, providing a framework for conversations. It will be central to the Sustaining Ministry conversations that will begin in the autumn of 2026.
- Enabling and empowering parishes, deaneries and worshipping communities to discern how they are to be God's people in their own very different contexts and as part of one diocesan family, means moving beyond top-down diocesan initiatives and programmes. For example, the approach was at the heart of missional planning for Believing in Barking, a missional plan developed collaboratively with church leaders and volunteers in the Barking Episcopal Area, that was awarded significant funding from the Church of England Strategic Mission and Ministry Investment Board in 2025. It now forms the basis of similar missional planning for both the Colchester and Bradwell Episcopal Areas.

2. Objectives for the year – resourcing and supporting parish ministry

The 3 primary objectives from 2023 and 2024, which support the direction of travel set out in Travelling Well Together, continued in 2025.

1. **To reduce the annual deficit so that mission and ministry in parishes can be better resourced in the future**
 - a. Continued implementation of the Finance Action Plan; identifying new income streams and adopting total return accounting to reduce the deficit and increase funding available to support local parish ministry.
 - b. Continued development and support for our new long-term approach to [Parish Share](#) (introduced from January 2023) in order to encourage greater mutual support between parishes and to increase funds to support local parish ministry, including through the introduction of a Mission Opportunity Fund to support missional work across parish boundaries within deaneries.

2. **To support parishes and worshipping communities in their great variety of local contexts**
 - a. Continuing to support parish ministry through paying the costs of stipends and housing for clergy serving in the Diocese
 - b. Reform of ministerial development and training to support local ordained and lay ministry, including through the programme of support for [ministerial wellbeing](#).
 - c. Supporting parish youth work through our [Mustard Seed Team](#)
 - d. Supporting, training and equipping leaders in every part of our diocese to ensure our churches and worshipping communities are safe and welcoming to all
 - e. Strengthening the project management of our SDF-funded Church Plants to better enable them to grow and flourish
 - f. Developing successful capacity building bids to the Church of England Strategic Mission and Ministry Investment Board (SMMIB) as the Diocese to work alongside parishes and deaneries to discern plans for future mission
 - g. Continuing a [Parish Support Conversation](#) to better understand how parishes and worshipping communities can be well supported in the context of the Travelling Well Together approach.
 - h. Increasing the focus of diocesan services on local parish support including safeguarding, parish finance, communications and property, including the continued development of the [Parish Support Hub](#) and [Support for Ministers](#) sections on the diocesan website to help church leaders access support.
 - i. Supporting parishes that are engaged in social action work, including in local communities, on the environment, economic deprivation, refugees and racial justice.

3. **To improve accountability across our diocese**
 - a. Setting clear organisational objectives and responsibilities and identifying resourcing and training needs to help achieve them
 - b. Improving approaches to evaluation across our staff and governance structures to drive continual improvement
 - c. Breaking down silos and encouraging and enabling effective collaboration between departments and between the diocesan office and parishes.

Trustees' Report for the year ended 31 December

The main objective for the CDBF is to resource diocesan needs as determined by Synod and informed by local and national Church institutions, and to discharge its statutory functions. Through carrying out these objectives and in promoting the whole mission of the Church (pastoral, evangelistic, social and ecumenical) the Trustees are confident (having had regard to Charity Commission guidance) that the CDBF delivers public benefit through community engagement, resourcing education and supporting those in need both spiritually and physically.

3. Activities and achievements in the year

Introduction

As parishes and worshipping communities discern how they are to love God and love their neighbour in their very different local contexts, this section provides case studies of local achievements and activities and the work of the CDBF to resource and support local mission and ministry.

Senior staffing changes

The Very Rev'd Dr Jessica Martin started in post as the Dean of Chelmsford in January 2025, succeeding the interim Dean, the Very Rev'd Paul Kennington who had served in this role since the previous Dean, the Very Rev'd Nicholas Henshall left post in February 2023.

The Venerable Dr Sue Lucas was installed as Archdeacon of Southend in February 2025, succeeding the Venerable Mike Power who was installed as Archdeacon of West Ham in 2024.

The Trustees welcome Dean Jessica and Archdeacon Sue, along with all those who have started in new roles in our Diocese in 2025.

They also want to place on record their thanks to all those who left roles in Chelmsford Diocese during 2025.

Resourcing Mission and Ministry in Parishes and Worshipping Communities

Building a sustainable financial base for mission and ministry in our parishes and worshipping communities was a top priority in 2025. Our Parish Share scheme is key to making sure that there are sufficient resources available to ensure we have the finances available to sustain our mission and ministry work. The aim of the share scheme is to increase mutual support between parishes and to reduce the overall shortfall which has had a significant impact on the capacity of the CDBF to fund local parish ministry.

In addition, we undertook the following actions to improve our financial position to enable us to build a sustainable financial base for mission and ministry

1. Continuing to work towards the four key components of our financial plan:
 - a. Strengthen reserves
 - b. Increase revenue
 - c. Reduce costs
 - d. Improve the cash position
2. The sale of surplus properties to enable us grow our investments

Trustees' Report for the year ended 31 December

3. Investment of surplus cash in a high deposit account with CCLA, which has improved interest income and allows us easy access to cash reserves as necessary.
4. The continued adoption of a Total Return Accounting Policy which has allowed Endowment funds to provide increased support towards stipend costs.
5. Work to reshape the deployment of stipendiary clergy has continued, with the aim of establishing a sustainable pattern of ministry across deaneries and episcopal areas that is aligned with available resources. This approach is intended to provide a stable framework for mission and ministry over the longer term. Further decisions will be required as this work continues, and parishes will be engaged in discussion and discernment about how ministry is best shared and deployed across the communities we serve.
6. Work has continued to secure external funding to support mission and ministry in parishes. This has included securing a £14.95 million grant for the Barking Episcopal Area to support missional work with deaneries and parishes. Further work is ongoing to secure funding for the Bradwell and Colchester Episcopal Areas.

Trustees' Report for the year ended 31 December



Case Study I - Parish Giving Scheme enables generous giving at St Mary the Virgin Church in Shenfield

James Anderson, Churchwarden at St Mary the Virgin Church in Shenfield, shares how St Mary's has used the Church of England's [Parish Giving Scheme](#) (PGS), which is promoted by Chelmsford Diocese, to enable people in their church community to give generously.

James writes:

"Despite being a large congregation situated in a relatively affluent part of West Essex, we in the Parish Church of St Mary the Virgin Shenfield have struggled financially for many years. Paying our parish share has been difficult, and we have consistently recorded a significant deficit.

"Under the leadership of a new Rector in 2024, the PCC decided to make a concerted effort to repair our shaky finances. There were a number of actions we put in place around cost reduction, but we also realised we needed to grow our income substantially.

"We had used the PGS for quite a number of years, but giving had dropped off, and we had fewer than 100 regular givers on the scheme. We decided to make a concerted effort to improve that.

"We focused on a small number of key messages to communicate to the congregation and the wider church community:

- *The financial challenge the church was facing would not go away and posed a significant threat to the church as a sole occupancy parish.*

Trustees' Report for the year ended 31 December

- We were grateful for all giving, but strongly encouraged people to consider signing up to the PGS.
- The PGS offered some important advantages over other forms of giving: for the church, a regular and predictable income to enable better planning; for the givers, the knowledge that their money was going straight to the church with no commission, and that Gift Aid was handled for them. In addition, givers retained full control over the money they chose to donate.
- The process of signing up was easy. There were cards in every pew with the QR code, posters at the back of the church, and we stressed you could also sign up by email or telephone if you were less IT confident.

"We communicated these messages through multiple channels: the church magazine, social media, and from the front of the church in our regular services. We have continued to repeat them consistently for over a year now, and also give updates on the progress we have made as the months have gone past.

"That progress has been absolutely fantastic! We have now doubled our number of givers to over 200, and the money we receive is nearly 70% up on two years ago. This has made huge inroads into the financial deficit, and alongside other, sometimes difficult, decisions we have made, gives us the real prospect of a financial surplus in 2026."



Case Study 2 – Cornerstone Workshops encourage generous giving

Cornerstone is an online generosity tool to help change the trajectory of church finances.

In April, the National Giving Team and our diocesan Parish Giving Advisors led pilot Cornerstone workshops

The Chelmsford Diocesan Board of Finance

Trustees' Report for the year ended 31 December

with churches to support them in understanding and improving their giving practice and culture of generosity.

The aim is to provide churches with clear and simple steps to grow giving and income.

Cornerstone is supported by an online platform, which includes a bespoke financial dashboard for your church, that helps to show areas where resources can be focused to get the best results based on your specific financial situation.

The workshop gave each participating church dedicated time to review their finances, provided them with a greater understanding of the types of givers in their congregation and wider community, and left them with clear step-by-step guidance on how to develop or enhance their financial situation.

The workshop participants commented positively on the value of the workshop:

"I left enlightened and enthusiastic as to the use Cornerstone will have in our church."

"... a useful tool for PCCs - treasurers in particular - to guide ways in which to encourage and increase regular giving, and in providing ideas for fundraising."

"... Cornerstone will provide a real step change in how we review our finances and then encourage giving & generosity."

Following the success of the pilot, the workshops are now run regularly across Chelmsford Diocese and are available to all parishes. To find out more and register your interest in attending a workshop, please [click here](#) or contact our Parish Giving Advisors via email at giving@chelmsford.anglican.org.

Support for clergy and lay ministers

The CDBF's most significant investment is in the clergy and lay ministers who lead our parish churches and serve our local communities.

- [On 14 September 2025 Chelmsford Diocese celebrated the ordination of 20 new deacons](#) (stipendiary and self supporting), and 15 candidates started training in September 2025 across a range of Theological Education Institutions (TEIs).
- [On 27 September 2025, 12 curates were ordained priest](#) at four services across the Diocese.
- The Initial Ministerial Education 2 (IME2) curriculum continues to evolve in the light of evaluations from previous participants, and thanks to the offer of new topics from colleagues from across the Diocese whose gifting in specialist areas of interest in ministry have been offered as a valuable resource. The key focus for all sessions is that they provide material to enable the curates to evidence their ability to meet the National Qualities Framework for Curacy.
- As curates move on to their first post of responsibility they are invited to attend the Regional Incumbency Skills course, which covers a range of key topics delivered by experts in their field including legal, governance and financial issues.
- The diocese is committed to encouraging all ordained and licensed lay ministers to adopt a posture of ongoing learning and nurturing of their spirituality, To this end the annual Continuing Ministerial Development Grants can be used to fund externally run courses of interest and also to contribute to the cost of retreats

Trustees' Report for the year ended 31 December

- During 2025, 60 individuals completed the first year of the [Course in Christian Studies \(CCS Course\)](#). 66 individuals completed the second year, Foundations in Ministry. [Certificates were presented in the Cathedral in February 2026](#) in a service led by Bishop Roger, Colchester. The application process for CCS registration was significantly revised in 2025, and we have 106 new starters on the 2026 first year course.
- There are 145 Authorised Local Preachers in the Diocese, with 15 being newly authorised in 2025.
- There was a change of personnel in the role of Diocesan Pastoral Training Coordinator in June 2025. Of those who attended Part 1 Pastoral Care Training, 11 people attended training in 2024 in Harlow and Saffron Walden and were presented with the bishop's certificate in Pastoral Care Part 1 in February 2025. A further 21 people attended Part 1 Pastoral Care Training in June and September 2025 in Chelmsford. A further 6 people were awarded Authorised Pastoral Assistant Certificates in June 2025, and 7 people began Part 2 Pastoral Care Training leading to the role of Authorised Pastoral Assistant. The training involves attending monthly sessions in Chelmsford which began in October 2025, and attending 4 sessions of IME2 training, alongside this, trainees engage in a vocational placement, with course work, enabling them to build additional experience within their own Parish. This cohort will complete their training in June 2026. 4 people retired from their role of Authorised Pastoral Assistant in 2025. There are now 69 Authorised Pastoral Assistants across the Diocese
- [On June 28th, 2025, 4 new Licensed Lay Ministers \(LLMs\) were admitted to the Office of Reader and Licensed as Licensed Lay Ministers](#) in the Diocese of Chelmsford by the Diocesan Bishop.
- In September 2025 7 students began accredited IME1 LLM training through ERM (Eastern Region Ministerial College) having completed the Diocesan 1-year non-accredited LLM training. The training through ERM is a 2-year 120 credit Durham accredited course.
- The Diocesan non-accredited training course has been seen to provide a strong foundation for the accredited courses, and it was decided to keep this training as part of Diocesan LLM training overall but to reduce it to 2 terms rather than 3. This course provides a strong foundation for students going on to Durham accredited training. The Diocese has sought to form a training partnership with a new TEI College. This new training provider will deliver all part-time accredited training for both LLMs and Ordinands in the Diocese. 9 individuals were selected in October 2025 to begin the non-accredited training of LLMs in January 2026 and subsequently be the first cohort of the Cuddesdon Chelmsford College in September 2026.
- The ['Discerning Mission, Leading for Change'](#) programme continues to offer those within the first few years of positions of pastoral charge a safe space to reflect, with their peers, on the complex challenges and opportunities of their roles. In April 2025 a new cohort of 6 incumbents began the monthly in person sessions, which increased to 9 incumbents by session 3. Sessions are framed around the three foci of Knowing God, Knowing Ourselves and Knowing our Context. Time is given to consideration of the shared values of the diocese with sessions being led by members of the Bishop's Leadership Team and diocesan specialists. In a change to previous years, the online sessions were moved to in person and the Action Learning Set provision to co-coaching. The group valued the opportunity to have sessions specifically designed around their needs and has agreed to continue meeting for an extra year in alternative monthly in-person meetings.
- In 2025, there were four significant developments in the field of wellbeing and formation. Firstly, we revised the framework for Ministerial Development Review (MDR), with MDR now positioned in the wellbeing space and in the formation space, making "critical friendship" possible – combining support with appropriate challenge. All Senior Staff and Diocesan reviewers received MDR training. Secondly, we restructured how spiritual companionship is offered, creating the new role of Authorised Spiritual Companion and ensuring robust safer recruitment. Thirdly, we trained five Reflective Pastoral Supervisors (out of 7 who began training); experience of the course has been universally good, and

Trustees' Report for the year ended 31 December

demand is roughly level with supply. And fourthly, we trained five Conflict Transformation Partners, people who are available to help incumbents or Area Deans think through their reactions and roles in situations of conflict which they encounter. We consulted Area Deans about their role, recruited them via Archdeacons, sent them on training via Bridge Builders, arranged ongoing mentoring from Conflict Transformation specialist Ruth Adams, and have created [a section of the website](#) with their bios and contact details.



Case Study 3 – Women’s Ministry Reflection and Coaching Day

The Diocese of Chelmsford’s Women’s Ministry Team hosted a Reflection and Coaching Day on Saturday 11 October 2025.

The day focused on setting healthy boundaries. Su Blanch of 3D Coaching helped participants to think about how they can identify and establish the boundaries that enable them to thrive in ministry. There was also discussion about Jesus’ examples of setting boundaries.

The Reverend Elise Peterson, The [Women’s Ministry Advisor](#) at the Diocese of Chelmsford commented on the day:

"For our first in-person event hosted by the Women’s Ministry Advisers, we chose the topic most chosen from our spring survey - boundaries. Since Setting Healthy Boundaries will look different for everyone, this day was designed to offer space to share the wisdom and experience we already have about setting boundaries, reflect on Jesus’ example and then think about what will work for each of us. The feedback from attendees has been positive, calling it ‘unexpected’ and ‘helpful’ and ‘professional.’ One person summed it up as, ‘A really worthwhile, spiritually nourishing kind of day.'"



Case Study 4 – The Epping Team Ministry Pastoral Care Team

Pastoral Care is one of the Church's Five Marks of Mission and a way of showing God's love and care for our brothers and sisters in Christ in response to Jesus' call to love God and love each other.

Pastoral Care is a major part of the ministry of a parish priest. However, it is the role of all baptised Christians, lay and ordained, to carry out God's mission through their ministry as a priesthood of all believers.

To facilitate pastoral ministry among the laity in the Diocese of Chelmsford, we offer training for Pastoral Care through the Course in Christian Studies and also a stand-alone six-session Pastoral Care Course. Some individuals go on to be authorised into a leadership role in pastoral ministry as Authorised Pastoral Assistants, and these roles are key in building pastoral teams who work alongside a ministry team, ensuring good pastoral care across a parish or benefice. This includes home visiting, hospital and hospice visiting, and offering support after a person has faced a bereavement or loss.

One thriving Pastoral Care Team is the team from Epping, led by Pastoral Assistant Jo Waller. Jo writes:

"We have a thriving Pastoral Care Team here in Epping, which comprises of members from our three churches in the Epping Anglican Team. There is a steady number who make up the Team, varying between 17 and 22 individuals.

"We are often asked, 'How have you formed this team?' Honestly, my answer is that we haven't gone about consciously forming a team, yet it has evolved and is still evolving.

"Our starting point is our watchword and prayer - 'What would Jesus have me do?' And I wonder if it might sound naïve to say that the rest has followed.

Trustees' Report for the year ended 31 December

"The Pastoral Lead spends intentional time with the team, encouraging them to grow both pastorally and personally. This time includes (amongst many aspects) a good portion of self-awareness which couples with humility, as well as accountability and safeguarding.

"If we look at Jesus' example of the team He formed, it would appear that they were a diverse crew. I will not speak for other areas of the church, or how other churches enrol their people – all I can say is that our team has not been consciously chosen by us, but I can say as far as I am able, they have been 'called', as we hear in the Scriptures, by God, for this ministry.

"As we read in John 15:16 'You did not choose me, but I chose you that you should go and bear fruit...'"

Case Study 5 – Witham Deanery Churchwardens Network

The Witham Deanery Churchwardens Network helps support Churchwardens across the Witham deanery, providing a space to share experiences, resources, and learn together.

Churchwardens play a vital role in the life of our churches. They represent the laity, support clergy, act as officers of the bishop, serve as charity trustees, and lead in mission and ministry. Their responsibilities also include a special role in leading worship and guiding the church during vacancies.

The role of Churchwarden is deeply rewarding but can feel daunting - especially for those who are new. To help Churchwardens thrive in their ministry, the Deanery of Witham established a Churchwardens' Network, providing a space for churchwardens to share experiences, resources, and learn together. The network is organised by Sheila Gunson, a Churchwarden at St Luke's Church in Tiptree.

Sheila shares:

"When I first became Churchwarden, I had little idea what the role involved. My fellow Churchwarden reassured me it would all become clear in time - but some things remained a mystery! Attending a Visitation meeting in Witham was a turning point. I realised I wasn't alone; many of us were new to the role and unsure about certain responsibilities.

"Drawing on my WI experience, I thought: why not create an opportunity for Churchwardens to come together, share experiences, and support one another? My fellow Churchwarden agreed, so we booked a venue, set an agenda, and invited Churchwardens from across the deanery.

"Since then, we've held three gatherings and they've been invaluable. We've learned about the Faculty Process, explored practical issues like church heating, and most importantly, built a network of contacts for advice and encouragement. These events have shown that when we work together, we strengthen not only our own churches but the wider community we serve."

Supporting clergy and others who live in Diocesan properties

The Diocesan Property Team continued to provide support to our parishes and worshipping communities, managing and maintaining our vicarages and other diocesan properties and supporting parishes with land and property issues. The team's work included:

- 662 helpdesk works orders raised totaling £233,689
- Seven owned properties prepared, and one purchased for curates
- 30 ingoing works projects delivered totaling £586,456
- Continued provided with custodian support for land and property related issues and transactions
- 308 Landlord gas safety checks completed
- 38 electrical safety tests and upgrades completed
- 45 periodic inspections were completed and works orders raised totaling £292,155

Trustees' Report for the year ended 31 December

- 19 house sales completed generating £12.2m of capital
- Two house purchases completed at a cost of £1.4m
- £849k of revenue generated through rental of 50 properties
- Three closed churches managed
- £395k of revenue generated through 236 glebe properties managed, 40 directly
- Church of England's Net Zero Carbon grant fully utilised to fund decarbonisation demonstrator projects on two properties – air source heat pumps and solar panels installed

Support for children, young people and families ministry

Our commitment to supporting work amongst children, young people and families in our parishes continued during 2025 through the work of our [Mustard Seed Team](#):

- In early 2026, Mustard Seed Team members, Emma Anderton & Belinda Ramsay have moved on to pastures new from the Mustard Seed Team to join York and Chichester Diocese, respectively. They go with our thanks for the gift of their ministry amongst us.
- Launchpad – a Youthscape programme working with clergy who have little or no youthwork happening in their churches – supported two more cohorts of 19 clergy, in the Bradwell and Colchester Episcopal Areas
- The team continue to deliver training through the [Pastoral Assistants course](#), [Discerning Mission Leading for Change](#) and IME2 clergy training, building connections with 20-30 churches
- Three annual retreats are run across the diocese, welcoming Children Youth and Family workers both paid and voluntary
- Due to increased demand, the Bradwell Schools Pilgrimage grew from 4 days to 5 days with over 500 children attending the pilgrimage week. The pilgrimage workshops and worship are supported by a local team of volunteers, the Diocesan Education team and the Mustard Seed Team. Investment into excellent quality drama performances continues with Artless Theatre Company.
- In September 2025 a new cohort of Catalyst participants attended the induction day at Ridley Hall. This has been the biggest cohort yet with 20 people initially signing up for the course and 18 continuing with the training. Participants are a mix of volunteer and paid workers working in a wide range of contexts across the diocese.
- To support learning for the Colchester Area application for funding from the Strategic Mission and Ministry Board, two pilots were established with [KICK](#) and [iSingPOP](#).
- We have a KICK worker in 3 Secondary Schools in Harwich, Manningtree and Colchester, mentoring 32 young people, with a view to launching 3 KICK Academies in these locations with training provided for volunteers
- 10 churches have signed up for the iSingPOP project. This involves a main event in their school, and a concert in their church, with support to start a new worshipping community. We have subsequently launched a community of practice for all participating parishes to be part of, which currently meets termly.
- Our Growing Faith Learning Hub started in January 2025 with a focus on parents who choose a Church of England School for their child(ren). This is a collaboration between the Mustard Seed Team and the Education team and is initially focused on hearing the voice of children in this context.
- Early years support in schools, pre-schools, and toddler groups continued. This has

Trustees' Report for the year ended 31 December

included staff training on Christian ethos in early years settings, improving understanding of Christian distinctiveness, advice about recruitment and employment practice, and supporting well-being.

- Our Early Years Adviser, one of just two diocesan Early Years Advisers across the country, has been invited to join a national group exploring at Early Years and Growing Faith, joining together church, school, and home.
- Our Early Years Adviser has also worked with the Diocesan HR Team to support the development and delivery of training to over 20 clergy in the Deanery of Newham to support the recruitment of new Children, Youth, and Family Workers.



Case Study 6 – Celebrating our Course Catalyst Graduates

In May 2025, those from our diocese who had completed the Catalyst training course for volunteer and paid children, youth and families workers, gathered with other participants from across the country for a celebration and graduation service in Cambridge, at St Mark's Church, Newnham.

Eleven participants from Chelmsford Diocese have completed the course which was run through Ridley Hall in Cambridge.

During the course students learnt how to develop their practice in their own context whilst learning together with others. The topics covered included children, young people and learning, culture, discipleship and inclusion.

As part of the course students are required to complete a presentation about youth and families ministry in

The Chelmsford Diocesan Board of Finance

Trustees' Report for the year ended 31 December

their own context. They also join other Catalyst students from across the country at a residential weekend, which, for this cohort, was held at Swanwick in January.

The awards were presented by the Revd Fiona Green, Vice-Principal and Dean of Ministry Students of Ridley Hall.

At the celebration, the course graduates for Chelmsford Diocese were joined by our diocesan facilitator and Barking Area Children, Families and Youth Adviser, Emma Anderton and the Revd Canon Rob Merchant, our Dean of Mission, Ministry and Education.

Emma commented:

"It's an absolute joy to work with the Catalyst students and to facilitate shared learning and experiences. The final presentations demonstrate some of the incredible ministry with children and young people happening around the diocese."

Catalyst student, Sheryl Dyson, shared this prayer with the group at the graduation:

"Praising God for the gifts He has given us all, celebrating each of us for the achievements we've made in following his call. Praying for and sending hugs to all who can't be with us. Thank you all for your support and encouragement in this journey, you have all inspired me and helped me grow."



Case Study 7 - Chelmsford Deanery Youth Weekend at Fellowship Afloat

In June 2025, twenty-two young people from six different churches across the Chelmsford Deanery spent a weekend of fellowship, activity and fun at the Fellowship Afloat lightship 'Trinity' in Tollesbury, run by the Fellowship Afloat Charitable Trust.

The weekend was organised by Steve Readings, who is a children's leader at St Andrew's Church in the Melbourne area of Chelmsford and a volunteer with the Fellowship Afloat Charitable Trust.

Steve says:

"The theme of the weekend was "It's up to you – or is it?" and the young people heard testimonies from the staff at the charity as well as hearing from the Rt Revd Adam Atkinson, the Bishop of Bradwell, about his faith journey. They were challenged to think about how they might also grow in faith. Despite the group having ages from ten to seventeen years, there was a great sense of togetherness on the ship, and the young people all enjoyed team games, a night walk, dodgeball, high ropes and a beautiful afternoon of sailing. Prayer and worship were also shared. They also enjoyed superb home cooked meals prepared by the onboard galley team. "

"The weekend was supported by other youth leaders and part funded by the Deanery via Diocesan Mission Opportunity Fund grant.

"Feedback from the young people and their parents was that they all enjoyed it and would like to take part again next year.

Trustees' Report for the year ended 31 December

“Several parents commented that it was a good way of helping children know that they are not alone as young Christians, and of achieving networking between different Church groups in the Deanery.”

Bishop Adam added: “It was a great pleasure to spend time with such a range of young people from churches in Chelmsford Deanery. Great credit to the leaders from the various churches for collaborating in this way. It’s a vision of what can be possible when we work together in unity – and the young people were the beneficiaries! Glory to God and here’s to the next one.”

Schools

Our 139 Church of England schools remain integral to the mission of the Diocese, serving communities across Essex and East London. Our focus continues to be the provision of education in which children and young people flourish academically, personally, and spiritually. A full report from the Diocesan Board of Education (DBE) for the 2024/2025 academic year is available at: [Diocesan Board of Education | Board of Education - Diocese of Chelmsford](#)

Operating under the Diocesan Boards of Education Measure 2021, the DBE’s Strategy Day in September 2025 refined priorities for 2025/2026, including strengthening equality, diversity, inclusion, and belonging, and deepening partnerships between schools and local parishes.

- The DBE supports 139 Church Schools, alongside affiliated and independent settings, working across eight local authorities to enable school leaders, governors and clergy to fulfil their responsibilities with confidence.
- Engagement with the DBE Partnership Agreement remains extremely strong, with 99% of schools subscribing in 2024/2025, ensuring regular adviser support, access to specialist expertise, and strengthened school-parish connections.
- School performance remains robust. During 2024/2025, 24 Ofsted inspections took place, with most receiving positive outcomes, including three schools judged Outstanding in all areas. In the same period, 26 schools underwent SIAMS, with 100% achieving Judgement 1, reflecting strong Christian vision, inclusive culture, and high-quality collective worship.
- The Diocese received £1.628 million in School Condition Allocation funding in 2024/2025, enabling essential capital works including heating and hot water system renewals, fire-safety upgrades, water-system replacement, roofing projects, and improvements to accessibility and safeguarding. Environmental sustainability remains a priority, with decarbonisation measures such as energy-efficient systems, Hydromx installation, and involvement in the St Luke’s Canning Town community solar project.
- Religious Education continues to be strengthened through RE Quality Assurance visits, curriculum development support, and training aligned with the Diocese’s RE Guidelines (2025), Christianity as a Global Faith resources, and national networks. All secondary RE departments engaged in CPD this year.
- Collective Worship and spiritual development remain key strengths across the Diocese. Revised online resources, increased training for clergy and school leaders, and the Year 6 Leavers’ Services at Chelmsford Cathedral all supported schools in deepening worship rooted in Christian vision.
- Early Years work extended support to toddler groups, nurseries, and school-based EYFS teams, focusing on Christian distinctiveness, prayer spaces, sustainability, and wellbeing. Joint work with the Mustard Seed Team provided additional training.
- Governance support included termly training, induction for new headteachers and clergy, podcast resources, and the appointment of over 50 Foundation Governors. Ongoing support for chairs remained a priority given continued pressures on schools.
- The Diocese continued to promote social justice and courageous advocacy, including partnerships with Christian Aid, Oxfam and Citizens Essex. Highlights included the second Pupil Justice Summit on “Windrush and Other Journeys”, national curriculum contributions through the Send My Friend to School pilot, and a strong diocesan presence in climate-justice exhibitions.

The DBE remains committed to enabling schools and parishes to work together so that children and young people flourish. Our priorities for 2025/2026 include a diocesan strategic focus on SEND, alongside sustained

Trustees' Report for the year ended 31 December

support for Christian vision, high-quality RE and Collective Worship, strong governance, and deepening partnerships with churches, families, local authorities, and MATs.



Case study 8 – William Ford Church of England Junior School feature in Jamie’s Dyslexia Revolution

In 2025, William Ford Church of England Junior School in Dagenham, was selected to appear in the documentary, Jamie’s Dyslexia Revolution on Channel 4.

The programme, hosted by TV personality and chef, Jamie Oliver, explores the challenges faced by children with dyslexia and highlights the importance of inclusive education.

William Ford was chosen because of the high quality support they provide for pupils with dyslexia and for their inclusive approach to education more broadly. The programme highlighted the school’s creative curriculum and

Trustees' Report for the year ended 31 December

commitment to helping every pupil succeed.

David Huntingford, Headteacher at William Ford, said: "I am absolutely delighted to support Jamie Oliver in this vital cause and incredibly proud that our school has been recognised for the provision it offers our pupils.

"These are the most challenging times schools have ever faced. While the number of children requiring additional support continues to rise, we are being forced to reduce staffing because government funding simply does not meet the needs of our community or the true cost of education.

"This visit has shown the impact schools can have – and with the right funding and trust, we could do even more for every child, especially those who face the daily challenges of dyslexia."

Jamie, who has spoken publicly about his own experiences with dyslexia, visited the school last year. They filmed the school's themed learning environments, including a space themed area, the Lego learning zone, and the forest-inspired library. Jamie chatted to staff and pupils, and gave a careers talk for children in the school's Lighthouse Provision, for children with special educational needs and disabilities, on working behind the camera.

During the visit, 10-year-old Cairon and 11-year old Lillie interviewed Jamie live on the school's radio station.

Cairon said:

"This was a big opportunity to raise awareness of what it is like to have dyslexia, and I hope that this will result in extra support for those who need it."

Eight-year-old Shelby, added:

"It was good to meet Jamie Oliver because he has dyslexia like me. He did not get any support at school, but I get lots of help with my work and learning at William Ford."

Trustees' Report for the year ended 31 December

Support for Mission

The Diocese of Chelmsford seeks to resource and support all parishes as they discern how to be God's people across the great diversity of contexts in we serve.

- In February 2025, the Church of England Strategic Mission and Ministry Investment Board awarded £14.95 million to the Barking Episcopal Area to support missional work with deaneries and parishes, with £6.45 million for a first phase of work and a further £8.5 million in principle subject to the Archbishops' Council's and Church Commissioners' decisions about the future availability of Diocesan Investment Programme funding, and the Strategic Mission and Ministry Board's approval of detailed plans for a second phase.
- The funding was awarded through the Diocesan Investment Programme (DiP) to ['Believing in Barking'](#), a missional plan developed over two years in partnership with local church leaders and volunteers across more than sixty parishes and church communities in the East London boroughs that are part of the Diocese of Chelmsford.
- In keeping with the Diocese of Chelmsford's approach and values articulated in [Travelling Well Together](#), the Believing in Barking plan has been developed by working with those who serve and lead in local church communities to ensure that the investment meets locally discerned needs and missional opportunities. Believing in Barking's focus is on supporting churches in four key areas:
 - Working to encourage greater attendance and participation of children, young people and families in our church communities
 - Supporting and developing intentional discipleship; growing, supporting and developing volunteers and leaders in our churches and increasing leadership diversity
 - Supporting churches and church leaders in their work to help transform the communities they serve
 - Developing sustainable structures to support local parish mission and ministry
- The investment will support missional work in the many parishes that have contributed to the development of the plan as well as others in the Barking Area.
- The Barking Episcopal Area was the first in Chelmsford Diocese to be awarded investment from the Strategic Mission and Ministry Investment Board (SMMIB). Work continues on investment applications with local church leaders and volunteers in the Bradwell and Colchester Episcopal Areas.
- Throughout 2025, work also continued to ensure good governance and effective evaluation of Strategic Development Fund (SDF) and SMMIB funded missional projects in Chelmsford Diocese, in partnership with the Church of England Strategic Development Team.
- In 2025 a decision was taken to prematurely conclude the Church E20 Bishop's Mission Order in early 2026
- Funding reached a conclusion for a number of Church of England Strategic Development Fund supported projects in 2025. In some cases, underspends were utilised to support the transition (where appropriate) of SDF projects to DiP funding and to pilot small projects to give informed learning ahead of larger DiP applications.
- SDF supported St John's, Southend, planted into St Andrew's, Southend (November 2025), representing the third plant for the Southend Network

Social and climate justice

For many in our parishes and worshipping communities social justice and caring for God's creation are central to their discerned mission and ministry. Continuing to support this mission and ministry was a key priority in 2025:

- As the cost-of-living crisis continued, our parishes and worshipping communities continued to care for the most vulnerable in many different ways including through food banks, night shelters and by offering warm spaces for people to meet.
- Many parishes and worshipping communities continue to work alongside their local communities to

Trustees' Report for the year ended 31 December

welcome and support those who have been forced to flee their country of origin because of war, persecution, natural disaster and the effects of climate change.

- The Diocesan Environmental Group and Diocesan Office teams continued to support parishes and schools in achieving the Church of England General Synod target of Carbon Net Zero by 2030. Support was also provided for churches working towards the A Rocha UK Eco Church awards.
- The Diocesan Racial Justice Officer, working with our Diocesan Racial Justice Advocates has continued to lead work to implement the Chelmsford Diocese 2021 report, From Action to Real Change. In 2025, 8 sessions of racial justice awareness training were delivered across the Diocese in addition to a special edition of the Racial Justice Newsletter for Black History Month that covered Slavery and the Anglican Church, what systemic and personal racism looks like on the ground, and spotlighting prominent East Londoners commemorated through Blue Plaques.
- With the Bishop of Chelmsford also leading the Church of England response to the national housing crisis as Lead Bishop for Housing, Chelmsford Diocese also continues to explore ways through which we can support parishes in addressing the housing crisis in their local communities and by utilising our public voice and resources.



Case Study 9 - Porch Pantry at St Peter & St Paul West Mersea, provides support for the local community

Tucked into the porch of St Peter & St Paul, West Mersea, the 'Porch Pantry' has been supporting the local community for nearly seven years.

Launched in the summer of 2018, it had a simple aim: to support local families who relied on free school meals and were struggling during the school holidays.

Very quickly, its volunteers realised that the need reached far beyond school holiday pressures.

Volunteer, Emma Cornwell, who runs the Porch Pantry, explains:

Trustees' Report for the year ended 31 December

"We quickly realised that the need was much greater. Over the years it has become clear that any one of us may need its support. We never know what life may throw at us."

"Even the most secure job can end with just a month's notice. An unexpected vet's bill or car repair can throw off even the most careful budgeting. And for victims of domestic abuse, life often involves choices that are no choices at all. Controlling and coercive behaviour is very real in our communities."

The pantry operates with a deeply rooted principle of no judgement.

Emma continues:

"None of us know what goes on behind closed doors. Irrespective of how people 'present' - how big their house is, or what car they drive.

"Our faith guides us and teaches us not to judge others. Mersea is a truly unique community, always ready to step up to support."

The Porch Pantry receives financial donations from Essex and Local Councils, from individuals, and from charities, clubs and societies across Mersea. This generosity helps keep the pantry stocked with essentials as well as seasonal items. The pantry recently received a donation of Easter eggs to share with families at Easter.

Emma's work at the Porch Pantry was recognised more widely when she was nominated last year in the Volunteer category of the BBC Essex Make a Difference Awards.

Emma said:

"It was hugely humbling to be nominated. I went with my husband Aaron and my parents. We enjoyed an amazing evening at Hatfield Place, hearing incredible stories of community engagement"

Emma's nomination reflects not only her own commitment, but also the collective effort of volunteers and donors who ensure the Porch Pantry remains a beacon of hope for anyone in the community facing a difficult time.



Case Study 10 - St Luke's Church of England Primary School at heart of ground breaking green community energy project

An innovative community energy project that generates green energy from an east London Church of England primary school and shares it with nearby homes has begun delivering its first power.

The pilot project by E.ON Next is designed to maximise the benefits of local solar generation and to make energy more affordable within communities - making cleaner power more accessible and affordable for all, while supporting the UK's net zero goals.

This first-of-its-kind initiative has seen E.ON Next fund and install more than 220 solar panels on St Luke's Church of England Primary School in Canning Town, east London. The school benefits from discounted electricity, with a portion of the power also shared to neighbours at a reduced price.

The project was formally launched on Friday 28th November 2025, with staff and pupils of St Luke's, along with a blessing by the Rev'd Amy Stott, the vicar of St Luke's Church (pictured above).

Speaking at the launch of the project, Amy said:

"It's so exciting to see this project come together. St Luke's Church and School is an amazing and unique community, and now it's great to also be part of this new generation of innovators and developers leading into this new technological revolution of seeing community buildings serving the community even more.

"We are so grateful to E.ON for working with us to see our wonderful school and church become even more at the heart of serving Canning Town."

Also speaking at the launch, Carrie Prior, Chelmsford Diocesan Director of Education, said:

"Today is about more than installing solar panels - it's about pioneering a new way of thinking, where schools and communities work together to care for creation and share energy for the common good."



Case Study 11 - Hospice Chaplaincy: “It is a real privilege to be part of that final journey with a person”

The Revd Andrew Merchant, Priest at St Andrew’s Church in Chelmsford is also a volunteer chaplain at Farleigh Hospice in Chelmsford.

Andrew writes about his ministry working in palliative care with hospice patients, their family and friends:

Farleigh has eleven beds and they support approximately five hundred people in their own homes. My role is also to provide support for all staff and volunteers. I have often found myself with a person as they die and offer their soul to God in prayer.

My work involves walking alongside people as they experience grief and the loss of a loved one. I offer to spend time with all the patients in the In-Patient Unit and their family and friends, it is not dependent on whether they have a faith.

I find myself talking on a variety of topics from football to funeral preparation, from food to family life. Everyone has a story to tell, the spiritual care team provides the time for people to express how they and their family are feeling in the reality that life is both fragile and maybe not be as they had imagined or hoped.

For people that have faith we encourage the leaders of their community to visit them. We also carry a list of contacts that we use if people would like to spend time with a faith leader. It is important to understand that different faiths have different rituals when a person dies.

Within the building we have a place set apart from the rest of the hospice called the Sanctuary to allow time and space for moments of quiet reflection. It is in this place that I often sit with people as I pray with them and they

Trustees' Report for the year ended 31 December

light a candle. It is a real privilege to be part of that final journey with a person and be alongside them and their family and friends as that person dies.

I have been part of some amazing conversations about God and life after death. My experience as a Chaplain is that many people in the world would like to have a conversation with someone of faith.

Safeguarding

During 2025, the Diocesan Safeguarding Team continued to:

- Ensure our volunteers, clergy, advisers and lay people achieve the standards laid down in the Safeguarding Policies of the Church of England.
- Work with individuals who have criminal convictions, or where other safeguarding risks are identified, to ensure that they, and all members of the church community are safeguarded.
- Hold to account all persons responsible for the safety and wellbeing of children and vulnerable adults in the Diocese.

Headline summary:

- 6244 individuals across Chelmsford Diocese completed safeguarding e-learning modules during 2025.
- 59 different training sessions were offered in 2025.
- The team were contacted 454 times
- At the end of 2025, 93% of parishes had a Parish Safeguarding Officer in post
- There was excellent parish sign up to the new Parish Safeguarding Dashboard.

Charity Commission Official Warning

On 16 January 2026 the Charity Commission for England and Wales issued an Official Warning to the Trustees of the Chelmsford Diocesan Board of Finance (CDBF) for "a breach of trust or duty or other misconduct and/or mismanagement" in relation to the handling of a concern raised in 2023 about the conduct of the former Bishop of Bradwell (and more recently the Bishop of Liverpool), the Rt Rev'd Dr John Perumbalath. The case was first reported in national media in January 2025.

The Bishop of Chelmsford and Head of Safeguarding issued a joint statement in response to the Official Warning, with the full support of the Trustees of the CDBF and the members of the Bishop's Leadership Team. The statement can be read here - [A statement from the Bishop of Chelmsford and the Chelmsford Diocesan Safeguarding Officer | The Diocese of Chelmsford](#).

Communications

The Diocesan Communications Team continued to provide support to parishes and worshipping communities in 2025 through:

- One to one support for parishes and church leaders in handling challenging situations involving media or social media.
- Providing media support to the Bishop of Chelmsford and the Bishop's Leadership Team
- Providing guidance, training and support to help parishes use effective communications, including digital communications in their mission and ministry.
- Sharing information, news and resources with parishes through Diocesan Communications including:
 - The weekly newsletter The View
 - The quarterly prayer diary We Pray
 - Weekly Video sermons
 - The Diocesan website
 - Social media channels
- Facilitating engagement and participation in consultations and diocesan events including the Parish Support Conversation, Diocesan services and gatherings.



Case Study 12 - Church Magazine from All Saints' Springfield is awarded top prize at the Association for Church Editors 2025 Awards

'in touch', the parish magazine of All Saints' Church, Springfield, Chelmsford, won the Gold Award in the Association for Church Editors (ACE) 2025 Awards.

The award, presented at ACE's annual meeting in Birmingham in September 2025, recognises excellence among magazines printed in black and white.

Editor of 'in touch' magazine, Robin Stevens, was presented with the John King Trophy, a silver baptismal shell to use for the year, as well as a framed certificate and an engraved trophy.

Commenting on the winning magazine, the judges said:

"The Gold award this year goes to a magazine that was a clear winner with outstanding scores. 'in touch' has an appealing cover, includes great photos, has a variety of pieces incorporating the Christian message, plus some of general interest, has good quality printing and paper and is a very attractive publication. A worthy winner - well done!"

Reflecting on the achievement, Robin said:

The Chelmsford Diocesan Board of Finance

Trustees' Report for the year ended 31 December 2025

"It's a joy and privilege to be the Editor of 'in touch' - a publication designed to keep the local community in touch with the faith of the church, its worship and activities. It plays a key role in our communication strategy and is printed using [the printing service available at our Diocesan Office in Chelmsford](#). I was gobsmacked that we won! If I'd known I was going to win I'd have worn a tie!"

The Association for Church Editors is a not-for-profit interdenominational, country-wide organisation, aiming to encourage and help church editors to improve their magazines.

Diocesan House of Retreat Pleshey

There has been a significant upward trajectory in financial stability, occupancy, and service quality at [the Diocesan House of Retreat](#) since 2022.

Financial and Operational Growth

Retreat House finances have moved from significant deficit in 2022 to a healthy surplus for 2025. Annual income is expected to reach more than £350,000 in the future, a 60% increase over three years. Occupancy rates reflect this growth, with resident nights increasing from 2,210 to an estimated 2,628. Debt management has also improved significantly; outstanding balances have been halved from 10% of annual income to 5%, with faster collection cycles.

Facility and Estate Management

Significant investment has been made in the infrastructure and grounds:

- **Maintenance:** A £40,000 electrical overhaul (grant-funded) is nearing completion, along with a £70,000 fire risk compliance project that was completed during 2025.
- **Grounds:** Following neglect during lockdown, the grounds have been restored, [a labyrinth added](#) and changes made to encourage and support biodiversity
- **Health & Safety:** A new water treatment regime has successfully mitigated legionella risks.

Staff and Strategic Partnerships

Team morale has improved significantly through annual reviews and welfare improvements. To manage fluctuating needs, the house now uses a reliable network of external contractors for housekeeping, catering, and maintenance. Collaborative relationships have also been strengthened with diocesan departments such as Finance, HR, and IT.

Guest Experience and Community Engagement

The introduction of feedback forms has helped to resolve issues that had been a cause of complaints, particularly in relation to catering and facilities. Satisfaction levels now exceed 90%. New initiatives include:

- | | |
|-----------------------------------|---|
| Pleshey Partners: | A revived support group now exceeding sixty members. |
| Sunday First: | A monthly informal worship attracting local leadership. |
| Regional Reach: | Increased bookings from six neighbouring Dioceses. |

Market Position

While the national Retreat House movement is in decline - highlighted by the recent closure of Epiphany House in Truro – the Chelmsford Diocesan House of Retreat at Pleshey remains the only Anglican retreat centre in the Eastern region.

With group bookings secured through 2029 and stable income from the National Vocational Discernment Bishops Advisory Panels, the House is bucking the national trend. This is also a consequence of part funding for retreatants who would not otherwise be able to afford to attend and subsidised meeting spaces and accommodation for charities and hosted Church of England clergy ordination discernment panels.

4. Related parties and volunteers

Related parties include:

- The PCCs within the diocese
- Chelmsford Cathedral
- The Archbishops' Council to which the CDBF pays a donation based on an apportionment system for funding national training of ordinands and the activities of the various national boards and councils, as well as General Synod
- The Church Commissioners which acts on behalf of clergy with HM Revenue and Customs. The CDBF pays for clergy stipends through the Church Commissioners
- The CDBF is in receipt of grant funding from the Church Commissioners (via the Archbishops' Council) for ministry support and special projects e.g. the Turnaround and Church Planting projects
- The Church of England Pensions Board, to which the CDBF pays retirement benefit contributions for stipendiary clergy and employees. It also offers schemes to provide housing for clergy in retirement
- The Vine Schools Trusts, and the Chelmsford Diocesan Educational Trust, which while separate and independent of the CDBF, have certain responsibilities in relation to church schools in the diocese and work with the DBE
- The Guy Harlings Trust, which provides office facilities free of charge under licence to the CDBF and the Cathedral Dean and Chapter and makes grants towards the upkeep of the premises
- MCO Investments, the wholly owned subsidiary of the CDBF which owns 58 New Street, providing accommodation for the Bradwell Area Office
- St Mellitus College Trust, a Theological Education Institution which receives financial support from the CDBF and to which the CDBF pays fees for training of ordinands.

Transactions with the main categories of related parties are identified in appropriate places throughout the financial statements.

Volunteers

The CDBF is dependent on the huge number of people involved in church activities both locally and at diocesan level.

The service provided to a community through church volunteering also has a significant impact on people's relationship to the Church particularly at times of difficulty, challenge or crisis. Within this context, the CDBF greatly values the considerable time given by committee members and other volunteers across the diocese in pursuit of the mission of the CDBF. We particularly thank them for the additional support they have given during this challenging year.

There are also many people who are unpaid but who hold official positions within the life of the church that carry authorisation, licence, or Permission to Officiate. This includes Churchwardens, who serve each local parish church, locally authorised preachers, pastoral carers, evangelists, and funeral ministers, plus Licensed Lay Ministers and Readers and our self-supporting ordained ministers.

5. Planning for 2026

As the CDBF approached 2026, planning continued to be shaped by the approach and values set out in [Travelling Well Together](#).

- A primary focus for 2026 is [Travelling Well Together – Sustaining Ministry](#), a conversation that will begin in autumn 2026 about how we can be an enduring missional presence in Essex and East London in the times and context in which God has placed us.
- The conversation stems from a paper '[Sustaining Ministry](#)' that was presented to the Chelmsford Diocesan Synod in March 2025 and which reflects our commitment to participative change.
- Ahead of the conversation in Autumn 2026, the Bishop of Chelmsford invited people across the Diocese to participate in [100 Days of Prayer](#). From 18 February to 29 May 2026
- The approach to sustaining ministry builds on the work undertaken since 2023 through the [Parish Support Conversation](#) and will be the next phase of that work
- Work continues with Parishes and Deaneries to develop and implement missional proposals and plans supported by investment from the Church of England's Strategic Mission and Ministry Investment Board across all three Episcopal Areas.
- As the Diocese prepares for its INEQE Independent Safeguarding Audit in 2027, work continues to ensure that our churches are environments where everyone feels safe, valued and respected.

Other key planning priorities

As we approached 2026, there were also a number of significant events and activities that shaped planning.

- The Diocese will continue to implement the proposals in From Action to Real Change, the [Racial Justice Task and Finish Group's report](#).
- The Diocese will continue to implement the road map to [Carbon Net Zero](#) by 2030 as agreed by the Church of England General Synod.
- As the Church of England's Living in Love process drew towards its conclusion, leaving many deeply frustrated and concerned by either a lack of progress, or because of a belief that decisions that have been taken have crossed red lines, the Bishop's Leadership Team emphasised their continued commitment to promoting and encouraging a way of travelling well together, despite the differences in what we believe, and despite the inevitable pain those differences cause. Over recent years the Bishop's Leadership Team has focused on bringing people together from wide ranging views across the diocese, to listen to their concerns and anxieties and to hear thoughts and ideas about how reassurance might be provided and how we might continue to live well together despite our differences. One consequence of these conversations was the introduction of a [diocesan statement of reassurance from Bishop Guli and members of the Bishop's Leadership Team](#) in early 2025.

6. Financial review

Financial Performance

The CDBF recorded a deficit of £569k for the year on its general funds before gains on revaluation of assets. Although there was a deficit for the year, this was better than the budgeted deficit of £1,004k. The improved performance mainly arose because of lower expenditure on ministry costs linked to a higher number of clergy vacancies than budget, as well as higher income from the rental of vacant vicarages than anticipated. During 2025 in line with our Total Return Accounting policy (see note 14 on page 70) there was a transfer of £3.2m (2024: £3.0m) from endowment to unrestricted funds to support the costs of stipendiary ministry in parishes.

Trustees' Report for the year ended 31 December 2025

Parish Share, the money donated by parishes to the CDBF to fund the mission and ministry of the diocese, is the main incoming resource for the CDBF providing two thirds of its income.

At £2.9m (2024: £3.0m) the net parish share shortfall decreased compared to 2024. Parish Share requested totalled £16.3m (2024: £16.2m) a 0.7% increase. In cash terms £13.5m (2024: £13.2m) was received in Parish Share, which was 83% of the amount requested (2024: 82%), the overall increase in Parish Share contributions is of great encouragement and we are grateful to all Parishes that gave so generously during the year. During the year a total of £606,207 (2024: £288,639) was contributed to parish share via the Ephesians Fund. Of these amounts £102,207 was contributed by the PCC of Henham, Elsenham & Ugley who asked that their parish's net mutual support contribution of £10,459 be used to support the parishes of Dagenham St George and Kirby Le-Soken St Michael on a shared and equal basis.

The CDBF has met all its financial obligations to continue resourcing the diocese as required, including the provision, development and support of ministry, the provision and maintenance of houses for the clergy, National Church responsibilities and enriching and facilitating many other aspects of church life throughout Chelmsford Diocese.

Income across all funds, before other recognised gains and losses totalled £22.9m (2024: £22.3m) and expenditure amounted to £25.8m (2024: £26.9m).

The Statement of Financial Activities (SOFA) for the year shows a net deficit of £2.8m (2024: Net deficit £4.6m) before net gains and losses on the revaluation and sale of investments and the revaluation of fixed assets. Net gains on investments totalled £1.2m (2024: net gains of £7.7m) and there was a net gain on revaluation of fixed assets of £12.0m (2024: net loss of £15.7m).

There was a net cash outflow on operating activities of £4.8m (2024: outflow £6.3m). Net cash generated from sale of fixed assets and investment transactions totalled £12.4m (2024: 7.0m) and from this loans totalling £2.1m were repaid (2024: £5.6m). Overall, there was a net improvement of £5.5m in cash and equivalents over the course of the year. CDBF continued to benefit from tight financial control and cashflow management in 2025.

Significant Property Transactions

The Asset Investment and Management Policy adopted by the Trustees governs the management of operational and investment property. The vast majority of the residential property portfolio is held for operational purposes. It is managed to achieve required quality standards at a consistent and efficient average annual cost of ownership.

Significant operational property transactions in the year comprised:

- Purchase of one property for housing stipendiary ecclesiastical office holders.
- Sale of sixteen properties surplus to operational requirements and one property where a replacement property has been purchased.

Glebe land and property is held for investment purposes. The overall strategy is to retain a land holding, to seek to leverage value through long term development, and to dispose of less lucrative holdings and direct exposure to commercial property. The usual cycle of rent reviews and lease renewals on glebe land continued as advised by the CDBF's land agents.

The Diocesan Stipends Capital Fund is available for providing and improving benefice and glebe property and when invested provides income and capital growth for clergy stipends under the Total Return Accounting Policy (see note 14).

Residential properties are valued on the basis of a certified annual valuation.

Balance Sheet Position

The Trustees consider that the balance sheet together with details in note 20 show broadly that the restricted and endowment funds are held in an appropriate mix of investment and current assets given the purposes for which the funds are held. While the net assets at the balance sheet date totalled £370.2m (2024: £359.9m) it must be remembered that included in this total are properties, mostly in use as clergy housing, whose value amounted to £279.2m (2024: £273.2m). Much of the remainder of the assets shown in the balance sheet are held in restricted funds, and cannot necessarily be used for the general purposes of the CDBF.

Reserves Policy

Having considered financial risk, liquidity requirement and the timing of cashflows throughout the year, and based on the Charity Commission recommendation, the Trustees consider that an appropriate level of free general reserves is three months gross general fund expenditure, currently £5.3m. This policy was last reviewed and agreed by the Trustees in May 2025. The Finance Executive is charged with oversight of the reserves policy.

After transfers, free general reserves at the year-end were in surplus by £4.5m (2024: surplus £5.0m) being the value of the General Fund. This is below the reserve target of £5.3m.

The Trustees previously recorded that free general reserves would fall below policy target if parish share shortfall did not materially improve, and although there has been a movement in the right direction over the past 2 years, it has not been sufficient, and operational deficits have continued to reduce general fund reserves. There is a financial plan in place to move the charity to breakeven and then surplus over the next 5 years, during this time it is not expected that the charity will come close to expending all general fund reserves, but it is likely that the charity will be operating with reserves below the policy target in the short to medium term. Although the balance of free general reserves at year end is below the reserve target, the trustees consider that the CDBF has sufficient resources to meet its day to day operational needs.

Designated funds

The Trustees may designate additional unrestricted reserves to be retained for an agreed purpose where this is considered to be prudent. Such designated reserves are reviewed on an annual basis and returned to the general fund in the event that the purpose of their designation is no longer considered to be adequate justification for their retention. A description of each reserve together with the intended use of the reserve is set out in note 19. At 31 December 2025 total designated reserves were £47.2m (2024: £36.1m).

The Trustees approved one new designated fund during the year; the Deaf Community Fund (see note 19).

Restricted and endowment funds

As set out in note 19, CDBF holds and administers a large number of restricted and endowment funds. As at 31 December 2025 restricted funds totalled £13.3m (2024: £12.5m) and endowment funds totalled £305.1m (2024: £306.2m). Neither are available for the general purposes of the CDBF.

Liquidity Policy

The CDBF has regular and predictable cash inflows (principally from parish share) and outflows (principally stipend, salary and pension payments). Less frequent cash movements include grant payments, which are also predictable. The largest cash movements relate to property transactions which are infrequent and normally have a clear lead time.

The CDBF aims to hold £2m cash in instant access accounts to meet its cash needs. In addition, up to £3m in additional cash is held in higher interest deposit accounts. Where cash balances are forecast to fall below £1m the CEO and Finance Director have delegated authority to liquidate investments to replenish liquidity to levels matching operational requirements with such transactions reported to Finance Executive. Where cash balances exceed £5m, the Finance Executive will consider the most appropriate use for the excess funds, including paying down loans or adding to investments.

Grant making policy

Contributions are made to the National Church to cover a proportion of its central costs and also to cover the cost of training for ministry (see note 8). Grants are paid to other charities e.g. PCCs and charitable projects which appear to CDBF to support the furtherance of its objects. The General Fund budget includes regular grants. Other grants are approved according to the terms of reference of the relevant fund.

Investment Policy

The Trustees approved an integrated Asset Investment and Management Policy in 2014 developed under the oversight of the Investment Committee. The Policy was Reviewed and updated by the Finance Executive in 2024 and approved by the Trustees. This policy distinguishes between investment and operational assets and sets out the policy framework for both. In relation to investment assets the key principles in the policy may be summarised as follows:

- The overall objectives are to create sufficient income and capital growth to enable the CDBF to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance and enhancement of the value of assets while they are retained.
- Investment funds shall be operated and compared on a total return basis (See Note 14).
- Relevant benchmarks include a minimum target total return of CPI + 4% over the long term.
- The CDBF requires its investment assets to be managed in compliance with the Church of England ethical guidelines, and ethical considerations shall form part of the dialogue with the Investment Managers. The Trustees will consider mixed-motive investment proposals which are expected to deliver financial returns and further the purposes of the charity
- The CDBF is assumed to be a perpetual charity and is able to take a long term view on investments, balanced against the short term needs of the charity for liquidity and resources to best realise its operational purposes.

The Trustees regularly review and retender Investment Managers. The last review was in 2016 and concluded with the reappointment of CCLA Investment Management Ltd and appointment of Cazenove Capital Management (a trading style of Schroder & Co. Limited).

	Funds at 31 December 2025	Proportion of portfolio	Income yield in year	Total return in year
	£000			
CCLA Managed CBF Investment Fund	32,967	54.62%	3.05 %	(1.17) %
Cazenove Segregated portfolio	27,379	45.36%	1.76 %	8.80 %
Other funds	16	0.03%		
Total	60,362	100.0%		

Statement of raising funds

The CDBF is aware of the Charities (Protection and Social Investment) Act 2016 and the Trustees fully support the aims of this legislation. The majority of the CDBF's income comes from other charitable bodies and PCC's in the form of grants and parish share and it undertakes very little direct fundraising activity involving individual donors. Examples include one-off appeals (e.g. the Lent Appeal) which are promoted generally through communications rather than targeting specific individuals, and the Friends of the Retreat House scheme where Retreat House guests are invited without pressure or obligation to join the 'Friends'. The CDBF follow the Church of England's 'Guide for Churches on Giving and Vulnerable People' to ensure that we follow best practice when receiving donations from individuals. The CDBF considers the origin of unsolicited donations and legacies, does not share or purchase any donor data with or from third parties and, in 2025, did not engage with independent professional fundraisers. The CDBF did not receive any complaints in relation to fundraising or raise any matter with regulators in 2025 (2024: none).

Going concern

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

Parish Share payments comprise the largest proportion of income for the Diocese. 83% of Parish Share requested was received in 2025, which was higher than in 2024 but lower than budget and reflects the challenges Parishes are facing with increased costs due to high inflation, and reduced income as congregations faced increases in the cost of living. It is expected that parishes and deaneries will move towards ministry plans which are financially sustainable and that will help to achieve a higher parish share recovery rate which will ensure diocesan financial viability moving forwards.

Other factors that directors have considered relating to going concern include:

- Impact of **Parishes unwilling or unable to pay Parish Share** due to affordability and doctrinal differences. It is not expected that this will have a material long term impact upon the CDBF finances. In the near term, it is expected that parish share payments will increase which will mitigate any non-payments from individual parishes. In the longer term if share contributions fall, cost reductions (such as reductions in stipendiary posts) will be necessary. This issue will remain under review.
- The **costs of building maintenance**, specifically linked to clergy housing and voluntary aided church schools. Increased budgets have been put in place for clergy housing improvements and there is close management of school capital works to ensure that funding is directed where most needed.
- **Inflation & Investment returns** will need to be kept under close review to ensure that over time investment returns outstrip inflation to maintain sufficient unapplied total return balances within endowments to sustain planned drawdowns which support stipends. The Unapplied Total return balance remains positive, despite investment returns that have been lower than hoped for, and so there are no immediate concerns.
- **Non-financial risks** associated with governance, major non-compliance, change in government policy and safeguarding – There is confidence that controls are in place and that the diocese can manage any non-financial risks sufficiently.

Trustees review the financial position of the charity and receive an update on going concern status at every Finance Committee meeting. CDBF have general fund reserves covering approximately 3 months of operating expenditure and reserves are sufficient to cover projected operational deficits in the short term. CDBF have a 5-year financial plan and having reviewed the funding facilities available to CDBF together with the expected future cash flows, the trustees have a reasonable expectation that charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

7. Custodian Trustee

The CDBF is custodian trustee of assets held on permanent trust by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. These assets are not aggregated in the financial statements as the CDBF does not control them, and they are segregated from the CDBF's own assets by means of separate bank accounts. Such funds are predominantly managed by CCLA Investment Management Ltd, or M&G Investments as determined by the managing trustees. The CDBF reserves the right to charge the managing trustees an administration fee where alternative investment managers are used in recognition of the additional complexity such arrangements cause. Further details of financial trust assets, whose market value amounted to £17.3m at 31 December 2025 (2024: £17.9m), are available from the CDBF on request, and are summarised in note 25.

Where properties are held as custodian trustee, the deeds are identified as such.

8. Principal Risks and Uncertainties

The Trustees are responsible for the identification, mitigation and/or management of risk. To achieve this, a register of all the risks identified is maintained and, alongside it, a management and mitigation strategy formed. The Audit Committee periodically reviews the risk register in detail. The Trustees are invited to review the risk register regularly and, in any event at least annually, leading to formal discussion and approval of the strategic risk register, setting out risks and mitigation strategies. The responsibility for delivery of the identified mitigation strategies is delegated to the executive staff or Bishops and Archdeacons as appropriate. A programme of internal audit is overseen by the Audit Committee and complements the CDBF's risk management activities.

The Trustees confirm that the major risks, to which CDBF is exposed, as identified by the Trustees and staff, have been reviewed and that systems and procedures have been established to manage those risks. The register identifies six strategic risks with a pre-mitigation rating of 'high'. These risks and the associated mitigation strategies are as follows:

1) Missional Failure

This risk recognises a variety of issues which could lead to the church failing to fulfil its missional purpose. Across the Church of England, we are experiencing decline in congregations, closure of some church buildings with others facing significant costs.

Different theological understandings continue to present challenges to unity within the Diocese.

Whilst the cause and presence of these factors exist outside the boundaries of Chelmsford Diocese, there are mitigations that we are taking or can take locally including mutual support between parish clergy, a Diocesan focus on prioritising and supporting local parish ministry, a better established approach to Parish Share, increased diocesan level support for churches to assist them to look after their buildings and guidelines and resources for parishes.

Additionally, we have a Racial Justice Workstream and 'Mustard Seed' children, young people and families workstream to focus on improving representation and missional growth. There is a project management board for projects who have received funding from the National Church and we provide training for our clergy, lay leaders and congregations to be confident evangelists.

2) Financial

This risk encompasses the threat posed by a long term structural deficit, the risk of failure to amend or improve the parish share scheme, the risk posed by the significant pension liability in the clergy scheme and risk of poorly managed development opportunities or failure to optimise property land resources for mission.

The mitigations in place are a finance strategy incorporating a 5 year budget, sufficiently resourced finance team, and ongoing review of the parish share scheme.

3) Incident or accusations of serious misconduct

Whilst there is no expectation of any accusations of serious misconduct, or any reason to think that such accusations would arise, it is important that we consider the implications of an event such as a senior staff member being found guilty of (or accused of) serious misconduct, an incident or accusations of serious misconduct in a parish current or historic.

The mitigations include oversight provided by the Diocesan Bishop and Chief Executive, links with Deaneries and Parishes, support from diocesan staff including our safeguarding team, racial justice officer and panel and communications team. Alongside following the national Church of England safeguarding policy, we also have a bullying and harassment policy.

4) Governance

This risk recognises the implications of a potential governance failure, where CDBF trustees are not able to fulfil their role, failure of trust in Synodical process or senior leadership, serious PCC failure that may result in liability for the CDBF or serious governance failure in a "near relation".

Trustees' Report for the year ended 31 December 2025

To mitigate this risk we are doing or will take the following measures including ongoing consideration of our synodical processes and culture, active recruitment of people to serve on our trustee body and committees, making use of the ability to fulfil the duties of a PCC under Church Representation Rules in the event of parish failure and raise greater awareness of the impact of failure of "near relations"

5) Operational Risks

This risk recognises the implications to the CDBF of operational failure resulting from lack of capacity, key person risks, physical risks e.g. terrorist incident, loss of tenure of office buildings (e.g. fire), serious data protection or IT issues/breaches and failure to adequately maintain church buildings.

Mitigation against such operational risks include the Clergy Wellbeing Covenant, greater sharing of knowledge among teams, 'Manuals' and guidelines for key staff, data protection training for all staff the appointment of a Data Protection Lead cyber security auditing, training and penetration testing, an improved DAC and church buildings team, advice on appointment of architects, a Heritage Support Officer and our DAC staff and members.

6) External Risks

This risk category recognises that there are factors external to the church that could have significant implications for our mission and ministry including climate change and other serious incidents which would affect the whole of our society e.g. another pandemic, sustained fuel or food shortage, civil unrest.

Whilst mitigations here are challenging we are working towards meeting the Church of England net carbon zero goal by 2030 and making use of our experience gained during current pandemic including use of virtual resources to adapt. A Net Carbon Zero Officer remains in post we work as part of a regional group for mutual support and learning has gained greater depth with the appointment of a Regional Fundraising Officer.

Structure and governance

Summary information about the structure of the Church of England

The Church of England is the established church, and HM The King is the Supreme Governor. It is organised into two provinces (Canterbury and York) and 42 Dioceses. Each Diocese is a See under the care of a Bishop who is charged with the cure of souls of all the people within that geographical area. This charge is shared with priests within benefices and parishes which are sub-divisions of the Diocese.

The National Church has a General Synod comprised of ex-officio and elected representatives from each Diocese and it agrees and lays before Parliament Measures for the governance of the Church's affairs which, if enacted by Parliament, have the force of statute law. In addition to the General Synod, the Archbishops'

Council has a coordinating role for work authorised by the Synod; the Church Commissioners manage the historic assets of the Church of England; and the Church of England Pension Board administers the pension schemes for stipendiary ecclesiastical office holders and employees. Within each Diocese, overall leadership lies with the Diocesan Bishop, who exercises that input as Bishop within the Diocesan Synod. Our Diocese is divided into 23 deaneries, each with its own Synod and within each parish there is a Parochial Church Council (PCC) which shares with the parish priest responsibility for the mission of the church in that place, in a similar way to that in which the Bishop shares responsibilities with the Diocesan Synod. In this diocese, as part of our re-imagining ministry priority, parishes are on a journey to working together collaboratively, often in Mission and Ministry Units with common mission priorities and shared resources where appropriate.

Whilst each Diocese is separate with a clear responsibility for a specific geographical area, and each diocesan board of finance is a separate legal entity, being part of the Church of England requires and enables working together in a national framework and with national church institutions.

Structure and governance (continued)

Organisational structure

The Diocese of Chelmsford was created in 1914. It spans the whole of Essex and five boroughs of East London. It covers an area of 1,531 square miles with an overall population in excess of three million.

The diocese is divided into three Episcopal areas by an Area Scheme under which the Diocesan Bishop, the Bishop of Chelmsford, has delegated certain authority to the Bishops of Barking, Bradwell and Colchester in relation to the Archdeaconries in those areas. Each Archdeaconry is subdivided into deaneries, there being a total of 23 deaneries across the Diocese. The deaneries are further subdivided into 462 parishes.

In 2024 the CDBF acquired a trading subsidiary, MCO Investments Ltd, Company Number 09614431, which owns a property from which the charity will run an Area Office. As the results of the subsidiary are immaterial, they have not been consolidated into the Charity's financial results, but the value of the 100% shareholding in the subsidiary has been recognised in the Investments section of the Balance Sheet (See note 13).

Diocesan governance

The statutory governing body of the Diocese of Chelmsford is the Diocesan Synod, which is an elected body with representation from all parts of the Diocese. Membership consists of ex officio members, including the Bishops, the Dean and Archdeacons; clergy members elected by the Houses of Clergy in Deanery Synods; lay persons elected by the Houses of Laity in Deanery Synods; up to five persons who may be co-opted by each of the House of Clergy and the House of Laity and a maximum of eight members nominated by the Diocesan Bishop. The Diocese Synod is governed by Standing Orders which were updated in June 2012.

The Diocesan Synod meets two or three times a year. Many of Diocesan Synod's responsibilities have been delegated to the Bishop's Council, the Bishop's Council Standing Committee or the Finance Committee.

Company Status

The company, The Chelmsford Diocesan Board of Finance (CDBF), was formed to manage the financial affairs and hold the assets of the Diocese. It was incorporated on 16 July 1914 as a charitable company limited by membership guarantees (No. 137029) and its governing instrument is the Memorandum and Articles of Association which were most recently amended by Special Resolution in June 2012. Revised Articles of Association were approved for submission to the Charity Commission in November 2018, and we continue to await determination by the Commission. CDBF is registered with the Charity Commission (No. 249505).

Every eligible member of Diocesan Synod is a member of CDBF for company law purposes and has a personal liability limited to £1 under their guarantee as a company member in the event of it being wound up.

Decision-making structure

Corporate priorities and the overall financial strategy for the Diocese (in its primary object to promote, assist and advance the work of the Church of England within the Diocese of Chelmsford) are set by the Diocesan Synod and the CDBF. The company meets once a year in general meeting to receive and approve the annual report and financial statements and to appoint the auditors. The Diocesan Synod each year receives and agrees the annual budget, prepared and approved by the Trustees. The Trustees, meeting within the context of the Bishop's Council, hold up to six meetings during the year to formulate and coordinate policies on mission, ministry and finance.

Structure and governance (continued)

Certain executive functions of CDBF are undertaken by the Finance Committee, whose members are the Trustees and Directors of CDBF. The Finance Committee's terms of reference are as follows:

- Determine policy, in particular for: Ministry numbers, Clergy Stipends, Capital Budget, Revenue budget levels, Grant making and Investments.
- Monitor such policy decisions.
- Approve referral of Budgets to the Diocesan Synod.
- Approve and sign the annual report and financial statements after receiving a report from the Audit Committee.
- Agree remuneration of the Auditor each year.
- Receive a report from the Finance Executive at each meeting.
- Receive minutes from all Sub-Committees.
- Handle any business referred by the CDBF, Diocesan Synod or Bishop's Council.
- Create and dissolve Sub-Committees as required.
- Appoint members of Sub-Committees and its representatives on other Diocesan bodies.

Committee structure

The Finance Committee's remit is set out above; it is supported by its sub-committees:

Finance Executive	handles routine business on behalf of the Finance Committee and develops the budget and other proposals for Finance Committee's consideration as well as oversees financial investments and liaison with the CDBF's Investment management.
Audit and Risk Committee	responsible for assisting the Finance Committee in the discharge of its responsibilities for financial reporting and internal control.
Property Committee	responsible for making decisions concerning the operational management of all clergy houses for which the CDBF has responsibility. Recommending policy and making decisions concerning the management of Glebe property.
Remuneration and Governance Committee	determines remuneration policy and annual salary awards, and oversees the effectiveness of governance across the CDBF.
Diocesan Mission and Pastoral Committee	(membership of which is co-terminus with the Bishop's Council) is responsible for pastoral reorganisation, taking account of clergy numbers and the need for new patterns of ministry.
Diocesan Advisory Committee	advises on matters concerning churches and places of worship such as the granting of faculties, archaeology, art and the history of places of worship, the use and care of places of worship and their contents and the care of churchyards.
Diocesan Board of Education	promotes education, religious education and religious worship in schools in the Diocese. It also promotes and advises governors of church schools in the Diocese.

Structure and governance (continued)

Bishop's Council and Finance Committee

Bishop's Council consists of 17 ex officio members, 3 clergy elected by the House of Clergy from among their number (1 from each Episcopal area), 9 lay persons elected by the House of Laity from among their number (3 from each Episcopal area), 3 lay persons appointed by and from the membership of each Area Mission & Pastoral Committee (1 from each Episcopal area) and a maximum of 6 members nominated by the Diocesan Bishop.

Finance Committee consists of the Chair and Vice Chair of CDBF (who are also members of Bishop's Council) and those other members of the Bishop's Council not otherwise disqualified from membership such as persons remunerated by the CDBF.

Trustee recruitment, selection and induction

Trustees are members of the Finance Committee and are selected as set out above. Trustees are offered an induction when first appointed. Trustee training is arranged at the start of each triennium and subsequently as appropriate. An element of Trustee training is typically included in the programme for the annual day meeting. A new consolidated induction process has now been implemented and in use with new trustees on an ongoing basis. While some senior staff have job titles incorporating the title 'Director', they are not directors of the company for the purposes of company law. All Trustees are required to maintain their entry in the record of declarations of interest.

The Chelmsford Diocesan Board of Finance

Trustees' Report for the year ended 31 December 2025

Attendance at Trustee Meetings

	Number of meetings eligible to attend	Number of meetings attended	Percentage of eligible attended
The Rt Revd Adam Atkinson	6	6	100%
The Ven Christopher Burke	6	5	83%
Mr Philip Carnelley	6	4	66%
The Revd Canon David Chesney (from 25/4/25 until 22/9/25)	2	1	50%
Mrs Florence Conaty	6	5	83%
The Ven Jonathan Croucher	6	5	83%
The Rt Revd Lynne Cullens	6	5	83%
Miss Vevet Norine Deer (from 6/1/25)	6	5	83%
Mrs Mary Durlacher	6	6	100%
The Rt Revd Gulnar Francis-Deqhani	6	5	83%
Ms Wilhelmina Joan Goulbourn	6	5	83%
Canon Robert Hammond	6	6	100%
Mr Andrew Holt (from 27/6/25)	4	2	50%
Mr Duraisamy Daniel Jebanesan	6	6	100%
The Ven Susan Joy Lucas	6	6	100%
The Very Revd Dr Jessica Heloise Martin (from 5/1/25)	6	5	83%
The Rt Revd Roger Morris	6	5	83%
Mr Jeffrey Mushens	6	4	66%
Revd Canon Christian Okeke	6	5	83%
The Ven Ruth Patten	6	4	66%
The Ven Kate Peacock	6	6	100%
The Ven Michael Power	6	4	66%
Mrs Jill Readings (until 9/7/25)	2	2	100%
The Revd Canon Nicholas Rowan	6	6	100%
Mr Adrian Smith (from 28/4/25)	5	5	100%
Ms Hazel Thomas	6	3	50%
Mrs Julia Thomas (from 6/1/25)	6	5	83%
Mr John Tipping	6	5	83%

Structure and governance (continued)

Remuneration of key management personnel

The Remuneration & Governance Committee reviews the emoluments of senior employees on an annual basis. The Committee's membership is the Chair of the CDBF, the Bishop of Chelmsford, and the Lay and Clergy Vice Presidents of Synod. The Committee also determines any cost of living pay increase for employed staff and reviews other matters relating to employee remuneration as required.

Delegation of day to day delivery

The Trustees and the sub-committees which assist them in the fulfilment of their responsibilities, rely upon the Chief Executive & Diocesan Secretary and her colleagues for the delivery of the day to day activities of the company. The Chief Executive & Diocesan Secretary is given specific and general delegated authority to deliver the business of the CDBF in accordance with the policies framed by the Trustees.

Funds held on behalf of schools

The DBE (as incorporated within the CDBF) receives 10% contributions from governors of church schools within the Diocese in connection with major repair and capital projects to church schools and also government grants in connection with the same. The DBE administers these monies as managing agent and makes appropriate payments to contractors for work carried out. The monies do not belong to the DBE and as such the receipts and payments are not treated as income and expenditure in the Statement of Financial Activities. Any monies held at the balance sheet date are treated as creditors on the balance sheet. The income and expenditure relating to school projects not reflected in the Statement of Financial Activities amounted to £1.059m and £1.475m respectively (2024: £1.543m and £1.410m).

Historical assets arising from unexpended accumulations of sale proceeds of redundant Church of England School properties are accounted for in the restricted Church Schools fund and are managed by the CDBF in consultation with the DBE and held in a CDBF restricted fund detailed in the accounts.

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees (as Directors) to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the CDBF and of the surplus or deficit of the CDBF for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation.

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

Trustees' responsibilities (continued)

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the CDBF's website. Legislation in England & Wales governing the preparation and dissemination of financial statements and other information included in Annual Reports may differ from legislation in other jurisdictions.

Statement of disclosure to the auditors

So far as the Trustees are aware:

- a) there is no relevant audit information of which the charitable company's auditors are unaware, and
- b) we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Appointment of Auditors

The appointment of auditors will be proposed at the Annual General Meeting.

Administrative details

Company registration number	137029 (England & Wales)
Charity registration number	249505
Registered Office	53 New Street, Chelmsford CMI IAT Tel: 01245 294400 www.chelmsford.anglican.org

Trustees

In accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting for Charities (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards, the Trustees (for the purposes of charity law) and directors (for the purposes of company law) during the year and/or as at the date of signing were:

Ex Officio

President	The Rt Revd Gulnar Francis-Deqhani
Chair	Mr Jeffrey Mushens
Vice-Chair	Mr John Shakeshaft (from 23/02/2026)
Area Bishops	The Rt Revd Roger A B Morris The Rt Revd Adam Atkinson The Rt Revd Lynne Cullens
Archdeacons	The Ven Christopher Burke The Ven Ruth Patten The Ven Michael Power The Ven Jonathan Croucher The Ven Kate Peacock The Ven Dr Susan Lucas
The Dean	The Revd Canon Dr Jessica Martin
Lay Vice-President	Canon Robert I Hammond
Clergy Vice-Presidents	The Revd Canon Jane Richards (not a trustee due to remuneration by the Board)

Elected or appointed to fill a vacancy

Mr John Tipping	Revd Canon Christian Okeke
Mrs Jill Readings (until 09/07/2025)	Mr Duraisamy Daniel Jebanesan
Mrs Florence Conaty	Miss Vevet Norine Deer
Mr Philip Carnelley	Mrs Julia Thomas
Mrs Mary Durlacher	The Revd Canon David Chesney (from 25/04/2025 until 22/09/2025)
The Revd Canon Nicholas E Rowan	Mr Adrian Smith (from 08/04/2025)
Ms Hazel Thomas	Mr Andrew Holt (from 27/06/2025)
Ms Wilhelmina Joan Goulbourn	

No Trustee had any beneficial interest in the company during the year.

Administrative details (continued)

Senior Staff

The day to day management of the Chelmsford Diocesan Board of Finance is delegated to the Chief Executive. The officers who served during the year and at the date of signing are:

Chief Executive & Diocesan Secretary	Canon Michaela Southworth
Chief Operating Officer	Paul Setterfield FCMA, CGMA (from 06/02/2026)
Dean of Mission, Ministry & Education	The Revd Canon Rob Merchant
Director of Finance	Paul Setterfield, FCMA, CGMA (to 05/02/2026)
Director of Communications & Media	Canon Thomas Geldard
Director of Education	Carrie Prior
Head of Property	Alex Reeve (to 09/01/2026)
Head of Service Delivery	Canon Nathan Whitehead
Head of Safeguarding	Amanda Goh
HR Manager	Rachel Towns
Programme Manager	Dawn Weddell
General Manager Retreat House Pleshey	Graham Dowling

Professional Advisers

Auditors

HaysMac LLP
10 Queen Street Place
London EC4R 1AG

Solicitors and Registrars

Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Bankers

Barclays Bank plc
40-41 High Street
Chelmsford CMI 1BE

Investment Managers

Cazenove Charities
12 Moorgate
London EC2R 6DA

CCLA Investment
Management Ltd
One Angel Lane
London EC4R 3AB

Glebe Property Agents

Strutt & Parker
Coval Hall
Chelmsford CMI 2QF

In approving this Trustees' Report, the Trustees are also approving the Strategic Report included above within their capacity as company directors.

BY ORDER OF THE TRUSTEES


Mr Jeffrey Mushens
Chair of the Chelmsford Diocesan Board of Finance

Date:

17th May, 2026

Independent auditors' report to the members of The Chelmsford Diocesan Board of Finance

Opinion

We have audited the financial statements of The Chelmsford Diocesan Board of Finance for the year ended 31 December 2025 which comprise Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows 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 charitable company's affairs as at 31 December 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditors' report to the members of The Chelmsford Diocesan Board of Finance

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Based on our understanding of the and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

Independent auditors' report to the members of The Chelmsford Diocesan Board of Finance

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls and procedures of the group relevant to the preparation of the financial statements to ensure these were in place throughout the year, including during the Covid-19 remote working period;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Challenging assumptions and judgements made by management in their critical accounting estimates in particular valuation of property assets and investment properties; and

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.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jane Askew (Senior Statutory Auditor)

For and on behalf of HaysMac LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date:

The Chelmsford Diocesan Board of Finance

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2025

	Note	Unrestricted funds		Restricted	Endowment	Total	Total
		General	Designated	Funds	Funds	Funds	Funds
		2025	2025	2025	2025	2025	2024
		£'000	£'000	£'000	£'000	£'000	£'000
Income from:							
Donations:							
Parish contributions	2	13,528	0	0	0	13,528	13,208
Other donations and legacies	2	912	186	3,397	0	4,495	4,216
Charitable activities	3	1,737	35	2	0	1,774	1,530
Investments	4	206	183	303	1,604	2,296	2,443
Other Trading activities:							
Parsonage rents receivable		849	0	0	0	849	925
Other Income	5	7	46	0	0	53	0
Total income		17,239	450	3,702	1,604	22,995	22,322
Expenditure on							
Raising funds:							
Investment management	6	0	0	30	375	405	367
Charitable activities	7a	21,183	298	3,718	0	25,199	25,208
Other Expenditure	7b	0	0	0	214	214	1,354
Total expenditure		21,183	298	3,748	589	25,818	26,929
Net surplus / (deficit) before investment gains		(3,944)	152	(46)	1,015	(2,824)	(4,607)
Net gains / (losses) on investments	13	0	(245)	821	612	1,188	7,691
Net surplus / (deficit) before transfers		(3,944)	(93)	775	1,627	(1,636)	3,084
Transfer between funds	19	3,375	10,163	(52)	(13,486)	0	0
Net surplus / (deficit) before other gains and losses		(569)	10,070	723	(11,859)	(1,636)	3,084
Gains/(losses) on revaluation of fixed assets	12	75	1,052	70	10,820	12,017	(15,739)
Net movement in funds		(494)	11,122	793	(1,039)	10,382	(12,655)
Total funds brought forward		5,033	36,142	12,509	306,216	359,900	372,556
Total funds carried forward		4,539	47,264	13,302	305,177	370,282	359,900

The notes on pages 53 to 82 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2025**

SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2025

	Total 2025 £'000	<i>Total 2024 £000</i>
Total income	21,393	20,733
Total expenditure	(25,231)	<i>(26,135)</i>
Operating profit	(3,838)	<i>(5,402)</i>
Net gains (losses) on investments	576	<i>677</i>
Net income for the year	(3,262)	<i>(4,725)</i>
Other comprehensive income:		
Revaluation of fixed assets	1,197	<i>(1,711)</i>
Net assets transferred from Endowment	13,486	<i>6,054</i>
Total comprehensive income	11,421	<i>(382)</i>

The income and expenditure account is derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with company law. All income and expenditure is derived from continuing activities.

The notes on pages 53 to 82 form part of these financial statements.

Notes to the financial statements
For the year ended 31 December 2025

BALANCE SHEET

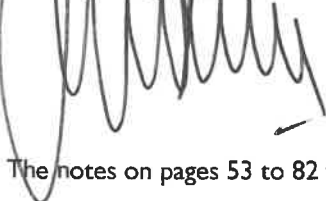
For the year ended 31 December 2025

Company number: 137029

	Note	2025		2024	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible assets	12		280,020		273,786
Investments	13		79,946		78,956
			<u>359,966</u>		<u>352,742</u>
Current assets					
Assets held for sale	12	1,587		6,053	
Debtors: amounts falling due after more than one year	16	257		219	
Debtors: amounts falling due within one year	16	3,593		2,741	
Cash at bank and in hand		8,756		3,291	
			<u>14,193</u>	<u>12,304</u>	
Creditors: amounts falling due within one year	17	<u>(3,290)</u>		<u>(2,438)</u>	
Net current assets			<u>10,903</u>		<u>9,866</u>
Total assets less current liabilities			<u>370,869</u>		<u>362,608</u>
Creditors: amounts falling due after more than one year	18		<u>(587)</u>		<u>(2,708)</u>
Net assets			<u>370,282</u>		<u>359,900</u>
Funds					
Endowment Funds (including asset revaluations of £162.85m (2024 £162.99m))	19		305,177		306,216
Restricted Funds (including asset revaluations of £0.40m (2024 £0.33m))	19		13,302		12,509
Designated Funds (including asset revaluations of £13.61m (2024 £11.69m))	19		47,264		36,142
General Funds (including asset revaluations of £1.52m (2024 £1.44m))	19		4,539		5,033
Total Funds			<u>370,282</u>		<u>359,900</u>

The financial statements were approved and authorised for issue by the Trustees on 13 May 2026 and signed on their behalf,

by: Mr Jeffrey Muthens, Chair



The notes on pages 53 to 82 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2025**

STATEMENT OF CASH FLOWS

	2025		2024	
	£'000	£'000	£'000	£'000
Net Cash used in from operating activities		(4,765)		(6,320)
Cashflow from investing activities				
Dividends, interest and rent from investments	2,296		2,443	
Interest paid	(117)		(395)	
Proceeds from the sale of tangible fixed assets	5,354		4,158	
Proceeds from the sale of held for sale assets	5,848		6,811	
Proceeds from the sale of investments	3,408		2,753	
Purchase of tangible fixed assets for the use of the CDBF	(1,228)		(4,641)	
Purchase of fixed assets investments	(3,210)		(4,155)	
Net Cash used in investing activities		12,351		6,974
Cash flows from financing activities				
Loans repaid by CDBF	(2,121)		(5,645)	
Net Cash provided by financing activities		(2,121)		(5,645)
Total movement in year		10,230		1,329
Change in cash and cash equivalents in the reporting period		5,465		(4,991)
Cash and cash equivalents at 1 January		3,291		8,282
Cash and cash equivalents at 31 December		8,756		3,291
Reconciliation of net income to net cash used in operating activities				
		2025		2024
		£'000		£'000
Net income for the year ended 31 December		10,382		(12,655)
Adjustments for:				
Depreciation		119		94
Gain on revaluation of fixed assets		(12,000)		14,697
Dividends, interest and rent from investments		(2,296)		(2,443)
Interest paid		117		395
Gain on sale of functional assets		(327)		388
Loss on sale of functional assets		278		0
Gain on the revaluation of held for sale assets		(17)		1,042
Losses on sale of held for sale assets		205		664
Losses (gains) on revaluation of investments		(1,224)		(7,693)
Loss on sale of investments		36		1
Decrease/(increase) in debtors		(891)		(893)
Increase/(decrease) in creditors		852		82
Net cash used in operating activities		(4,765)		(6,320)

**Notes to the financial statements
For the year ended 31 December 2025**

I. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, except for freehold properties which are included at their fair value as determined under the applicable valuation method as detailed below, and fixed asset investments which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (Second Edition, effective 1 January 2019), the Companies Act 2006 and applicable accounting standards (FRS 102).

CDBF meets the definition of a Public Benefit entity as defined by FRS102.

The principal accounting policies and estimation techniques are as follows:

(a) Income

All income is included in the Statement of Financial Activities (SOFA) when the CDBF is legally entitled to it as income or capital respectively, ultimate receipt is probable and the amount to be recognised can be quantified with reasonable accuracy.

- i) Parish Contributions are recognised as income of the year in respect of which they are receivable.
- ii) Rent receivable is recognised as income in the period with respect to which it relates.
- iii) Interest and dividends are recognised as income when receivable.
- iv) Grants received which are subject to pre-conditions for entitlement specified by the donor which have not been met at the year-end are included in creditors to be carried forward to the following year.
- v) Parochial fees are recognised as income in the year to which they relate.
- vi) Donations other than grants are recognised when receivable.
- vii) Gains and losses on disposal of fixed assets for the CDBF's own use (i.e. non-investment assets) are accounted for as other income for gains and expenditure on charitable activities for losses.
- viii) Stipends fund income. The Stipends Fund Capital account is governed by the Diocesan Stipends' Fund Measure 1953, as amended, and the use of the income is restricted for clergy stipends. However, the income is fully expended within the year of receipt and the legal restrictions, therefore, are satisfied. It is on this basis that the income and the (normally much larger) related expenditure are both included in the unrestricted column of the Statement of Financial Activities for the sake of greater clarity and simplicity in financial reporting.

**Notes to the financial statements
For the year ended 31 December 2025**

I. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(b) Expenditure

Expenditure is included on the accruals basis and has been classified under headings that aggregate all costs related to the Statement of Financial Activity category.

- i) Costs of raising funds are constrained to costs relating to the investment management costs of glebe and any other investment land or property.
- ii) Charitable expenditure is analysed between contributions to the Archbishops' Council, expenditure on resourcing mission and ministry in the parishes of the diocese, expenditure relating to the running of the diocesan retreat centre, and expenditure on education and Church of England schools in the diocese.
- iii) Gains and losses on disposal of fixed assets for the CDBF's own use (i.e. non-investment assets) are accounted for as other income for gains and expenditure on charitable activities for losses.
- iv) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional on the recipient satisfying performance or other discretionary requirements to the satisfaction of the CDBF, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.
- v) Support costs consist of central management, administration, and governance costs. The amount spent on raising funds and other activities are considered to be immaterial and all support costs are allocated to the purpose of charitable activities. Costs are allocated wherever possible directly to the activity to which they relate, but where such direct allocation is not possible, the remainder is allocated on an approximate staff time basis.
- vi) Pension contributions - the CDBF participates in three pension schemes to provide pension benefits based on final pensionable pay, namely the Church of England Funded Pensions Scheme (clergy), the Church of England Defined Benefits Scheme part of the Church Workers Pension Fund, and the Teachers Superannuation Scheme. The CDBF also participates in the Church of England Pension Builder Scheme (formerly known as Defined Contributions Scheme) part of the Church Workers Pension Fund. Details of the schemes are set out in note 27. The pension costs charged as expenditure represent the CDBF's contributions payable in respect of the accounting period, in accordance with FRS102.
- vii) Short term employee benefits including holiday pay are recognised as an expense in the period in which the service is received.
- viii) Employee termination benefits are accounted for on an accrual basis and in line with FRS 102.

(c) Going concern

As explained more fully in the Trustees report on page 35; having reviewed the funding facilities available to CDBF together with the expected future cash flows, the trustees have a reasonable expectation that charity has adequate resources to continue its activities for the foreseeable future and consider that there were no material uncertainties over the charity's financial viability. Accordingly, they also continue to adopt the going concern basis in preparing the financial statements.

Notes to the financial statements
For the year ended 31 December 2025

I. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(d) Tangible fixed assets and depreciation

Freehold properties

Depreciation is not provided on buildings as any provision (annual or cumulative) would not be material due to the very long expected remaining useful economic life in each case, and because their expected residual value is not materially less than their carrying value. The CDBF has a policy of regular structural inspection, repair, and maintenance, which in the case of residential properties is in accordance with the Repair of Benefices Buildings Measure 1972 and properties are therefore unlikely to deteriorate or suffer from obsolescence. In addition, disposals of properties occur well before the end of their economic lives and disposal proceeds are usually not less than their carrying value. The Trustees perform annual impairment reviews in accordance with the requirements of FRS102 to ensure that the carrying value is not more than the recoverable amount. Freehold properties are included in the balance sheet at their fair value.

Properties for the charity's own use

All houses (excepting properties subject to value linked loans shown below) are included in the balance sheet at fair value, which is considered to be their professional market valuation. Such houses are revalued annually.

Properties subject to value linked loans

Properties which have been bought with the assistance of value-linked loans from the Church Commissioners are stated using the value of the related loan at the balance sheet date. Each year end the respective property and loan are carried at an index linked current valuation basis.

Parsonage houses

The CDBF has followed the requirements of FRS102, in its accounting treatment for benefice houses (parsonages). FRS102 requires the accounting treatment to follow the substance of arrangements rather than their strict legal form. The CDBF is formally responsible for the maintenance and repair of such properties and has some jurisdiction over their future use or potential sale if not required as a benefice house, but in the meantime legal title and the right to beneficial occupation is vested in the incumbent. The Trustees therefore consider the most suitable accounting policy is to capitalise such properties as expendable endowment assets and to carry them at their estimated current market value. Parsonage houses are revalued annually and are recorded at their fair value.

Assets held for sale

Assets held for sale are not depreciated, are measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the statement of financial position.

(e) Other tangible fixed assets

Depreciation is provided to write off the cost (less any ultimate disposal proceeds at prices ruling at the time of the asset's acquisition) of other fixed assets over their currently expected useful economic lives at the following initial rates: -

Solar PV panels	4% per annum straight line
Motor vehicles	25% per annum straight line
Computers	25% per annum straight line
Furniture and office equipment	20% per annum straight line

All capital expenditure over £1,000 is capitalised.

Notes to the financial statements
For the year ended 31 December 2025

I. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

(f) Other accounting policies

- i) Fixed asset investments - Investment properties include agricultural holdings and commercial properties which are professionally valued annually. Other investments are included in the balance sheet at fair (market) value and the gain or loss on revaluation taken to the Statement of Financial Activities.
- ii) Financial Instruments - Other than equity loans which are initially recognised at the amount received, with the carrying amount adjusted in subsequent years to reflect the value based on the proportion of the current value of the relevant property and any accrued interest, the company only has financial assets and liabilities of a kind that qualify as basic financial instruments.
 - a) **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. At the end of each reporting period debtors are assessed for evidence of impairment. If an asset is impaired an impairment loss is recognised in the Statement of Financial Activities.
 - b) **Cash** - Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
 - c) **Creditors** - Basic financial liabilities, including trade and other payables and bank loans, are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at transaction price.
 - d) **Leases** - The company has entered into operating lease arrangements for the use of certain assets, the rental for which is charged in full as expenditure in the year to which it relates. Where rent free periods are given as part of an operating lease, the impact of this rent-free period is reflected in the Statement of Financial Activities over the shorter of the overall lease term or first break clause.

(g) Fund balances

Fund balances are split between unrestricted (general and designated), restricted and endowment funds.

- Unrestricted funds are the CDBF's corporate funds and are freely available for any purpose within the charitable company's objects, at the discretion of the CDBF. There are two types of unrestricted funds:
 - General funds which the CDBF intends to use for the general purposes of the CDBF and;
 - Designated funds set aside out of unrestricted funds by the CDBF for a purpose specified by the Trustees.
- Restricted funds are income funds subject to conditions imposed by the donor as specific terms of trust, or else by legal measure.
- Endowment funds are those held on trust to be retained for the benefit of the charitable company as a capital fund. In the case of the endowment funds administered by the CDBF (Stipends Fund Capital and Parsonage Houses), there are discretionary powers to convert capital into income and, as a result, these funds are classified as expendable endowment. Endowment funds where there is no provision for expenditure of capital are classified as permanent endowment.
- In 2021 the trustees passed a resolution under s104 Charities Act 2011 to adopt Total Return Accounting as permitted by the Diocesan Stipends Measure (Amended) 2016'. For further detail see note 14.

Notes to the financial statements
For the year ended 31 December 2025

I. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

- “Special trusts” (as defined by the Charities Act 2011) and any other trusts where the company acts as trustee and controls the management and use of the funds, are included in the company’s own financial statements as charity branches. Trusts where the CDBF acts merely as custodian trustee with no control over the management of the funds are not included in the financial statements but are summarised in the notes to the financial statements.

(h) Capital expenditure on Voluntary Aided schools

Contributions to capital expenditure from Department for Education and school governors are not recognised in the Statement of Financial Activities. Details of the turnover related to this activity are included in note 24.

The CDBF contributes to the improvement, extension and building of schools not under its control by making grants to the school governors concerned, and these are shown as such in the Statement of Financial Activities.

The CDBF does not recognise the value of the company’s reversionary interest in the assets of closed schools until the ultimate proceeds of disposal have been received.

(i) Judgements and estimates

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are continually evaluated. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

Significant judgements

- i) Valuation of Freehold properties and parsonage houses – All freehold properties and parsonage houses, including investment properties, but excluding those subject to value linked loans are revalued to their fair value annually using valuations provided by external professionals. Properties subject to value linked loans are revalued each year at the fair value based on the index linked current valuation basis.
- ii) Valuation of liabilities arising from the charity’s obligation to meet deficit reduction payments for its multi-employer defined benefit pension scheme – These liabilities are revalued at each year end using discount rates which are reassessed annually.
- iii) Residual value of Freehold properties – The Trustees consider that the residual value of freehold properties is sufficiently high that depreciation would not be material.

Sources of estimation uncertainty

In the view of the Trustees there are no sources of estimation uncertainty affecting assets or liabilities at the balance sheet date that are likely to result in a material adjustment to their carrying amounts in the next financial year.

(j) Basis of consolidation

The accounts for the CDBF have been prepared on a company only basis.

In 2024 CDBF acquired a trading subsidiary, MCO Investments Ltd, Company Number 09614431, which owns a property from which the charity will run an Area Office. As the results of the subsidiary are immaterial, they have not been consolidated into the Charity’s financial results, but the value of the 100% shareholding in the subsidiary has been recognised in the Investments section of the Balance Sheet (See note 13).

Notes to the financial statements
For the year ended 31 December 2025

2. INCOME FROM DONATIONS

Parish Contributions

	Unrestricted funds		Restricted Funds	Endowment Funds	Total Funds	Total Funds
	General	Designated				
	2025	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Parish share assessment for the year	16,337	0	0	0	16,337	16,261
Shortfall in contributions	(2,828)	0	0	0	(2,828)	(3,095)
Payments in excess of assessment	12	0	0	0	12	7
Arrears for previous years	7	0	0	0	7	35
	13,528	0	0	0	13,528	13,208

All parish contributions in 2024 were unrestricted

Other Donations

	Unrestricted funds		Restricted Funds	Endowment Funds	Total Funds	Total Funds
	General	Designated				
	2025	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Donations	9	0	241	0	250	34
Ministry Support Funding	888	0	0	0	888	1,247
Benefact Trust	0	186	0	0	186	222
Church Planting	0	0	1,284	0	1,284	1,453
Training for Ministry	0	0	45	0	45	(188)
City Churches Fund	0	0	562	0	562	601
Strategic Capacity Fund	0	0	757	0	757	237
Diocesan Investment in People	0	0	209	0	209	38
Other Grants	15	0	299	0	314	572
	912	186	3,398	0	4,496	4,216
Total donations	14,440	186	3,398	0	18,024	17,424

In 2024, £1,564,000 of other donations were unrestricted and £2,652,000 was restricted.

Notes to the financial statements
For the year ended 31 December 2025

3. INCOME FROM CHARITABLE ACTIVITIES

Parish Contributions	Unrestricted funds		Restricted	Endowment	Total	<i>Total</i>
	General	Designated	Funds	Funds	Funds	<i>Funds</i>
	2025	2025	2025	2025	2025	<i>2024</i>
	£'000	£'000	£'000	£'000	£'000	<i>£'000</i>
Statutory fees	677	0	0	0	677	803
Chaplaincy income	116	0	0	0	116	133
Parish Share Services	110	0	0	0	110	90
Miscellaneous income	185	28	2	0	215	220
Diocesan Retreat House	331	0	0	0	331	284
Room Hire and similar	318	7	0	0	325	0
	1,737	35	2	0	1,774	<i>1,530</i>
<i>Total in 2024</i>	<i>1,500</i>	<i>9</i>	<i>5</i>	<i>16</i>	<i>1,530</i>	

The income from chaplaincy services and parish share services are now shown on separate lines and no longer included in miscellaneous income. The income from 2024 has been restated to match the presentation. Room hire and similar has been added to show income from St Marks at Beckton and similar.

4. INCOME FROM INVESTMENTS

	Unrestricted funds		Restricted	Endowment	Total	<i>Total</i>
	General	Designated	Funds	Funds	Funds	<i>Funds</i>
	2025	2025	2025	2025	2025	<i>2024</i>
	£'000	£'000	£'000	£'000	£'000	<i>£'000</i>
Dividends	9	178	254	1,121	1,562	1,486
Interest	197	5	19	0	221	413
Rent	0	0	30	483	513	544
	206	183	303	1,604	2,296	<i>2,443</i>
<i>Total in 2024</i>	<i>347</i>	<i>148</i>	<i>375</i>	<i>1,573</i>	<i>2,443</i>	

**Notes to the financial statements
For the year ended 31 December 2025**

5. OTHER INCOME

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	Funds	Funds
	2025	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000	£000
Gains on disposal of assets	7	46	0	0	53	0
	7	46	0	0	53	0
<i>Total in 2024</i>	0	0	0	0	0	

Losses on disposal of assets are shown below in note 7b other expenditure

6. FUND RAISING COSTS

	Unrestricted funds		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	Funds	Funds
	2025	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000	£000
Investment management costs	0	0	30	375	405	367
	0	0	30	375	405	367
<i>Total in 2024</i>	0	0	29	338	367	

Notes to the financial statements
For the year ended 31 December 2025

7a. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds		Restricted Endowment		Total
	General	Designated	Funds	Funds	Funds
	2025	2025	2025	2025	2025
	£'000	£'000	£'000	£'000	£'000
Resourcing ministry and mission	15,071	201	2,244	0	17,516
Grant Funding of activities	1,896	41	353	0	2,290
Support costs	3,689	9	705	0	4,403
Expenditure on Diocesan Retreat House	327	47	0	0	374
Expenditure on Education	200	0	416	0	616
	21,183	298	3,718	0	25,199

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000
Resourcing ministry and mission	16,229	309	2,272	0	18,810
Grant Funding of activities	1,743	0	331	0	2,074
Support costs	2,900	32	482	0	3,414
Diocesan Retreat House	295	37	0	0	332
Expenditure on Education	104	0	474	0	578
	21,271	378	3,559	0	25,208

**Notes to the financial statements
For the year ended 31 December 2025**

7b. OTHER EXPENDITURE

	Unrestricted funds		Restricted Endowment		Total
	General	Designated	Funds	Funds	
	2025	2025	2025	2025	
	£'000	£'000	£'000	£'000	£'000
Loss on disposal of assets	0	0	0	214	214
	0	0	0	214	214

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated			
	2024	2024			
	£'000	£'000	£'000	£'000	£'000
Loss on disposal of assets	0	596	302	456	1,354
	0	596	302	456	1,354

Gains on disposal of assets are shown above in note 5 other income.

9. ALLOCATION OF SUPPORT COSTS

	2025	2024
	£'000	£'000
Resourcing ministry and mission	4,214	3,203
Education	190	211
Total	4,404	3,414

10. NET INCOME

This is stated after charging	2025	2024
	£'000	£'000
Auditors' remuneration (including VAT)		
Audit Fees	43	42
Other Fees	10	4
Operating lease costs in the year	150	228
Depreciation charge	119	94
Interest paid	117	395

Notes to the financial statements
For the year ended 31 December 2025

8. ANALYSIS OF GRANTS

		Grants to Individuals 2025 £'000	Grants to Institutions 2025 £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
Grants made		150	2,140	2,290	2,074
<i>Total in 2024</i>		<i>160</i>	<i>1,914</i>	<i>2,074</i>	
Reconciliation of grants payable				2025	2024
				£'000	£'000
Accrued at 1 January				257	247
Grants payable for the year				2,290	2,074
Grants paid during the year				(2,338)	(2,064)
Total				209	257
Payable as follows:					
in less than 1 year				209	257
By fund type	No.	Individuals £'000	Institutions £'000	2025 £'000	2024 £'000
From unrestricted funds for National Church responsibilities					
Contributions to Archbishops' Council	6	0	1,353	1,353	1,239
From unrestricted funds					
PCC feasibility study	5	0	15	15	8
Mission Opportunity grants to parishes	39	0	354	354	318
Interfaith working	2	0	4	4	4
Bishops discretionary grants	3	0	19	19	17
Ordinands in Training	14	106	0	106	131
Clergy for training	120	44	0	44	26
Total from unrestricted funds	189	150	1,745	1,895	1,743
Total from designated funds					
Building grants to parishes	8	0	41	41	0
From restricted funds					
Overseas mission projects	0	0	0	0	21
Housing Justice Lent Appeal	1	0	10	10	0
Grants for parish building projects	19	0	89	89	103
PCCs for mission projects	15	0	203	203	198
Education grants	1	0	0	0	9
Other institutional grants	4	0	39	39	0
Other grants	5	0	13	13	0
Total from restricted funds	45	0	354	354	331
Total	242	150	2,140	2,290	2,074
<i>Total in 2024</i>		<i>160</i>	<i>1,914</i>	<i>2,074</i>	

**Notes to the financial statements
For the year ended 31 December 2025**

11. STAFF COSTS

	2025	2024
	£'000	£'000
Staff costs were as follows:		
Wages and salaries	3,349	2,761
National Insurance contributions	389	269
Pension costs (note 27)	406	335
	<u>4,144</u>	<u>3,365</u>

The average number of persons employed by the company during the year was as follows:

	2025	2024
	No.	No.
Support for parish ministry	94	85
Diocesan Retreat House	12	11
St Marks Beckton	6	0
Secretaries to Archdeacons	6	6
	<u>118</u>	<u>102</u>

The average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2025	2024
	No.	No.
Support for parish ministry	80	69
Diocesan Retreat House	7	5
St Marks Beckton	4	0
Secretaries to Archdeacons	4	3
	<u>95</u>	<u>77</u>

The number of higher paid employees was:

	2025	2024
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	4	3
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

During the year the charity made employment termination payments totalling £0 (2024: £0)

Notes to the financial statements
For the year ended 31 December 2025

11. STAFF COSTS (Continued)

Remuneration of key management personnel

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the Trustees, for planning, directing and controlling the activities of the diocese. During 2025 they were:

Chief Executive & Diocesan Secretary	Michaela Southworth
Dean of Mission, Ministry & Education	The Revd Robert Merchant
Director of Finance	Paul Setterfield
Director of Communications & Media	Thomas Geldard
Director of Education	Carrie Prior
Head of Property	Alex Reeve
Head of Service Delivery	Nathan Whitehead
Head of Safeguarding	Amanda Goh
HR Manager	Rachel Towns
Programme Manager	Dawn Weddell
General Manager Retreat House Pleshey	Graham Dowling
Data and Business Systems Manager	Chris Copus (from 01/03/2025)

Remuneration, pensions and expenses for these employees amounted to £1018,877 (2024: £894,984)

Clergy Stipends

The CDBF is responsible for funding, via the Church Commissioners, the stipends of licensed stipendiary clergy in the diocese, other than bishops and cathedral staff. The CDBF is also responsible for the provision of housing for stipendiary clergy in the diocese including the suffragan bishops but excluding the diocesan bishop and cathedral staff.

	2025	2024
	£'000	£'000
Stipends	8,007	8,288
National Insurance contributions	867	711
Pension costs - current year	1,568	7,802
- deficit reduction	0	0
	<u>10,442</u>	<u>10,801</u>

The stipends of the Diocesan Bishop and three Suffragan Bishops are funded by the Church Commissioners and are in the range £42,350 - £51,910p.a. (2024: £39,953 - £51,910p.a.). The annual rate of stipend, funded by the CDBF, paid to Archdeacons in 2025 was in the range £41,792 - £43,046 (2024: £39,058 - £41,792 p.a.). Other clergy who were Trustees were paid £31,659 p.a. (2024: £31,049 p.a.). The CDBF provides housing for the three Suffragan Bishops, the Archdeacons and the clergy who are Trustees. The Church Commissioners provide housing for the Diocesan Bishop.

No Trustee received remuneration for services as Trustee. The Trustees who received travelling and out of pocket expenses was £1,718 for 5 trustees (2024: £1,962) in respect of General Synod duties and other out of pocket expenses. 7 trustees received £16,496 for out of pocket expenses in their normal line of duty as archdeacon or member of clergy.

Notes to the financial statements
For the year ended 31 December 2025

12. TANGIBLE FIXED ASSETS

	Freehold properties	Office Equipment	Other Fixed assets	Total
	2025	2025	2025	2025
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2025	273,170	437	744	274,351
Additions	962	267	0	1,228
Disposals	(5,295)	0	(16)	(5,311)
Revaluation adjustment	12,000	0	0	12,000
Transfer to assets held for sale	(1,570)	0	0	(1,570)
At 31 December 2025	<u>279,267</u>	<u>704</u>	<u>727</u>	<u>280,698</u>
Depreciation				
At 1 January 2025	0	241	325	566
Charge for the year	0	90	29	119
On disposals	0	0	(7)	(7)
At 31 December 2025	<u>0</u>	<u>331</u>	<u>347</u>	<u>678</u>
Net book value				
At 31 December 2025	<u>279,267</u>	<u>373</u>	<u>380</u>	<u>280,020</u>
At 31 December 2024	<u>273,171</u>	<u>196</u>	<u>419</u>	<u>273,786</u>

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

	2025	2024
	£'000	£'000
Cost	<u>94,896</u>	<u>96,718</u>

The land and buildings were revalued on 31 December 2025 by Strutt & Parker LLP, Chartered Surveyors on a fair value basis.

**Notes to the financial statements
For the year ended 31 December 2025**

12. TANGIBLE FIXED ASSETS (continued)

Revaluations

Two of the equity loans (note 16) are for the acquisition of freehold properties included above. The repayment terms are such that the amount repayable is quantified as a percentage of the sales proceeds. Accordingly, if the property is revalued the associated loan must also be restated.

The analysis of net gains on revaluations of fixed assets and loans is as follows:

	2025	2024
	£'000	£'000
Revaluation of fixed assets	12,000	(14,697)
Revaluation of assets held for sale	17	(1,042)
Net loss per Statement of Financial Activities	<u>12,017</u>	<u>(15,739)</u>

The analysis of assets held for sale

	2025	2024
	£'000	£'000
Balance bf 1 January 2025	6,053	10,880
Proceeds from the sale of held for sale assets	(5,848)	(6,811)
Losses on disposal of held for trading assets	(205)	(664)
Revaluation of held for sale assets	17	(1,042)
Transfer to assets held for sale for 2025	1,570	3,690
Balance cf 31 December 2025	<u>1,587</u>	<u>6,053</u>

Proceeds from the sale of tangible fixed assets

	2025	2024
	£'000	£'000
Net book value of freehold property fixed assets disposed at 1 January 2025	(5,304)	(4,546)
Gains and losses on disposal of assets	(50)	389
Proceeds from the sale of freehold property tangible fixed assets	<u>(5,354)</u>	<u>(4,158)</u>

**Notes to the financial statements
For the year ended 31 December 2025**

13. FIXED ASSET INVESTMENTS

	Listed Investments	Unlisted Investments	Investment Subsidiary	Investment Property	Total	Total
	2025	2025	2025	2025	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 January 2025	25,848	37,546	413	15,150	78,956	69,863
Additions	2,974	235	1	0	3,210	4,155
Disposals	(3,445)	0	0	0	(3,445)	(2,755)
Revaluation gain	2,002	(1,502)	0	724	1,224	7,693
Market Value at 31 December 2025	<u>27,379</u>	<u>36,279</u>	<u>414</u>	<u>15,874</u>	<u>79,946</u>	<u>78,956</u>
Historic Value at 31 December 2025	<u>20,719</u>	<u>26,292</u>	<u>413</u>	<u>4,113</u>	<u>51,538</u>	<u>51,115</u>

Investments held by fund

	Unrestricted funds		Restricted Funds	Endowment Funds	Total Funds
	General	Designated	2025	2025	2025
	2025	2025	2025	2025	2025
	£'000	£'000	£'000	£'000	£'000
At 31 December 2025					
Listed investments	0	0	4,344	23,035	27,379
Unlisted investments	5	7,796	5,627	22,851	36,279
Investment subsidiary	414	0	0	0	414
Investment property	0	0	1,495	14,379	15,874
Total	<u>419</u>	<u>7,796</u>	<u>11,466</u>	<u>60,265</u>	<u>79,946</u>

	Unrestricted funds		Restricted Funds	Endowment Funds	Total Funds
	General	Designated	2024	2024	2024
	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000
At 31 December 2024					
Listed investments	0	0	4,078	21,770	25,848
Unlisted investments	0	5,243	6,125	26,177	37,545
Investment subsidiary	413	0	0	0	413
Investment property	0	0	785	14,365	15,150
Total	<u>413</u>	<u>5,243</u>	<u>10,988</u>	<u>62,312</u>	<u>78,956</u>

The analysis of net gains on investments is as follows:

	2025	2024
	£'000	£'000
Realised (loss) gain	(36)	(1)
Unrealised gains on revaluation	1,224	7,692
Net gains per Statement of Financial Activities	<u>1,188</u>	<u>7,691</u>

**Notes to the financial statements
For the year ended 31 December 2025**

MCO Investments Ltd.'s last published set of financial statements were as at 31 May 2025. At this date MCO Investments Ltd had fixed assets of £365k, with current liabilities of £320k, with net assets and accumulated reserves totalling £45k. The Investment held at £414k includes purchase and legal fees associated with the purchase of the subsidiary. From the date of completion there have been no intercompany transactions between CDBF and MCO Investments Ltd.

14. TOTAL RETURN ACCOUNTING

The unapplied total return brought forward at the 1 January 2025 was £11.676m for SCF and £1.281m for PEF a combined valued of £12.957m. 3.5% was quoted and agreed as the annual percentage to transfer to the General fund to supplement revenue, this percentage will be reviewed annually taking into account investment performance and the balance of unapplied total return. The indexation of the base values is calculated using the National CPI index, as of December 2025 the CPI index used was 3.3%.

The movements during the last calendar year in the value of the unapplied total return are set out in the table below:

	Stipend Capital fund			Permanent Endowment		
	Trust for investment	Unapplied Total Return	Total endowment	Trust for investment	Unapplied Total Return	Total endowment
	£'000	£'000	£'000	£'000	£'000	£'000
As at 1 January 2025:						
Base value of the permanent endowment	75,260	0	75,260	2,084	0	2,084
Unapplied total return	0	11,676	11,676	0	1,281	1,281
Total	75,260	11,676	86,935	2,084	1,281	3,365
Movements in the year:						
Additional sale proceeds of glebe land sale	0	0	0	0	0	0
Losses on revaluation of clergy houses	0	1,375	1,375	0	0	0
Gains/(losses) on disposal of assets	0	(40)	(40)	0	0	0
Investment returns: dividends received	0	1,109	1,109	0	100	100
Investment returns: Glebe rents	0	395	395	0	0	0
Investment return: realised and unrealised gains	0	747	747	0	(135)	(135)
Investment management costs	0	(375)	(375)	0	0	0
Pastoral Scheme transfer to Parsonage Fund	(1,109)	(196)	(1,305)	0	0	0
Unapplied total return allocated to income in the year	0	(3,043)	(3,043)	0	(118)	(118)
Add indexation of base level of endowment	2,498	(2,498)	0	69	(69)	0
Net movements in the year	1,388	(2,526)	(1,137)	69	(222)	(153)
As at 31 December 2025:						
Base value of the permanent endowment	76,648	0	76,648	2,153	0	2,153
Unapplied total return	0	9,150	9,150	0	1,059	1,059
Valuation as at 31 December 2025	76,648	9,150	85,798	2,153	1,059	3,212
Analysis of Withdrawal to income						
To General Fund (see note 19 analysis of transfers)		3,043			118	
Withdrawal to income		3,043			118	
Closing balance	76,648	9,150	85,798	2,153	1,059	3,212

Notes to the financial statements
For the year ended 31 December 2025

15. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2025	Cashflows	Other Non- Cash Changes	At 31 Dec 2025
	£'000	£'000	£'000	£'000
Cash and cash equivalents				
Cash and cash equivalents	3,291	5,465	0	8,756
	<u>3,291</u>	<u>5,465</u>	<u>0</u>	<u>8,756</u>
Borrowings				
Debt due within one year	(360)	360	0	0
Debt due after one year	(2,708)	2,121	0	(587)
	<u>(3,068)</u>	<u>2,481</u>	<u>0</u>	<u>(587)</u>
Total	<u>223</u>	<u>7,946</u>	<u>0</u>	<u>8,169</u>

16. DEBTORS

	Total 2025 £'000	Total 2024 £'000
Due after more than one year		
Loans to parishes	220	182
Equity loans	37	37
Other loans	0	0
	<u>257</u>	<u>219</u>
Due within one year		
Parish share	305	426
Charitable activities debtors	439	143
Other loans and debtors	1,261	785
Grant income accrued	427	345
Prepayments and accrued income	1,161	1,042
	<u>3,593</u>	<u>2,741</u>

**Notes to the financial statements
For the year ended 31 December 2025**

17. CREDITORS: Amounts falling due within one year

	Total	<i>Total</i>
	2025	<i>2024</i>
	£'000	<i>£'000</i>
Bank and equity loans	0	<i>360</i>
Trade creditors	753	<i>501</i>
Other taxation and social security	120	<i>102</i>
Closed Schools - amounts held pending determination	476	<i>476</i>
Schools Condition Allocations	1,257	<i>458</i>
Pension contributions (note 27)	47	<i>40</i>
Other creditors	240	<i>128</i>
Accruals and deferred income	188	<i>116</i>
Grants accrued (note 8)	209	<i>257</i>
	3,290	<i>2,438</i>

18. CREDITORS: Amounts falling due after more than one year

	Total	<i>Total</i>
	2025	<i>2024</i>
	£'000	<i>£'000</i>
Bank loans	0	<i>2,121</i>
Equity loan	587	<i>587</i>
	587	<i>2,708</i>

National Westminster Bank Plc has made available mortgage facilities to fund the purchase of houses for curates. The total loan balance stood at £2.481m at the end of 2024. During 2025 this balance has been settled in full.

Equity loans are made available by the Church Commissioners to assist with provision of housing for curates and other ministers. The terms are that the loan is repayable if the property is sold or ceases to be used for the purpose under which the loan was granted. The amount repayable to the Church Commissioners is the proportion of the current value of the property that the loan bore to the original purchase cost. Most loans incurred interest initially at 3% per annum but the rate thereafter varies with inflation: the average interest rate on these loans is 6%.

Notes to the financial statements
For the year ended 31 December 2025

19. SUMMARY OF FUNDS MOVEMENTS
STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2025 £'000	Income 2025 £'000	Expenditure 2025 £'000	Transfers in/(out) 2025 £'000	Gains/ (losses) 2025 £'000	Balance at 31 December 2025 £'000
Designated funds						
Houses	26,238	51	0	6,250	1,052	33,591
Benefact Trust	330	186	(245)	0	0	271
Designated Stipend Capital Fund	7,578	150	0	1,765	(205)	9,288
Closed Churches	399	7	(36)	0	0	370
Diocesan Pastoral Account	41	0	0	1,545	0	1,586
Mission Opportunities	300	0	0	0	0	300
Friends of the Retreat House	7	0	(7)	0	0	(0)
Designated Youth Work	1,072	28	0	(30)	(40)	1,030
Development Projects Fund	0	0	(9)	469	0	460
Clergy Conference	177	0	0	164	0	341
Deaf Community Fund	0	28	(1)	0	0	27
	<u>36,142</u>	<u>450</u>	<u>(298)</u>	<u>10,163</u>	<u>807</u>	<u>47,264</u>
General funds						
General funds	<u>5,033</u>	<u>17,239</u>	<u>(21,183)</u>	<u>3,375</u>	<u>75</u>	<u>4,539</u>
Total Unrestricted Funds	<u>41,175</u>	<u>17,689</u>	<u>(21,481)</u>	<u>13,538</u>	<u>882</u>	<u>51,803</u>
Endowment Funds						
Stipends Fund Capital	86,935	1,504	(416)	(4,348)	2,122	85,797
Parsonage Houses	215,916	0	(174)	(9,020)	9,445	216,168
Permanent Endowment	3,365	100	0	(118)	(135)	3,212
	<u>306,216</u>	<u>1,604</u>	<u>(590)</u>	<u>(13,486)</u>	<u>11,432</u>	<u>305,177</u>
Restricted Funds						
Diocesan Board of Education	5,753	496	(327)	0	152	6,074
London Over the Border	1,953	41	(52)	0	111	2,053
City Church Fund	1,410	582	(921)	0	0	1,071
St Monica's Trust	3,256	98	(116)	0	628	3,866
Lent Appeal	0	10	(10)	0	0	0
Refugee Appeal	42	0	(0)	0	0	42
Church Planting project	0	1,285	(1,285)	0	0	(0)
Training for Ministry	64	45	(32)	0	0	77
Strategic Capacity	20	757	(748)	0	0	29
Strategic Ministry Fund	0	0	0	0	0	0
Diocesan Investment Programme	0	209	(143)	(52)	0	14
Historic England	0	27	(27)	0	0	0
Other Small Grants	11	153	(87)	0	0	77
	<u>12,509</u>	<u>3,703</u>	<u>(3,748)</u>	<u>(52)</u>	<u>891</u>	<u>13,302</u>
Total Funds	<u>359,900</u>	<u>22,996</u>	<u>(25,819)</u>	<u>0</u>	<u>13,205</u>	<u>370,282</u>

Notes to the financial statements
For the year ended 31 December 2025

19. SUMMARY OF FUNDS MOVEMENTS (continued)

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 January 2024 £'000	Income 2024 £'000	Expenditure 2024 £'000	Transfers in/(out) 2024 £'000	Gains/ (losses) 2024 £'000	Balance at 31 December 2024 £'000
Designated funds						
Houses	28,517	5	(598)	0	(1,686)	26,238
Benefact Trust	367	228	(208)	(57)	0	330
Designated Stipend Capital Fund	4,558	116	0	2,809	95	7,578
Closed Churches	521	3	(125)	0	0	399
Diocesan Pastoral Account	41	0	0	0	0	41
Mission Opportunities	300	0	0	0	0	300
Friends of the Retreat House	19	0	(12)	0	0	7
Designated Youth Work	1,052	27	0	(30)	23	1,072
Development Projects Fund	0	0	(31)	31	0	0
Clergy Conference	0	0	0	177	0	177
	<u>35,375</u>	<u>379</u>	<u>(974)</u>	<u>2,930</u>	<u>(1,568)</u>	<u>36,142</u>
General funds						
General funds	<u>5,868</u>	<u>17,322</u>	<u>(21,271)</u>	<u>3,124</u>	<u>(10)</u>	<u>5,033</u>
Total Unrestricted Funds	<u>41,243</u>	<u>17,701</u>	<u>(22,245)</u>	<u>6,054</u>	<u>(1,578)</u>	<u>41,175</u>
Endowment Funds						
Stipends Fund Capital	83,954	1,492	(489)	(2,938)	4,916	86,935
Parsonage Houses	231,227	0	(305)	(3,000)	(12,006)	215,916
Permanent Endowment	3,308	96	0	(116)	77	3,365
	<u>318,489</u>	<u>1,588</u>	<u>(794)</u>	<u>(6,054)</u>	<u>(7,013)</u>	<u>306,216</u>
Restricted Funds						
Diocesan Board of Education	5,753	273	(673)	0	400	5,753
London Over the Border	1,885	40	(64)	0	92	1,953
City Church Fund	1,650	622	(862)	0	0	1,410
St Monica's Trust	3,180	160	(136)	0	52	3,256
Lent Appeal	0	21	(21)	0	0	0
Refugee Appeal	42	0	0	0	0	42
Church Planting project	0	1,453	(1,453)	0	0	0
Training for Ministry	293	(188)	(41)	0	0	64
Strategic Capacity	1	365	(346)	0	0	20
Strategic Ministry Fund	0	38	(38)	0	0	0
Historic England	7	19	(26)	0	0	0
Other Small Grants	12	229	(230)	0	0	11
	<u>12,823</u>	<u>3,032</u>	<u>(3,890)</u>	<u>0</u>	<u>544</u>	<u>12,509</u>
Total Funds	<u>372,555</u>	<u>22,321</u>	<u>(26,929)</u>	<u>0</u>	<u>(8,047)</u>	<u>359,900</u>

Notes to the financial statements
For the year ended 31 December 2025

19. SUMMARY OF FUNDS MOVEMENTS (continued)

SUMMARY OF FUNDS – CURRENT YEAR

	Balance at 1 January 2025 £'000	Income 2025 £'000	Expenditure 2025 £'000	Transfers in/(out) 2025 £'000	Gains/ (losses) 2025 £'000	Balance at 31 December 2025 £'000
Designated funds	36,142	450	(298)	10,163	807	47,264
General funds	5,033	17,239	(21,183)	3,375	75	4,539
	<u>41,175</u>	<u>17,689</u>	<u>(21,481)</u>	<u>13,538</u>	<u>882</u>	<u>51,803</u>
Endowment funds	306,216	1,604	(590)	(13,486)	11,432	305,177
Restricted funds	12,509	3,703	(3,748)	(52)	891	13,302
	<u>359,900</u>	<u>22,996</u>	<u>(25,819)</u>	<u>0</u>	<u>13,205</u>	<u>370,282</u>

SUMMARY OF FUNDS – PRIOR YEAR

	Balance at 1 January 2024 £'000	Income 2024 £'000	Expenditure 2024 £'000	Transfers in/(out) 2024 £'000	Gains/ (losses) 2024 £'000	Balance at 31 December 2024 £'000
Designated funds	35,375	379	(974)	2,930	(1,568)	36,142
General funds	5,868	17,322	(21,271)	3,124	(10)	5,033
	<u>41,243</u>	<u>17,701</u>	<u>(22,245)</u>	<u>6,054</u>	<u>(1,578)</u>	<u>41,175</u>
Endowment funds	318,489	1,588	(794)	(6,054)	(7,013)	306,216
Restricted funds	12,823	3,032	(3,890)	0	544	12,509
	<u>372,555</u>	<u>22,321</u>	<u>(26,929)</u>	<u>0</u>	<u>(8,047)</u>	<u>359,900</u>

ANALYSIS OF TRANSFERS BETWEEN FUNDS – CURRENT YEAR

	Unrestricted funds		Restricted Funds	Endowment Funds
	General 2025 £'000	Designated 2025 £'000	2025 £'000	2025 £'000
Total return transfer to general funds from endowment fund (note 14)	3,161	0	0	(3,161)
From Designated stipend fund to supplement revenue	266	(266)	0	0
Funds from the sale of Parsonage houses where no replacement is required transferred to the Diocesan Pastoral Account	0	6,575	0	(6,575)
Sale proceeds from parsonages transferred to board via a Pastoral Scheme	0	3,750	0	(3,750)
From the general to designated clergy conference fund	(164)	164	0	0
Other transfers of less than £50,000 each	60	(60)	0	0
Transfer from SMMIB grant to cover costs fo housing ministry	52	0	(52)	0
	<u>3,375</u>	<u>10,163</u>	<u>(52)</u>	<u>(13,486)</u>

Notes to the financial statements
For the year ended 31 December 2025

19. SUMMARY OF FUNDS MOVEMENTS (continued)

ANALYSIS OF TRANSFERS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds		Restricted	Endowment
	General	Designated	Funds	Funds
	2024	2024	2024	2024
	£'000	£'000	£'000	£'000
Total return transfer to general funds from the endowment fund (note 14)	3,054	0	0	(3,054)
Transfer from Designated stipend fund to supplement revenue	160	(160)	0	0
Funds from the sale of Parsonage houses where no replacement is required transferred to the Diocesan Pastoral Account	0	3,000	0	(3,000)
From the general to designated clergy conference fund	(177)	177	0	0
Other transfers of less than £50,000 each	87	(87)	0	0
	<u>3,124</u>	<u>2,930</u>	<u>0</u>	<u>(6,054)</u>

Designated Funds:

**Houses Fund
Benefact Trust**

This fund represents monies allocated to clergy housing.
This fund represents grants received from Benefact Trust and is to be distributed at the discretion of the Bishop of Chelmsford. (Previously known as Allchurches Trust).

**Mission Opportunities Fund
Designated Stipend Capital**

This fund represents monies allocated for new mission initiatives.
This fund operates in the same manner as the Stipends Endowment Fund and is designated for expenditure on clergy stipends. The funds are invested with our Investment Managers and accounted for on a total return basis.

Closed Churches

This fund represents proceeds from the sale of closed churches which have been set aside to cover future costs arising on other churches in the diocese closed for public worship.

Diocesan Pastoral Account

The Diocesan pastoral account was set up under the provision of the Pastoral Measure 1983. The purpose for which the account may be used are:

- To defray costs incurred for the purposes of the Measure or any scheme or order made under the Measure except for salaries of regular diocesan employees
- To make loans or grants for the provision, restoration, improvement or repair to churches and parsonage houses in the diocese
- Other purposes of the diocese or any benefice or parish in the diocese
- To make grants or loans to other diocese
- To transfer funds to the diocesan stipend fund income or capital accounts

Friends of the Retreat House

This fund represents monies allocated for improvements to the Diocesan House of Retreat

Designated Youth Work

This fund represents monies allocated for youth work initiatives. This fund was created from the proceeds of the sale of St Marks College, Audley End. The gain from the sale of the college is accounted for in other income (see note 5)

**Notes to the financial statements
For the year ended 31 December 2025**

Development Project Fund This fund represents monies allocated to resource new development opportunities.

Clergy Conference Fund This fund represents monies set aside for the cost of a future clergy conference event in our diocese.

Deaf Community Fund This fund represents a donation received in 2025 from the Royal Assoc for Deaf People.

General Funds:

General Fund This fund is available for any purpose within the objects of the CDBF.

Endowment Funds:

Stipends Fund Capital This fund is governed by the Diocesan Stipends Measure 1953. The income of the fund can only be used for clergy stipends

Parsonage Houses This fund represents the value of all the benefice houses (parsonages) in the Diocese.

Permanent Endowments The income of these funds is available to be spent within the General Funds.

Restricted Funds:

Diocesan Board of Education The Diocesan Board of Education is an unincorporated body constituted in accordance with the Diocesan Boards of Education Measure 1991 (No.2). This includes the pooled sale proceeds of closed church schools and the unspent balance of the grant received from the Hockerill Educational Foundation.

London Over the Border The Council is instituted to administer specific funds for the benefit of parishes within five specified deaneries of the Diocese.

City Churches Fund This fund is available to parishes within five specified deaneries of the diocese, for the purposes of supporting the advancement of religion, repair of churches, and support of stipends.

Lent Appeal This fund represents income from the Bishop's Lent Appeal.

Refugee Appeal This fund represents income from the Bishop's Refugee Appeal.

Church Planting Project This fund represents grants received from the Church Commissioners towards the cost of the on-going development of resource churches and a network of new church communities in 5 strategic mission priority areas.

Training for Ministry This fund represents grants received from the Archbishops' Council to assist in the funding of training clergy.

Strategic Capacity This fund represents grants received from the Archbishops' Council to assist in the funding Diocesan staff Supporting Parish Ministry and Worshipping Communities.

Strategic Ministry Funding to support additional stipendiary curacies from 2020 to provide financial support for growing the number of curates.

Diocesan Investment Programme This funding represents the Diocesan investment programme grants received from Archbishops' Council. The Chelmsford Diocese has had one application approved for the programme *Believing in Barking*.

Historic England Funding for a Historic Buildings Team. To help better care and promote our historic buildings and help PCC's develop strategies for long-term care, maintenance, and sustainability of their assets.

St Monica's Trust This fund contains the accumulated assets of the St Monica's Trust, which originated from the sale of a school site. The proceeds of the fund are used to support education activities across the diocese.

Notes to the financial statements
For the year ended 31 December 2025

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
	2025	2025	2025	2025	2025
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	2,508	33,140	450	243,922	280,020
Fixed asset investments	419	7,796	11,466	60,265	79,946
Assets held for sale	0	947	0	640	1,587
Debtors due after more than one year	257	0	0	0	257
Current assets	2,720	5,849	3,387	393	12,349
Creditors due within one year	(1,245)	(0)	(2,001)	(43)	(3,290)
Creditors due in more than one year	(120)	(467)	0	0	(587)
Defined benefit pension scheme liabilities	0	0	0	0	0
	4,539	47,264	13,302	305,177	370,282

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	Funds
	2024	2024	2024	2024	2024
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	2,256	31,405	380	239,745	273,786
Fixed asset investments	413	5,243	10,988	62,312	78,956
Assets held for sale	0	2,208	0	3,845	6,053
Debtors due after more than one year	219	0	0	0	219
Current assets	3,115	244	2,344	330	6,032
Creditors due within one year	(850)	(370)	(1,203)	(15)	(2,438)
Creditors due in more than one year	(120)	(2,588)	0	0	(2,708)
Defined benefit pension scheme liabilities	0	0	0	0	0
	5,033	36,142	12,509	306,216	359,900

21. CONTINGENT LIABILITIES

There were no contingent liabilities at the balance sheet date.

22. CAPITAL COMMITMENTS

There is a capital commitment related to the proposed demolition of St Peter's Church, Birch. A feasibility study and demolition tender was carried out during 2023 at the balance sheet date there is a commitment of £409k related to the proposed demolition. The cost of the proposed demolition will be partially met from the Closed churches fund which had a balance of £370k at the end of 2025.

Notes to the financial statements
For the year ended 31 December 2025

23. OPERATING LEASE COMMITMENTS

Total of future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
	£'000	£'000
Buildings where the lease expires		
Within 1 year	44	35
Between 2 and 5 years	35	0
Other operating leases where the lease expires		
Within 1 year	3	1
Between 2 and 5 years	5	2

24. RELATED PARTY TRANSACTIONS

Apart from the trustee transactions disclosed in note 11, there were no other related party transactions in the financial year.

25. CAPITAL EXPENDITURE ON VOLUNTARY AIDED SCHOOLS

CDBF received funding on behalf of schools from the Department for Education totalling £1,874,000 (2024: £1,628,000) and from school governing bodies amounting to £129,000 (2024: £201,000) to finance building work.

These funds were then utilised to pay for school building improvement works. Neither the income nor the expenditure are included in these accounts.

26. FUNDS HELD AS CUSTODIAN TRUSTEE

CDBF acts as Diocesan Authority or custodian trustee for many trust funds by virtue of the Parochial Church Councils (Powers) Measure 1956 and the Incumbents and Churchwardens (Trusts) Measure 1964 where the managing trustees are parochial church councils and others. Assets held in this way are not aggregated in these financial statements as the CDBF does not control them.

	2025	2024
	£'000	£'000
CBF Church of England Investment Fund income shares	10,619	11,099
CBF Church of England Investment Fund accumulation shares	811	879
CBF Church of England Fixed Interest Securities Fund shares	253	250
CBF Church of England Global Equity Income Fund income shares	59	69
CBF Church of England UK Equity Income Fund income shares	0	42
CBF Church of England Property Fund shares	131	128
COIF income and accumulation shares	801	820
Other common investment fund holdings (M&G)	1,002	894
Direct holdings in UK equities	786	726
CBF Church of England Deposit Fund	2,910	2,962
Total	<u>17,372</u>	<u>17,869</u>

**Notes to the financial statements
For the year ended 31 December 2025**

27. PENSIONS

Chelmsford DBF participates in four pension schemes:

- A. Church of England Funded Pensions Scheme
- B. Church Workers Pension Fund DBS
- C. Church Workers Pension Fund Pension Builder
- D. Teacher's Pension Scheme

The Church of England Funded Pensions Scheme (CEFPS) and the Church Workers Pension Fund (CWPF) are multi-employer last man standing defined benefit pension schemes for which the CDBF is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the scheme. For multi-employer schemes where this is the case, paragraph 28.11 of FRS102 requires the CDBF to account for pension costs on the basis of contributions actually payable to the scheme in the year and, where contributions are affected by a surplus or deficit in the scheme, to disclose information about the surplus or deficit and the implications of the surplus or deficit for the CDBF. A valuation of each scheme is carried out once every three years.

A. Church of England Funded Pensions Scheme (CEFPS) - the Clergy defined benefit pension scheme

Chelmsford DBF participates in the Church of England Funded Pensions Scheme for stipendiary clergy, a defined benefit pension scheme. This scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Responsible Bodies. Each participating Responsible Body in the scheme pays contributions at a common contribution rate applied to pensionable stipends.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute the Scheme's assets and liabilities to the specific Responsible Body and this means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year, which were £1,534 in 2025 (2024: £1,790), plus any figures arising from contributions in respect of any Scheme deficit.

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 £0 (2024: £0).

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% p.a.;
- RPI inflation of 3.4% p.a. (and pension increases consistent with this);
- CPIH inflation in line with RPI less 0.7% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with 90% of the S3NA_VL 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, and an initial addition to mortality improvements of 0.5% pa and an allowance for 2020 and 2021 data of 20% (i.e. $w = 20\%$).

**Notes to the financial statements
For the year ended 31 December 2025**

27. PENSIONS (continued)

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.

B. Church Workers Pension Fund (CWPF) - Lay Workers Defined Benefits Scheme

The CDBF formerly participated in the Defined Benefits Scheme section of CWPF for lay staff, which is now closed to future accrual. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF 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.

The Defined Benefits Scheme ("DBS") section of the CWPF provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the General Reserve and all pensions and death benefits are paid from the General Reserve.

The scheme is a multi-employer scheme as described in section 28 of FRS 102. It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the General Reserve, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2025: £0, 2024: £0) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £0 for 2024 (2024: £0).

If, following an actuarial valuation of the General Reserve, there is a surplus or deficit in the pool, further transfers may be made from the General Reserve to the employers' sub pools, or vice versa. The amounts to be transferred (and their allocation between the sub pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. At the most recent valuation at 31 December 2022 there was a surplus of £73.6m.

Notes to the financial statements
For the year ended 31 December 2025
27. PENSIONS (continued)

The next actuarial valuation is due at 31 December 2025.

In 2024, the Board entered into a full buy-in agreement with Aviva to insure all accrued benefits within the DBS of the CWPF. It was also agreed that some employers could use assets in the DBS in lieu of contributions to Pension Builder Classic and/or Pension Builder 2014.

The Church of England Pensions Board agreed that the deficit contributions should cease with effect from 31 December 2022 for employers whose pools were estimated to be materially in surplus. As a result, there is no obligation recognised as a liability within the Employer's financial statements as at 31 December 2023 or 31 December 2024.

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

C. Church Workers Pension Fund (CWPF) - Pension Builder Classic and Pension Builder 2014

The CDBF participates in the Pension Builder Scheme section of 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 the Employer and the other participating employers.

Pension Builder Scheme

The Pension Builder Scheme of the CWPF is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

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 on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2025: £406,000, 2024: £335,000).

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 pension in payment in respect of service prior to April 1997;

**Notes to the financial statements
For the year ended 31 December 2025
27. PENSIONS (continued)**

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.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The Church of England Pensions Board has agreed that some employers could use assets in the DBS of the CWPF in lieu of contributions to Pension Builder Classic and/or Pension Builder 2014. You will see this information on your DBS statement which will be sent separately.

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

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

D. Teachers' Pension Scheme (TPS)

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers Pensions Regulations 2010 (as amended) and The Teachers Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer be credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%. There is no change to this rate for 2025/26.

The CDBFT employer's pension costs paid to the TPS in the year amounted to £16,844 (2024 £18,402).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

The summary of all the schemes' liabilities at 31 December is:

	2025	2024
	£'000	£'000
Amounts falling due within one year		
Church of England Funded Pensions Scheme	(5)	(4)
Church Workers Pensions Fund DBS	53	45
Church Workers Pensions Fund - Pension Builder Classic and PB2014	0	0
Total	<u>48</u>	<u>41</u>
	2025	2024
	£'000	£'000
Amounts falling due after more than one year		
Church of England Funded Pensions Scheme	0	0
Church Workers Pensions Fund DBS	0	0
Total	<u>0</u>	<u>0</u>