



Trustees' Report and Financial Statements

For the year ended 31st December 2022

GUY HARLINGS ESTATE

Registered Charity 1170653

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	3
Trustees' Report	4 - 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9 - 13

ADMINISTRATIVE DETAILS OF THE CHARITY AND ITS TRUSTEES

Registered Charity Number 1170653

Trustees

The Very Revd J P Kennington - Chair	Appointed 14.03.2023
The Bishop of Chelmsford	
B M Greatrex	
B Smith	
P Kemp	
The Venerable M Power	Appointed 07.02.2023
L R Rudd	Appointed 07.12.2022
The Very Revd N Henshall	Resigned 24.02.2023
P W Lomax	Resigned 01.02.2023

Principal Office

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

Secretary

A Siddell - Chief Operating Officer Chelmsford Cathedral - appointed February 2023
K Baggs - Interim Director of Operations Chelmsford Cathedral - resigned December 2022

Independent Examiner

Emma Daniels

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the financial statements for the period 1 January 2022 to 31 December 2022.

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

Objectives and Activities

a. Policies and objectives

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

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

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

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

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

b. Activities for achieving objectives

The organisation manages the endowment of the estate and uses its income to maintain the accommodation and activities of the Diocese and Cathedral.

Achievements and performance

a. Review of activities

The Trust continued to maintain the trees and grounds of the estate which is registered as a Conservation Area. The grounds were once again hired to local educational facilities following the lifting of Covid restrictions. Essential work was carried out to the trees following a tree survey.

b. Investment policy and performance

The Trustees regularly review the performance of the investments which are currently invested with CCLA Investment Management Ltd. The fall in investment value in 2022 has put pressure on potential income but values are recovering in 2023 and the Trustees are content that the current investment policy is still supported.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022 (Continued)

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

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

b. Method of appointment or election of Trustees

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

c. Organisational structure and decision making

The Trustees include the Bishop of Chelmsford, and the Dean of Chelmsford Cathedral. There are a further three trustees appointed by the Diocese and two trustees appointed by the Cathedral Chapter. The Trustees meet at least twice a year and their decisions are actioned by the Secretary.

Trustees' responsibilities statement

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

This report was approved by the Trustees on: 10th October 2023

and signed on their behalf by:



**Report to the Trustees of Guy Harlings Estate
On Accounts for the Year Ended 31st December 2022
Set out on pages: 7 to 13**

Responsibilities and Basis of Report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2022

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

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

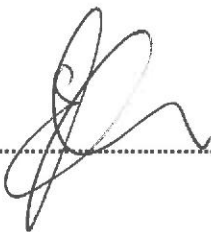
Independent Examiners Statement

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

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

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

Signed:



Date: 11.10.2023

Name: Emma Daniels

Relevant Professional Qualification: ACCA

Address: Black Swan Cottage
Long Lane
Hullbridge
SS5 6BA

Statement of Financial Activities

Year Ended 31st December 2022

	Unrestricted Funds £	Endowment Funds £	Total Funds £	Prior Year £
Income From:				
Charitable Activities				
Facilities Hire	6,000		6,000	5,800
			-	-
Total Income from Activities	6,000	-	6,000	5,800
Investment Income				
Interest	78		78	7
Dividend Income		19,473	19,473	18,873
Total Income from Investments	78	19,473	19,551	18,880
Total Income	6,078	19,473	25,551	24,680
Expenditure on:				
Charitable Activities				
Garden maintenance	22,233		22,233	19,647
Tree surgeon	5,100		5,100	2,112
Building maintenance	-		-	-
Building insurance	6,505		6,505	535
Legal & professional fees	-		-	-
Administration	-		-	-
Total Exp on Charitable Activities	33,838	-	33,838	22,294
Net Income/(Expenditure) before Investment Gains	(27,760)	19,473	(8,287)	2,386
Net Gains/(Losses) on Investments		(129,375)	(129,375)	163,627
Net Income/(Expenditure) before Transfers	(27,760)	(109,902)	(137,662)	166,013
Transfers between funds	(1,080)	1,080	-	-
Transfer from unapplied total return	22,135	(22,135)	-	-
Net Movement in Funds	(6,705)	(130,957)	(137,662)	166,013
Reconciliation of Funds:				
Total Funds Brought Forward	24,746	1,213,399	1,238,145	1,072,132
Total Funds Carried Forward	18,041	1,082,442	1,100,483	1,238,145

Balance Sheet
Year Ended 31st December 2022

	Note	Unrestricted Funds £	Endowment Funds £	Total Funds £	Prior Year £
Fixed assets					
Tangible Fixed Assets	4	-	-	-	-
Investments	5	2,662	1,082,442	1,085,104	1,219,249
Total fixed assets		2,662	1,082,442	1,085,104	1,219,249
Current assets					
Debtors	6	6,718		6,718	5,894
Cash at bank and in hand		10,102	-	10,102	14,443
Total current assets		16,820	-	16,820	20,337
Creditors: amounts falling due within one year	7	(1,441)		(1,441)	(1,441)
Net Assets		18,041	1,082,442	1,100,483	1,238,145
Charity Funds					
Endowment funds	8		1,082,442	1,082,442	1,213,399
Unrestricted funds	8	18,041		18,041	24,746
Total funds		18,041	1,082,442	1,100,483	1,238,145

The financial statements were approved by the Trustees on 10th October 2023

and signed on their behalf, by:



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

Note 1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

Guy Harlings Estate constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

1.3 Income

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
(continued)

1.4 Expenditure

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

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

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

1.5 Investments

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

1.6 Interest receivable

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

1.7 Debtors

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

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
(continued)

Note 2 NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

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

Note 3 STAFF COSTS

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

During the year, no Trustees received any remuneration, benefits-in-kind or reimbursement of expenses (2021 - £Nil)

Note 4 TANGIBLE FIXED ASSETS

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

Note 5 FIXED ASSET INVESTMENTS

	Common Investment Funds £
Market value	
At 1 January 2022	1,219,249
Additions	1,080
Sales	(5,850)
Revaluations	(129,375)
At 31 December 2022	<u>1,085,104</u>

	General Fund	Endowment Fund	Total Funds
	£	£	
Investments held by fund			
At 31st December 2022			
Listed investments	2,662	1,082,442	<u>1,085,104</u>

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
(continued)

Note 6 DEBTORS

	This year	Last year
	£	£
Prepayments	6,718	5,894

Note 7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	This year	Last year
	£	£
Accruals	1,441	1,441

Note 8 STATEMENT OF FUNDS

	Brought Forward	Income	Expenditure	Transfers	Gains/ (Losses)	Carried Forward
Unrestricted Funds:						
General Fund	24,746	6,078	(33,838)	21,055		18,041
Endowment Funds:	1,213,399	19,473	-	(21,055)	(129,375)	1,082,442
	<u>1,238,145</u>	<u>25,551</u>	<u>(33,838)</u>	<u>-</u>	<u>(129,375)</u>	<u>1,100,483</u>

Note 9 RELATED PARTY TRANSACTIONS

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

The Very Revd J P Kennington is a member of the Cathedral Chapter and a trustee of the CDBF.

The Bishop of Chelmsford, The Venerable M Power and Mr Smith are Trustees of the CDBF.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
(continued)

Note 10 TOTAL RETURN ACCOUNTING

From 1 January 2021 the trustees of Guy Harlings Estate adopted a total return approach to one of its investments in its Endowment Funds.

This change treats fund growth as part of the overall income of the investment along with the dividends. The income stays within the fund in the 'Unapplied Total Return' (UTR) until it is transferred to the General Fund in accordance with agreed principles. The original investment value will be protected by allocating cpi indexation from the UTR. The balance of the UTR will remain with the investment until a share sale is required to release the income to the General Fund.

The difference in practice is that the dividends are already being transferred to the General Fund and shares will be sold to top up this amount to match 'the amount allocated to income'.

The initial base value for implementing total return was determined at 1 January 2021. This value being £538,948.

The unapplied total return was calculated to be £111,669.

The principles were resolved for application in 2021. The annual percentage to transfer to the General Fund to supplement revenue was agreed at 3.8% for 2021 and 3.0% for future years, unless a particular project requires more funding.

The indexation of the base values is calculated using the National CPI index.

Investment name: GUYHA01

As at 1 January

Base Value of the permanent endowment

Unapplied total return

Movements in the year:

Investment income: dividends & interest

Investment return: realised and unrealised gains

Management fees

Add indexation to original endowment

Unapplied total return allocated to income

Net movements in the year

As at 31 December

Base Value of the permanent endowment

Unapplied total return

Valuation as at 31 December

2022		
Trust for investment	Unapplied Total Return	Total endowment
568,067		568,067
	169,773	169,773
568,067	169,773	737,840
	19,473	19,473
	(87,192)	(87,192)
	-	-
59,719	(59,719)	-
	(22,135)	(22,135)
	-	-
59,719	(149,573)	(89,854)
627,785		627,785
	20,201	20,201
627,785	20,201	647,986