SOCIETY OF THE SACRED MISSION

England & Wales · Charity number 1101444

Details

Other names	SOCIETY OF THE SACRED MISSION EUROPE
Status	Registered
Legal form	Charitable company
Company number	04943183
Registered	2004-01-09
Register	View on the Charity Commission register

Contact

Address	Society of the Sacred Mission St Antony's Priory 74 Claypath Durham DH1 1QT
Phone	0191 3843747
Email	admin@stantonyspriory.org
Website	www.ssm.org.uk

Activities

Objects: For the benefit of the public, the advancement of the Christian religion by the following means: a. The conduct of recognised religious community of the Church of England known as The Society of the Sacred Mission.b. The pursuit of any purpose charitable according to the law of England and Wales which is calculated to express the Gospel in practical form.

Activities: Charitable activities within the fields of Christian ministry, spirituality and education, usually at the invitation of the wider Church. The principal area is theological education and Christian service.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources
- **What:** General Charitable Purposes, Education/training, Religious Activities
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** NOT DEFINED. IN PRCATICE WORLDWIDE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£511,802	£853,376	£13,212,808	7
2023-12-31	£515,362	£793,560	£13,996,115	7
2022-12-31	£489,887	£745,793	-	-
2021-12-31	£2,223,127	£600,160	£15,828,654	7
2020-12-31	£455,873	£600,415	-	-

Trustees

Name	Role	Appointed
Rev Adrian Arnold		2023-09-01
Rev Christopher Irvine		2023-09-01
Rev EDWARD SYDNEY JOHN EWER		2013-12-03
Rev Mark Williams		2025-10-10
Rev ROBERT JOHN STRETTON		2016-06-09
Rev Sheila Bamber		2019-12-18

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SOCIETY OF THE SACRED MISSION

England & Wales - Charity number 1101444

Accounts

REGISTERED COMPANY NUMBER: 04943183 (England and Wales)
REGISTERED CHARITY NUMBER: 1101444

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

FOR

SOCIETY OF THE SACRED MISSION
(A COMPANY LIMITED BY GUARANTEE)

SOCIETY OF THE SACRED MISSION

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SOCIETY OF THE SACRED MISSION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2024 to 31 December 2024. The annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's objectives are set out in the Memorandum and Articles of Association. The Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The Charity exists for the purposes set out in its Articles, revised in 2020:

'The objects of the Charity, for the benefit of the public, the advancement of the Christian religion by the following means:

a. The conduct of a recognised religious community of the Church of England known as the Society of the Sacred Mission;

b. The pursuit of any purpose, charitable according to the law of England and Wales which is calculated to express the Gospel in practical form.'

Since its inception the aims of the Society have been first, to increase the number of those who give their lives to the divine service, especially by training those of whom at present use cannot be or is not made, whether through their lack of means or of education or through other causes, and to deepen the wholeness of sacrifice in them, where the vocation exists, by building them into the organisation of the religious life; next, to labour for the conversation and perfection of souls, especially among the heathen and in the Church abroad; thirdly, to have regard for the cultivation of divine science.

In seeking to fulfil its general object the Society shall interpret and apply the aims in the changing conditions of the world, considering not only the history of the Society but also any new opportunities of glorifying God which he may give.

Today, we seek to advance these aims through charitable activities in the fields of Christian ministry and education, by 'promoting vocation, nurturing faith and spirituality, and encouraging theological learning'. In particular, this is primarily achieved through the operation of St Antony's Priory as a Christian spirituality centre, offering spiritual direction and the training and ongoing support of spiritual directors, together with providing retreat accommodation and quiet days for individuals and groups. There is a regular timetable of daily and weekly worship in the chapel, and the library is available for theological study. New work includes the establishment of the Herbert Kelly Institute for Anglican Religious Life.

The Charity also administers a restricted fund for the benefit of the independent SSM Province of Southern Africa, and the Kelham Theological College Fund, from which grants are made for courses of theological study and ministerial formation.

The trustees confirm that in developing and undertaking activities by the Society, they are mindful of their obligations to ensure that they are furthering the charity's purposes for the public benefit and have had due regard to the guidance published by the Charity Commission in this respect.

OBJECTIVES AND ACTIVITIES

Grant-making policies

The responsibility for making decisions on grant making rests with the Trustees. Grants are considered by the trustees at scheduled board meetings or by correspondence. An annual budget for grants is agreed by the trustees. Grants are provided through the Kelham Theological College Fund established for the specific purpose of supporting ministerial training and theological education. The Society occasionally supports other Christian related activities and projects through discretionary grants from its General Fund.

STRATEGIC REPORT

Achievements and performance

Charitable activities

The Charity's principal activities include the support and care of the professed members of the Society, the distribution of grants for ministerial training, and the operation of St Antony's Priory as a Christian spirituality centre, together with the various activities conducted there.

Fr Edmund remains in Westbury Grange care home, Fr Jonathan moved to new accommodation in St Albans, where he is able to participate in the worshipping life of the cathedral, and Fr Robert continues to be fully involved in the parish of St John the Divine, Kennington. Br Andrew, in Yokohama, keeps in touch via Fr Jonathan.

The Venerable Bob Cooper resigned as Chair of Trustees in December, following his appointment as Dean of Guildford Cathedral, and Mark Tomlinson was duly elected as the new Chair.

It has been another busy year for St Antony's Priory, with a good level of bookings for retreats in the cottage, spiritual direction sessions, and other bookings for church groups, quiet days and the like. The chapel congregation continues to flourish, with a number of students occasionally attending (including one who was baptised - the first baptism ever to take place in the chapel), and we regularly have ordinands from Cranmer Hall on placement.

A major part of the work of the Priory involves the training and provision of Spiritual Directors. To this end we administer a network of nearly 90 spiritual directors, and our revised training course is now in its third year. We continue to review and develop the course, and have been in discussion about a training partnership with Newcastle diocese. The programme of ongoing formation for existing members of the network continues to grow and the development of pastoral supervision for clergy is being advanced, with four members of our network undergoing training to become accredited pastoral supervisors.

The plans to establish the Herbert Kelly Institute for Anglican Religious Life continued with the redevelopment of our property at 72 Claypath. After extensive preparation, building works commenced in September, scheduled for completion by April 2025.

During the year, the seminars and speaker events initiated in 2023 continued, including the termly research seminars hosted in partnership with the Centre for Anglican Studies at Durham University, as well as other one-off events. Plans for other programmes and activities remain under discussion as the Institute is established and the work around spiritual accompaniment and related areas is developed further.

The Society administers the Kelham Theological College Fund (KTC) which exists to support training for ministry, broadly understood. 25 grants were awarded in 2024, totalling £104K. These included grants for a number of students and serving clergy to undertake courses of theological study, or other projects, as well as support for the Healing of Memories Institute in South Africa. We also continue to support the Pastoral Assistant programme at St John the Divine, Kennington.

The relationship with SSM Souther Africa was significantly enhanced as a result of a visit from four of the brethren who spent about 10 days in the UK, splitting their time between London and Durham. During the course of their visit, a meeting with members of the Board of Trustees discussed the possibility of returning the funds we hold on their behalf for safekeeping in order that they might regain full control of their resources.

The Charity retained ownership of property in Milton Keynes, including the former Willen Priory site, which had been leased to Willen Hospice. In April 2025, the property was transferred to the Hospice upon completion of its purchase.

We are grateful to Fr Nicholas, the Director, and his excellent staff team for all their hard work during the past year.

Financial review

Results for the year

Results for the year: Income for the year was £511,801 (2023: £515,362). Expenditure for the year was £853,376 (2023: £793,560). Net income/(expenditure) before investment gains was (£341,575) (2023: (£278,198)). Net investment losses for the year were £441,733 (2023: gains of £225,674) together with net expenditure before investment losses of £341,575, accounting for the overall decrease in funds during the year from £13,996,115 (2023) to £13,212,807.

STRATEGIC REPORT

Financial review

Principal funding

The principal funding streams are derived from the donations of income from the professed members and investment income from the investment portfolios held.

Material investments policy

The Society operates an actively managed investment portfolio of equities and bonds which has been reviewed during the year to provide a greater emphasis on income generation rather than capital growth. The Society seeks to avoid direct investments in military-related and tobacco-related holdings and concentrate upon ethical securities.

The Society's primary investments were managed by Rathbones during the year with some short-term cash deposits also held.

Reserves policy

The Society's reserve policy focuses on the level of 'free reserves'. Free reserves exclude restricted funds, designated funds and the net book value of the Society's tangible fixed assets and investment property. At the year-end free reserves amounted to £4,405,372 (2023: £2,671,299).

The Society seeks to maintain sufficient free reserves to manage the risks to which the charity is exposed in the course of its business, including, but not limited to, safeguarding against volatile income.

The Charity has designated £1.543m of its funding for the care of the Professed, all of whom are elderly. It recognizes its need to provide for the ongoing care of these men. The amount is an estimate of costs and remains under review. Our first Charitable Object is the conduct of the religious community, and we believe that this designation is sufficient for the maintenance of the members of the order.

The Charity's reserves are held at their current level to enable the generation of income to match the bulk of its operating costs. It generates some income from operational activities. The Charity is currently reviewing its strategic objectives, which may include new activities that both require capital investment and may generate additional funding streams. The Charity will keep its reserves under review in order to make the best use of its financial assets for the strategic purposes of the Charity.

The remaining balance of unrestricted reserves £6,883,920 (2023: £7,025,305) has decreased during the year. These reserves are considered by the Trustees to be more than adequate to meet future additional designations in addition to providing substantial capital grants in support of projects consistent with the Society's aims and objectives.

Plans for future period

The Charity will continue its core objectives and the ongoing activities outlines above. It will keep its activities under review and will seek to strengthen further its Board. It will maintain and improve its buildings and look for ways to further its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board has strategic oversight of the Charity and it has in the past year reviewed its skills and membership needs. It is actively seeking to recruit additional members.

Risk management

Trustees review the organisation's objectives, as set out in the strategic plan, on a regular basis. This enables them to identify the major risks the charity may be exposed to, as recorded in the Risk Register, which is reviewed at every board meeting. Risks identified and priorities to be addressed are based on probability, impact and current mitigation. Attention has recently been focused on safeguarding, trustee recruitment, staffing needs, management of our investment portfolio and the financial relationship with SSM Southern Africa.

Process to appoint new trustees

Trustees are nominated to the board based on their skills and experience in order to fill any gaps identified by the current Board of Trustees. Appointment is by election at a scheduled meeting of the board. Newly appointed trustees receive the Trustee Induction Pack, containing a selection of relevant documents, including the strategic plan and information about their legal responsibilities. They will also have an orientation meeting with the Chair of Trustees, the Chief Executive and other staff members.

Day to day running of the Charity in its operations at St Antony's and its grant making is delegated to the CEO, Fr Nicholas Buxton and his able team of dedicated staff. The Financial Manual gives clarity on Financial processes and delegations.

The Board meets online or in person six times a year and conducts urgent business by correspondence. It is aware that it needs new and more members and is actively looking at options for this. The Board discusses and agrees staff pay reviews by comparing with market rates and the circumstances at the time of the annual review.

The Charity has no subsidiaries or trading arm and the only close relationship is with the independent province SSM Southern Africa which the Charity supports through a Restricted Fund, overseen by an Advisory Group.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04943183 (England and Wales)

Registered Charity number
1101444

Registered office
St Antony's Priory
74 Claypath
Durham
DH1 1QT

Trustees
Revd Canon S J Bamber
Fr J Ewer
Fr R Stretton
M Tomlinson
The Ven R G Cooper (resigned 30/12/2024)
Rev A Arnold
Rev C P Irvine

Auditors
S&W Audit
Statutory Auditor
Chartered Accountants
17 Queens Lane
Newcastle upon Tyne
NE1 1RN

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors
Wrigleys Solicitors LLP
19 Cookbridge Street
Leeds
LS2 3AG

Accountants
RMT Ribchesters
Finchale House
Belmont Business Park
Durham
DH1 1TW

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Society of the Sacred Mission for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27.10.25 and signed on the board's behalf by:

Shale Bamber.

Revd Canon S J Bamber - Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

Opinion

We have audited the financial statements of Society of the Sacred Mission (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2024 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 other information comprises the information included in the Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees and Financial Statements. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Report of the Trustees, which incorporates the Strategic Report and the Directors' Report prepared for the purpose 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 Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also 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.

Our 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:

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable company's industry and regulation.

We understand that the charitable company complies with the framework through:

- Outsourcing investment management, accounts preparation and tax compliance to external accounting experts.
- A risk assessment framework and register that includes regular review and scrutiny by the Board.
- The Board's close oversight through regular board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006, Charity Commission Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Charities Act 2011 with respect to governance and regulatory requirements.
- Data Protection and GDPR for donor and grant recipient details held by the Society.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Inspecting correspondence with The Charities Commission and ensuring submissions have been made on time.
- Performed a review of board minutes to identify any indicators of known or suspected non-compliance with significant laws and regulations.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries and management overriding controls.
- The incorrect recognition of investment income from fraud or error.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Testing a sample of journal entries, selected through applying specific risk assessments applied based on the Society's processes and controls surrounding journal entries.
- Reconciling investment income to third party investment management reports to ensure income is complete, accurate and occurred in the financial year.

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 Report of the Independent Auditors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

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 auditors' 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.

S Easton

Stephen Easton FCA Senior Statutory Auditor
for and on behalf of S&W Audit
Statutory Auditor
Chartered Accountants
17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Date: 29/10/2025

SOCIETY OF THE SACRED MISSION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	84,473	-	84,473	88,524
Charitable activities	5				
Income from charitable activities		35,231	-	35,231	32,632
Investment income	4	224,076	164,305	388,381	391,803
Other income	6	3,717	-	3,717	2,403
Total		347,497	164,305	511,802	515,362
EXPENDITURE ON					
Raising funds	7	17,893	36,997	54,890	55,916
Charitable activities	8				
Grant funding of activities		10,011	220,172	230,183	222,222
Support costs		33,616	-	33,616	12,113
Activities undertaken directly		514,219	-	514,219	482,293
Governance costs		20,468	-	20,468	21,016
Total		596,207	257,169	853,376	793,560
Net (losses)/gains on investments		(349,698)	(92,035)	(441,733)	225,674
NET (EXPENDITURE)/INCOME		(598,408)	(184,899)	(783,307)	(52,524)
RECONCILIATION OF FUNDS					
Total funds brought forward		9,025,305	4,970,810	13,996,115	14,048,639
TOTAL FUNDS CARRIED FORWARD		8,426,897	4,785,911	13,212,808	13,996,115

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

BALANCE SHEET
31 DECEMBER 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	16	1,978,546	1,454,004
Investments			
Investments	17	8,296,048	9,469,257
Investment property	18	500,002	2,900,002
		10,774,596	13,823,263
CURRENT ASSETS			
Stocks	19	137,467	-
Debtors	20	170,189	77,470
Investments	21	2,100,000	-
Cash at bank and in hand		167,750	188,636
		2,575,406	266,106
CREDITORS			
Amounts falling due within one year	22	(137,194)	(93,254)
NET CURRENT ASSETS		2,438,212	172,852
TOTAL ASSETS LESS CURRENT LIABILITIES		13,212,808	13,996,115
NET ASSETS		13,212,808	13,996,115
FUNDS	24		
Unrestricted funds		8,426,897	9,025,305
Restricted funds		4,785,911	4,970,810
TOTAL FUNDS		13,212,808	13,996,115

The financial statements were approved by the Board of Trustees and authorised for issue on 27.10.25 and were signed on its behalf by:

Shaul Bamber.

Canon S J Bamber - Trustee

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	(591,354)	(495,556)
Net cash used in operating activities		(591,354)	(495,556)
Cash flows from investing activities			
Purchase of tangible fixed assets		(774,931)	4,634
Purchase of fixed asset investments		(2,129,504)	(3,115,846)
Sale of tangible fixed assets		2,037	
Sale of fixed asset investments		3,160,980	3,163,215
Dividend income		303,622	313,325
Interest received		8,264	2,490
Net cash provided by investing activities		570,468	367,818
Change in cash and cash equivalents in the reporting period		(20,886)	(127,738)
Cash and cash equivalents at the beginning of the reporting period		188,636	316,374
Cash and cash equivalents at the end of the reporting period		167,750	188,636

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

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

	2024 £	2023 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(783,307)	(52,524)
Adjustments for:		
Depreciation charges	110,885	107,376
Losses/(gain) on investments	441,733	(225,674)
Interest received	(8,264)	(2,490)
Dividends received	(303,622)	(313,325)
Increase in debtors	(92,719)	(56,555)
Increase in creditors	43,940	47,636
Net cash used in operations	(591,354)	(495,556)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24 £	Cash flow £	At 31.12.24 £
Net cash			
Cash at bank and in hand	188,636	(20,886)	167,750
	188,636	(20,886)	167,750
Total	188,636	(20,886)	167,750

The notes form part of these financial statements

1. GENERAL INFORMATION

The Society of the Sacred Mission is a charity registered in England and Wales with the Charity Commission and is a company limited by guarantee.

The Charity's registered office is St Antony's Priory, 74 Claypath, Durham DH1 1QT. Its principal activity is set out in the Trustees' Report and relates to Christian ministry.

The financial statements are presented in the charity's functional currency of sterling and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Society of the Sacred Mission meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of listed investments where valuations can be subject to variations arising from external factors which can impact on the future actual results.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

Critical areas of judgement:

Valuations of investment properties where the trustees have considered the information available to them and made a judgement accordingly.

Going concern
The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of events. The directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

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

continued...

2. ACCOUNTING POLICIES - continued

Income
The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on receipt.

Investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Expenditure on raising funds includes those incurred in managing the investments of the company. Support costs are those incurred directly in support of expenditure on the objects of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Building improvements	- 10% on cost
Equipment & furnishings	- 20% on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The charity is exempt from corporation tax on its charitable activities.

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 Company and which have not been designated for other purposes.

continued...

2. ACCOUNTING POLICIES - continued

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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 the 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 presented as 'Gains/(losses) on investments' in the Statement of financial activities.

Listed investments are stated at fair value, being market value at the balance sheet date.

Investment properties are measured at their fair value at the balance sheet date based on an assessment by the trustees of the market value with reference to valuations and the current property market.

Leases
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the term of the lease.

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

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.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Liabilities
Liabilities and provisions 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.

Financial instruments
The charitable company has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charitable company also has investments which are financial assets measured at fair value.

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

continued...

2. ACCOUNTING POLICIES - continued

The Company is a member of a defined benefits pension scheme. The scheme is a multi-employer plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period. Deficit recovery contributions are accounted for as the plan is agreed and discounted.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	84,472	82,524
Legacies	-	6,000
	84,472	88,524

4. INVESTMENT INCOME

	2024	2023
	£	£
Income from investment properties	76,495	75,988
Dividend income	303,622	313,325
Bank interest	8,264	2,490
	388,381	391,803

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Income from guests and residents	35,231	32,632
	35,231	32,632

All income in the above years was unrestricted.

6. OTHER INCOME

	2024	2023
	£	£
Royalties	382	14
Sundry Income	1,400	1,579
Room hire	1,935	810
	3,717	2,403

continued...

7. RAISING FUNDS

Investment Management Costs are split between the following funds:

	2024	2023
	£	£
General fund	17,893	26,613
Kelham College fund	25,758	20,183
Southern Africa fund	11,239	9,120
	54,890	55,916

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Grant funding of activities (see note 10)	Support costs (see note 11)	Totals
	£	£	£	£
Grant funding of activities	-	230,183	-	230,183
Support costs	-	-	33,616	33,616
Activities undertaken directly	514,219	-	-	514,219
Governance costs	-	-	20,468	20,468
	514,219	230,183	54,084	798,486

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	171,727	162,650
Depreciation	109,573	107,376
Community costs	211,232	199,374
Travel and transport	6,380	510
Furniture and equipment	858	555
Publicity	150	105
Administration	14,299	11,723
	514,219	482,293

10. GRANTS PAYABLE

	2024	2023
	£	£
Grant funding of activities	230,183	222,222

continued...

11. SUPPORT COSTS

	2024	2023
	£	£
Trustees' expenses	688	578
Bank charges	634	650
Auditor's remuneration	14,880	13,500
Legal and professional	29,195	10,884
Accountancy and payroll	8,687	7,517
	54,084	33,129

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	110,885	107,376

13. TRUSTEES' REMUNERATION AND BENEFITS

Some of the Trustees are professed members of the Society. In the year, they donated £39,886 (2023: £37,652) of their earnings to the Society and had living expenses of £27,886 (2023: £20,165) borne by the Society.

The Trustees received no remuneration or other benefits in connection with their duties as trustees.

Trustees' expenses

During the year expenses of £688 were reimbursed to the Trustees in respect of travel and subsistence costs (2023: £578 to the Trustees).

14. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	154,474	146,099
Social security costs	7,113	6,375
Contributions to defined contribution pension schemes	10,140	10,176
	171,727	162,650

Key management personnel comprise the Trustees of the society, none of whom are remunerated.

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	7	7

No employees received emoluments in excess of £60,000.

continued...

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	88,524	-	88,524
Charitable activities			
Income from charitable activities	32,632	-	32,632
Investment income	228,574	163,229	391,803
Other income	2,403	-	2,403
Total	352,133	163,229	515,362
EXPENDITURE ON			
Raising funds	26,613	29,303	55,916
Charitable activities			
Grant funding of activities	13,723	208,499	222,222
Support costs	12,113	-	12,113
Activities undertaken directly	482,293	-	482,293
Governance costs	21,016	-	21,016
Total	555,758	237,802	793,560
Net gains on investments	109,712	115,962	225,674
NET INCOME/(EXPENDITURE)	(93,913)	41,389	(52,524)
RECONCILIATION OF FUNDS			
Total funds brought forward at 01/01/2023	9,119,218	4,929,421	14,048,639
TOTAL FUNDS CARRIED FORWARD AT 31/12/2023	9,025,305	4,970,810	13,996,115

continued...

16. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Building improvements £	Equipment & furnishings £	Totals £
COST					
At 1 January 2024	1,131,173	-	804,765	29,517	1,965,455
Additions	-	457,023	317,399	509	774,931
Disposals	-	-	(3,348)	-	(3,348)
Reclassification	(158,008)	-	-	-	(158,008)
At 31 December 2024	973,165	457,023	1,118,816	30,026	2,579,030
DEPRECIATION					
At 1 January 2024	239,061	-	252,874	19,516	511,451
Charge for year	20,357	2,285	83,783	4,460	110,885
Eliminated on disposal	-	-	(1,311)	-	(1,311)
Reclassification/transfer	(20,541)	-	-	-	(20,541)
At 31 December 2024	238,877	2,285	335,346	23,976	600,484
NET BOOK VALUE					
At 31 December 2024	734,288	454,738	783,470	6,050	1,978,546
At 31 December 2023	892,112	-	551,891	10,001	1,454,004

Included in land and buildings is freehold land at a cost of £113,334 (2023: £113,334) which is not depreciated.
Included within leasehold property there is one property with a remaining lease term of 133 years.

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2024	9,469,257
Additions	2,129,505
Disposals	(3,013,383)
Revaluations	(289,330)
At 31 December 2024	8,296,049
NET BOOK VALUE	
At 31 December 2024	8,296,049
At 31 December 2023	9,469,257

There were no investment assets outside of the UK.

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £
Valuation in 2024	8,296,049

continued...

18. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2024	2,900,002
Revaluation	(300,000)
Transfer between classes	(2,100,000)
At 31 December 2024	500,002
NET BOOK VALUE	
At 31 December 2024	500,002
At 31 December 2023	2,900,002

Fair value at 31 December 2024 is represented by:

	£
Valuation in 2024	500,002

If investment property had not been revalued it would have been included at the following historical cost:

Cost £888,247

Investment property was valued on an open market basis desktop appraisal on 9 January 2024 by RICS Registered Valuers, Gerwyn Bryan Property Solutions.

Investment property was valued by the trustees on 31 December 2024 to reflect achievable market value.

19. STOCKS

	2024	2023
	£	£
Asset held for sale	137,467	-

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	62,339	31,739
Prepayments and accrued income	107,850	45,731
	170,189	77,470

21. CURRENT ASSET INVESTMENTS

	2024	2023
	£	£
Investment property	2,100,000	-

An investment property at Willen Priory was reclassified as a current asset investment, as it is expected to be sold within the next 12 months.

continued...

22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	95,133	50,314
Social security and other taxes	2,818	2,780
Other creditors	370	644
Accruals and deferred income	38,873	39,516
	137,194	93,254

Deferred income totalling £5,812 (2023: £5,627) relates to rental income and meeting room hire income in relation to the year ended 31 December 2025.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Fixed assets	1,978,546	-	1,978,546	1,454,004
Investments	4,002,682	4,793,368	8,796,050	12,369,259
Current assets	2,575,406	-	2,575,406	266,106
Current liabilities	(129,737)	(7,457)	(137,194)	(93,254)
	8,426,897	4,785,911	13,212,808	13,996,115

24. MOVEMENT IN FUNDS

	At 1.1.24	Net movement in funds	Transfers between funds	At 31.12.24
	£	£	£	£
Unrestricted funds				
General fund	7,025,305	(598,408)	457,023	6,883,920
Care of the elderly	2,000,000	-	(457,023)	1,542,977
	9,025,305	(598,408)	-	8,426,897
Restricted funds				
Kelham College fund	3,438,752	(108,114)	-	3,330,638
Durham fund	17,502	-	-	17,502
Southern Africa fund	1,514,556	(76,785)	-	1,437,771
	4,970,810	(184,899)	-	4,785,911
TOTAL FUNDS	13,996,115	(783,307)	-	13,212,808

continued...

24. MOVEMENT IN FUNDS - continued

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

	Income £	Expenditure £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	347,497	(596,207)	(349,698)	(598,408)
Restricted funds				
Kelham College fund	114,443	(158,048)	(64,509)	(108,114)
Southern Africa fund	49,862	(99,121)	(27,526)	(76,785)
	164,305	(257,169)	(92,035)	(184,899)
TOTAL FUNDS	511,802	(853,376)	(441,733)	(783,307)

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	7,119,218	(93,913)	7,025,305
Care of the elderly	2,000,000	-	2,000,000
	9,119,218	(93,913)	9,025,305
Restricted funds			
Kelham College fund	3,360,389	78,363	3,438,752
Durham fund	17,502	-	17,502
Southern Africa fund	1,551,530	(36,974)	1,514,556
	4,929,421	41,389	4,970,810
TOTAL FUNDS	14,048,639	(52,524)	13,996,115

Comparative net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	352,133	(555,758)	109,712	(93,913)
Restricted funds				
Kelham College fund	112,739	(115,282)	80,906	78,363
Southern Africa fund	50,490	(122,520)	35,056	(36,974)
	163,229	(237,802)	115,962	41,389
TOTAL FUNDS	515,362	(793,560)	225,674	(52,524)

continued...

24. MOVEMENT IN FUNDS - continued

General funds
The General Fund exists to provide a base for the generation of investment income to meet the operating costs of the charity. The charity is currently reviewing its strategic plan and will be developing a Reserves approach driven by that strategic plan.

Designated funds
Care of the elderly
The charity has designated a fund for the care of the elderly professed members of the society. They are all aged over 75 and the charity is committed to meeting all living and care costs during their lifetimes. The amount is difficult to quantify, and the amount of this designation is kept under review.

Restricted funds
Kelham College Fund
The Kelham College fund arises from a transfer from the Kelham Theological College Fund on 1 January 2004. The fund is used for the training of persons intending to take Holy Orders in the Church of England or any Church in communion with it, the training for mission of members of the Church of England or any church in communion with it and the training or education of persons working for the extension of Christ's Kingdom in any way connected with the Church of England or any Church in communion with it.

Durham Fund
This represents grant income received to fund recovery days at St Antony's Priory, Durham.

Southern Africa Fund
The Southern Africa restricted fund comprises of funds solely to support the mission of the independent SSM Province of Southern Africa.

25. EMPLOYEE BENEFIT OBLIGATIONS

Society of the Sacred Mission 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 Church of England Funded Pensions 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 each specific Responsible Body, and this means 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 £6,731 in 2024 (2023: £7,051), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2024, following the valuation results being agreed, the deficit contributions paid were £0 (2023: £0).

A valuation of the scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m assessed using the following assumptions:

- An average discount rate of 2.7% p.a;
- RPI inflation of 3.6% p.a (and pensions increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with the 90% of the S3NA tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 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 data of 0% (i.e w2020 = 0%).

continued...

25. EMPLOYEE BENEFIT OBLIGATIONS - continued

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

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

26. RELATED PARTY DISCLOSURES

Details of related party transactions are provided in Note 13.

27. FINANCIAL INSTRUMENTS

	2024 £	2023 £
Financial assets		
Financial assets measured at fair value through income and expenditure	8,296,048	9,469,257
	8,296,048	9,469,257

28. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

SOCIETY OF THE SACRED MISSION

England & Wales - Charity number 1101444

Accounts

REGISTERED COMPANY NUMBER: 04943183 (England and Wales)
REGISTERED CHARITY NUMBER: 1101444

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

FOR

SOCIETY OF THE SACRED MISSION
(A COMPANY LIMITED BY GUARANTEE)

SOCIETY OF THE SACRED MISSION

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SOCIETY OF THE SACRED MISSION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2023 to 31 December 2023. The annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's objectives are set out in the memorandum of association. The Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The Charity exists for the purposes set out in its Articles revised in 2020:

'The objects of the Charity, for the benefit of the public, the advancement of the Christian religion by the following means:

a. The conduct of a recognised religious community of the Church of England known as the Society of the Sacred Mission;

b. The pursuit of any purpose, charitable according to the law of England and Wales which is calculated to express the Gospel in practical form.'

The aims of the Society are to support and encourage those who wish to prepare and train for Christian ministry in all its forms and by so doing assist and pastor those wishing to affirm and come to a life enhancing knowledge of the Christian faith.

The Society undertakes charitable activities within the fields of Christian ministry, spirituality and education. This has been the Society's policy since its inception. The principal areas in which the Society is currently involved are supporting theological education and training, in addition to providing grant funding in support of projects consistent with its aims and objectives. Specific activities include the operation of St Antony's Priory as a Christian spirituality centre that provides spiritual direction and the training and ongoing support of spiritual directors, together with retreat accommodation and quiet days for individuals and groups. There is a regular timetable of worship in the Chapel, and the library is available for theological study. New work includes a project to develop an Institute for Anglican Religious Life.

The Charity also administers restricted funds for the benefit of the independent SSM province of Southern Africa and the Kelham Theological College Fund for grants in support of training for ministry.

The trustees confirm that in developing and undertaking activities by the Society, they are mindful of their obligations to ensure that they are furthering the charity's purposes for the public benefit and have had due regard to the guidance published by the Charity Commission in this respect.

Grant-making policies

The responsibility for making decisions on grant making rests with the Trustees. Grants are considered by the trustees at scheduled board meetings or by correspondence. An annual budget for grants is agreed by the trustees. Grants are provided through the Kelham Theological College Fund established for the specific purpose of supporting ministry training and theological education. The Society also supports wider Christian related activities and projects through discretionary grants from its General Fund.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

STRATEGIC REPORT
Achievement and performance
Report from the chairman

The Charity's principal activities include the support of the professed members of the Society, the distribution of grants, and the operation of St Antony's Priory, Durham, as a Christian spirituality centre. The ongoing process of governance review continued over the course of 2023, with the development and approval of a comprehensive strategic plan, and review of the charitable objects.

Fr Edmund remains in Westbury Grange care home, Fr Jonathan - who celebrated his 60th anniversary of ordination to the priesthood in December - lives independently in Newport Pagnell, and Fr Robert continues to assist in the parish of St John the Divine, Kennington. Fr Andrew, in Yokohama, keeps in touch via Fr Jonathan.

It has been a good year for St Antony's Priory - the first year of uninterrupted operations since 2018. We have enjoyed a very satisfactory level of bookings for retreats in the cottage, spiritual direction sessions, and bookings for a wide range of church groups for quiet days and the like. The chapel congregation continues to flourish, with a number of students also starting to attend, and we regularly have ordinands on placement.

A major part of the work of the Priory involves the training and provision of Spiritual Directors. We administer a network of more than 70 spiritual directors, and in 2024 a new cohort will join the network for the first time since training was interrupted by lockdown in 2020. In September 2023, a second cohort began the two-year course, meaning that we now run two cohorts simultaneously. There is also a comprehensive programme of ongoing formation for existing members of the network. Plans for the future include the development of pastoral supervision for clergy as a natural extension of the work we already do in this area.

2023 also saw the approval, in October, of exciting plans for the establishment of the Institute for Anglican Religious Life, with the redevelopment of our property at 72 Claypath scheduled for 2024. As part of this work, a new series of speaker events was initiated in May 2023, comprising termly research seminars hosted in partnership with the Centre for Anglican Studies at Durham University, as well as other one-off events.

The Society administers the Kelham Theological College Fund (KTC) which exists to fund training for ministry, broadly understood. 16 grants were awarded in 2023, totalling £95K. These included support of the Healing of Memories project in South Africa, the pastoral assistant programme at St John the Divine, Kennington, and grants for a number of students and serving clergy to undertake courses of theological study.

We also make grants to SSM Southern Africa from a restricted fund established to support their work. The new administrative protocols developed at the beginning of 2023 have worked well and there is a good working relationship between the two organisations.

The Charity retains ownership of properties in Milton Keynes, currently leased to Willen Hospice. Due consideration will be given to the future of these holdings during the course of 2024.

It only remains to thank the Director, Staff and Trustees for all their hard work during the past year.

Financial review
Results for the year

Results for the year: Income for the year was £515,362 (2022: £489,887). Expenditure for the year was £793,560 (2022: £745,793). Net income/(expenditure) before investment gains was (£278,198) (2022: (£255,906)). Net investment gains for the year were £225,674 (2022: losses of £1,524,109) together with net expenditure before investment gains of £278,198, accounting for the overall decrease in funds during the year from £14,048,639 (2022) to £13,996,115.

Principal funding

The principal funding streams are derived from the donations of income from the professed members and investment income from the investment portfolios held.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

STRATEGIC REPORT

Financial review

Material investments policy

The Society operates an actively managed investment portfolio of equities and bonds which has been reviewed during the year to provide a greater emphasis on income generation rather than capital growth. The Society seeks to avoid direct investments in military-related and tobacco-related holdings and concentrate upon ethical securities.

The Society's primary investments were managed by Rathbones during the year with some short-term cash deposits also held.

Reserves policy

The Society's reserve policy focuses on the level of 'free reserves'. Free reserves exclude restricted funds, designated funds and the net book value of the Society's tangible fixed assets and investment property. At the year-end free reserves amounted to £2,671,299 (2022: £2,656,672).

The Society seeks to maintain sufficient free reserves to manage the risks to which the charity is exposed in the course of its business, including, but not limited to, safeguarding against volatile income.

The Charity has designated £2m of its funding for the care of the Professed, all of whom are elderly. It recognizes its need to provide for the ongoing care of these men. The amount is an estimate of costs and remains under review. Our first Charitable Object is the conduct of the religious community, and we believe that this designation is sufficient for the maintenance of the members of the order.

The Charity's reserves are held at their current level to enable the generation of income to match the bulk of its operating costs. It generates some income from operational activities. The Charity is currently reviewing its strategic objectives, which may include new activities that both require capital investment and may generate additional funding streams. The Charity will keep its reserves under review in order to make the best use of its financial assets for the strategic purposes of the Charity.

The remaining balance of unrestricted reserves £7,025,305 (2022: £7,119,218) has decreased slightly during the year. These reserves are considered by the Trustees to be more than adequate to meet future additional designations in addition to providing substantial capital grants in support of projects consistent with the Society's aims and objectives.

Plans for future period

The Charity will continue its core objectives and the ongoing activities outlines above. It will keep its activities under review and will seek to strengthen further its Board. It will maintain and improve its buildings and look for ways to further its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board has strategic oversight of the Charity and it has been in the past year reviewed its skills and membership needs. It is actively seeking to recruit additional members.

Day to day running of the Charity in its operations at St Antony's and its grant making is delegated to the Director, Fr Nicholas Buxton and his able team of dedicated staff. The Financial Manual gives clarity on Financial processes and delegations.

The Board meets by zoom or in person four to six times a year as needed and conducts urgent business by correspondence. It is aware that it needs new and more members and is actively looking at options for this. The Board discusses and agrees staff pay reviews by comparing with market rates and the circumstances at the time of the annual review.

The Charity has no subsidiaries or trading arm and the only close relationship is with the independent province SSM Southern Africa which the Charity supports through a Restricted Fund, advised by an Advisory Group.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04943183 (England and Wales)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Registered Charity number
1101444

Registered office
St Antony's Priory
74 Claypath
Durham
DH1 1QT

Trustees
Revd Canon S J Bamber
Fr J Ewer
Fr R Stretton
M Tomlinson
The Ven R G Cooper
Rev Canon S Jones (appointed 2/2/2023) (resigned 26/10/2023)
Rev A Arnold (appointed 1/9/2023)
Rev C P Irvine (appointed 1/9/2023)

Auditors
Haines Watts Newcastle Limited
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Solicitors
Wrigleys Solicitors LLP
19 Cookbridge Street
Leeds
LS2 3AG

Accountants
Ribchesters Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

TRUSTEES' RESPONSIBILITY STATEMENT
The trustees (who are also the directors of Society of the Sacred Mission for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 presume that the charitable company will continue in business.

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts North East Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18/7/24 and signed on the board's behalf by:

Shaun Bamber
.....
Revd Canon S J Bamber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

Opinion

We have audited the financial statements of Society of the Sacred Mission (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2023 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
As explained more fully in the Trustees' Responsibilities Statement, 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.

Our 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 a Report of the Independent Auditors 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.

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities SORP (FRS 102) 'Accounting and Reporting by Charities, Companies Act 2006 and UK GAAP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:
- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

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 auditors' 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.

S Easton

Stephen Easton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Newcastle Limited
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Date: 30/7/2024

SOCIETY OF THE SACRED MISSION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	88,524	-	88,524	96,945
Charitable activities	5				
Income from charitable activities		32,632	-	32,632	16,421
Investment income	4	228,574	163,229	391,803	374,925
Other income	6	2,403	-	2,403	1,596
Total		352,133	163,229	515,362	489,887
EXPENDITURE ON					
Raising funds	7	26,613	29,303	55,916	56,486
Charitable activities	8				
Grant funding of activities		13,723	208,499	222,222	210,499
Support costs		12,113	-	12,113	21,354
Activities undertaken directly		482,293	-	482,293	441,934
Governance costs		21,016	-	21,016	15,520
Total		555,758	237,802	793,560	745,793
Net gains/(losses) on investments		109,712	115,962	225,674	(1,524,109)
NET INCOME/(EXPENDITURE)		(93,913)	41,389	(52,524)	(1,780,015)
RECONCILIATION OF FUNDS					
Total funds brought forward		9,119,218	4,929,421	14,048,639	15,828,654
TOTAL FUNDS CARRIED FORWARD		9,025,305	4,970,810	13,996,115	14,048,639

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

BALANCE SHEET
31 DECEMBER 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	16	1,454,004	1,566,014
Investments			
Investments	17	9,469,257	9,290,952
Investment property	18	2,900,002	2,900,002
		13,823,263	13,756,968
CURRENT ASSETS			
Debtors	19	77,470	20,915
Cash at bank and in hand		188,636	316,374
		266,106	337,289
CREDITORS			
Amounts falling due within one year	20	(93,254)	(45,618)
NET CURRENT ASSETS		172,852	291,671
TOTAL ASSETS LESS CURRENT LIABILITIES		13,996,115	14,048,639
NET ASSETS		13,996,115	14,048,639
FUNDS	22		
Unrestricted funds		9,025,305	9,119,218
Restricted funds		4,970,810	4,929,421
TOTAL FUNDS		13,996,115	14,048,639

The financial statements were approved by the Board of Trustees and authorised for issue on 18/7/24 and were signed on its behalf by:

Shaun Bamber

Canon S J Bamber - Trustee

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(495,556)	(454,754)
Net cash used in operating activities		(495,556)	(454,754)
Cash flows from investing activities			
Purchase of tangible fixed assets		4,634	(305,608)
Purchase of fixed asset investments		(3,115,846)	(1,724,154)
Sale of fixed asset investments		3,163,215	2,345,089
Dividend income		313,325	298,441
Interest received		2,490	1,150
Net cash provided by investing activities		367,818	614,918
Change in cash and cash equivalents in the reporting period		(127,738)	160,164
Cash and cash equivalents at the beginning of the reporting period		316,374	156,210
Cash and cash equivalents at the end of the reporting period		188,636	316,374

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023	2022
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(52,524)	(1,780,015)
Adjustments for:		
Depreciation charges	107,376	80,770
(Gain)/losses on investments	(225,674)	1,524,109
Interest received	(2,490)	(1,150)
Dividends received	(313,325)	(298,441)
(Increase)/decrease in debtors	(56,555)	27,150
Increase/(decrease) in creditors	47,636	(5,177)
Difference between pension charge and cash contributions	-	(2,000)
Net cash used in operations	(495,556)	(454,754)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
Net cash			
Cash at bank and in hand	316,374	(127,738)	188,636
	316,374	(127,738)	188,636
Total	316,374	(127,738)	188,636

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

The Society of the Sacred Mission is a charity registered in England and Wales with the Charity Commission and is a company limited by guarantee.

The Charity's registered office is St Antony's Priory, 74 Claypath, Durham DH1 1QT. Its principal activity is set out in the Trustees' Report and relates to Christian ministry.

The financial statements are presented in the charity's functional currency of sterling and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Society of the Sacred Mission meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of listed investments where valuations can be subject to variations arising from external factors which can impact on the future actual results.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

Critical areas of judgement:

Valuations of investment properties where the trustees have considered the information available to them and made a judgement accordingly.

Going concern
The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of events. The directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

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

continued...

2. ACCOUNTING POLICIES - continued

Income
The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on receipt.

Investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Expenditure on raising funds includes those incurred in managing the investments of the company. Support costs are those incurred directly in support of expenditure on the objects of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Building improvements	- 10% on cost
Equipment & furnishings	- 20% on cost

Taxation
The charity is exempt from corporation tax on its charitable activities.

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 Company and which have not been designated for other purposes.

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

continued...

2. ACCOUNTING POLICIES - continued

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

Investment income, gains and losses are allocated to the appropriate fund.

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 the 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 presented as 'Gains/(losses) on investments' in the Statement of financial activities.

Listed investments are stated at fair value, being market value at the balance sheet date.

Investment properties are measured at their fair value at the balance sheet date based on an assessment by the trustees of the market value with reference to valuations and the current property market.

Programme related loans in the form of investments are stated at cost less any repayments and impairment.

Leases
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the term of the lease.

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

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.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Liabilities
Liabilities and provisions 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.

Financial instruments
The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

continued...

2. ACCOUNTING POLICIES - continued

The Company is a member of a defined benefits pension scheme. The scheme is a multi-employer plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period. Deficit recovery contributions are accounted for as the plan is agreed and discounted.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	82,524	90,441
Legacies	6,000	6,504
	88,524	96,945

4. INVESTMENT INCOME

	2023	2022
	£	£
Income from investment properties	75,988	75,334
Dividend income	313,325	298,441
Bank interest	2,490	1,150
	391,803	374,925

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Income from guests and residents	32,632	16,421
	32,632	16,421

All income in the above years was unrestricted.

6. OTHER INCOME

	2023	2022
	£	£
Royalties	14	-
Sundry Income	1,579	726
Room hire	810	870
	2,403	1,596

continued...

7. RAISING FUNDS

Investment Management Costs are split between the following funds:

	2023	2022
	£	£
General fund	26,613	28,052
Kelham College fund	20,183	19,404
Southern Africa fund	9,120	9,030
	55,916	56,486

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Grant funding of activities (see note 10)	Support costs (see note 11)	Totals
	£	£	£	£
Grant funding of activities	-	222,222	-	222,222
Support costs	-	-	12,113	12,113
Activities undertaken directly	482,293	-	-	482,293
Governance costs	-	-	21,016	21,016
	482,293	222,222	33,129	737,644

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	162,650	144,509
Depreciation	107,376	80,770
Community costs	199,374	203,170
Travel and transport	510	1,191
Furniture and equipment	555	983
Publicity	105	105
Administration	11,723	11,206
	482,293	441,931

10. GRANTS PAYABLE

	2023	2022
	£	£
Grant funding of activities	222,222	210,499

continued...

11. SUPPORT COSTS

	2023	2022
	£	£
Trustees' expenses	578	545
Bank charges	650	721
Auditor's remuneration	13,500	10,500
Legal and professional	10,884	15,430
Accountancy and payroll	7,517	9,678
	33,129	36,874

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	107,376	80,770

13. TRUSTEES' REMUNERATION AND BENEFITS

Some of the Trustees are professed members of the Society. They donate their earnings to the Society and have their living expenses borne by the Society.

The Trustees received no remuneration or other benefits in connection with their duties as trustees.

Trustees' expenses

During the year expenses of £578 were reimbursed to the Trustees in respect of travel and subsistence costs (2022: £545 to the Trustees).

14. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	146,099	128,503
Social security costs	6,375	4,781
Contributions to defined contribution pension schemes	10,176	11,225
	162,650	144,509

Key management personnel comprise the Trustees of the society, none of whom are remunerated.

The average monthly number of employees during the year was as follows:

	2023	2022
Employees	7	7

No employees received emoluments in excess of £60,000.

continued...

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	96,945	-	96,945
Charitable activities			
Income from charitable activities	16,421	-	16,421
Investment income	221,844	153,081	374,925
Other income	1,596	-	1,596
Total	336,806	153,081	489,887
EXPENDITURE ON			
Raising funds	28,052	28,434	56,486
Charitable activities			
Grant funding of activities	15,009	195,490	210,499
Support costs	20,634	720	21,354
Activities undertaken directly	441,550	384	441,934
Governance costs	15,520	-	15,520
Total	520,765	225,028	745,793
Net gains/(losses) on investments	(745,755)	(778,354)	(1,524,109)
NET INCOME/(EXPENDITURE)	(929,714)	(850,301)	(1,780,015)
Transfers between funds	(3,470)	3,470	-
Net movement in funds	(933,184)	(846,831)	(1,780,015)
RECONCILIATION OF FUNDS			
Total funds brought forward	10,052,403	5,776,251	15,828,654
TOTAL FUNDS CARRIED FORWARD	9,119,219	4,929,420	14,048,639

continued...

16. TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Equipment & furnishings £	Totals £
COST				
At 1 January 2023	1,131,173	811,525	27,391	1,970,089
Additions	-	(6,760)	2,126	(4,634)
At 31 December 2023	1,131,173	804,765	29,517	1,965,455
DEPRECIATION				
At 1 January 2023	218,704	171,530	13,841	404,075
Charge for year	20,357	81,344	5,675	107,376
At 31 December 2023	239,061	252,874	19,516	511,451
NET BOOK VALUE				
At 31 December 2023	892,112	551,891	10,001	1,454,004
At 31 December 2022	912,469	639,995	13,550	1,566,014

Included in land and buildings is freehold land at a cost of £113,334 (2022: £113,334) which is not depreciated.

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2023	9,290,952
Additions	3,115,846
Disposals	(3,151,396)
Revaluations	213,855
At 31 December 2023	9,469,257
NET BOOK VALUE	
At 31 December 2023	9,469,257
At 31 December 2022	9,290,952

There were no investment assets outside of the UK.

Cost or valuation at 31 December 2023 is represented by:

	Listed investments £
Valuation in 2023	9,469,257

continued...

18. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2023 and 31 December 2023	2,900,002
NET BOOK VALUE	
At 31 December 2023	2,900,002
At 31 December 2022	2,900,002

If investment property had not been revalued it would have been included at the following historical cost:

Cost £888,247

Investment property was valued on an open market basis desktop appraisal on 9 January 2024 by RICS Registered Valuers, Gerwyn Bryan Property Solutions.

The trustees consider that this valuation represents market value.

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	31,739	13,539
Prepayments and accrued income	45,731	7,376
	77,470	20,915

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	50,314	5,805
Social security and other taxes	2,780	2,396
Other creditors	644	153
Accruals and deferred income	39,516	37,264
	93,254	45,618

Deferred income totalling £5,627 (2022: £5,175) relates to rental income in relation to the year ended 31 December 2024.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	1,454,004	-	1,454,004	1,566,014
Investments	7,398,449	4,970,810	12,369,259	12,190,954
Current assets	266,106	-	266,106	337,289
Current liabilities	(93,254)	-	(93,254)	(45,618)
	9,025,305	4,970,810	13,996,115	14,048,639

continued...

22. MOVEMENT IN FUNDS

	At 1.1.23 £	Net movement in funds £	At 31.12.23 £
Unrestricted funds			
General fund	7,119,218	(93,913)	7,025,305
Care of the elderly	2,000,000	-	2,000,000
	9,119,218	(93,913)	9,025,305
Restricted funds			
Kelham College fund	3,360,389	78,363	3,438,752
Durham fund	17,502	-	17,502
Southern Africa fund	1,551,530	(36,974)	1,514,556
	4,929,421	41,389	4,970,810
TOTAL FUNDS	14,048,639	(52,524)	13,996,115

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	352,133	(555,758)	109,712	(93,913)
Restricted funds				
Kelham College fund	112,739	(115,282)	80,906	78,363
Southern Africa fund	50,490	(122,520)	35,056	(36,974)
	163,229	(237,802)	115,962	41,389
TOTAL FUNDS	515,362	(793,560)	225,674	(52,524)

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	8,052,403	(929,715)	(3,470)	7,119,218
Care of the elderly	2,000,000	-	-	2,000,000
	10,052,403	(929,715)	(3,470)	9,119,218
Restricted funds				
Kelham College fund	3,902,170	(545,251)	3,470	3,360,389
Durham fund	18,606	(1,104)	-	17,502
Southern Africa fund	1,855,475	(303,945)	-	1,551,530
	5,776,251	(850,300)	3,470	4,929,421
TOTAL FUNDS	15,828,654	(1,780,015)	-	14,048,639

continued...

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	336,806	(520,766)	(745,755)	(929,715)
Restricted funds				
Kelham College fund	104,650	(118,123)	(531,778)	(545,251)
Durham fund	-	(1,104)	-	(1,104)
Southern Africa fund	48,431	(105,800)	(246,576)	(303,945)
	153,081	(225,027)	(778,354)	(850,300)
TOTAL FUNDS	489,887	(745,793)	(1,524,109)	(1,780,015)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
Unrestricted funds				
General fund	8,052,403	(1,023,628)	(3,470)	7,025,305
Care of the elderly	2,000,000	-	-	2,000,000
	10,052,403	(1,023,628)	(3,470)	9,025,305
Restricted funds				
Kelham College fund	3,902,170	(466,888)	3,470	3,438,752
Durham fund	18,606	(1,104)	-	17,502
Southern Africa fund	1,855,475	(340,919)	-	1,514,556
	5,776,251	(808,911)	3,470	4,970,810
TOTAL FUNDS	15,828,654	(1,832,539)	-	13,996,115

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	688,939	(1,076,524)	(636,043)	(1,023,628)
Restricted funds				
Kelham College fund	217,389	(233,405)	(450,872)	(466,888)
Durham fund	-	(1,104)	-	(1,104)
Southern Africa fund	98,921	(228,320)	(211,520)	(340,919)
	316,310	(462,829)	(662,392)	(808,911)
TOTAL FUNDS	1,005,249	(1,539,353)	(1,298,435)	(1,832,539)

continued...

22. MOVEMENT IN FUNDS - continued

General funds
The General Fund exists to provide a base for the generation of investment income to meet the operating costs of the charity. The charity is currently reviewing its strategic plan and will be developing a Reserves approach driven by that strategic plan.

Designated funds
Care of the elderly
The charity has designated a fund for the care of the elderly professed members of the society. They are all aged over 75 and the charity is committed to meeting all living and care costs during their lifetimes. The amount is difficult to quantify, and the amount of this designation is kept under review.

Restricted funds
Kelham College Fund
The Kelham College fund arises from a transfer from the Kelham Theological College Fund on 1 January 2004. The fund is used for the training of persons intending to take Holy Orders in the Church of England or any Church in communion with it, the training for mission of members of the Church of England or any church in communion with it and the training or education of persons working for the extension of Christ's Kingdom in any way connected with the Church of England or any Church in communion with it.

Durham Fund
This represents grant income received to fund recovery days at St Antony's Priory, Durham.

Southern Africa Fund
The Southern Africa restricted fund comprises of funds solely to support the mission of the independent SSM Province of Southern Africa.

23. EMPLOYEE BENEFIT OBLIGATIONS

Society of the Sacred Mission 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 each specific Responsible Body, and this means 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 £7,070 in 2023 (2022: £9,323), plus any figures arising from contributions in respect of the Scheme's deficit (see below). The 2021 valuation showed the Scheme to be fully funded and as such in 2023, following the valuation results being agreed, the deficit contributions paid were £0.

A valuation of the scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m assessed using the following assumptions:

- An average discount rate of 2.7% p.a;
- RPI inflation of 3.6% p.a (and pensions increases consistent with this);
- CPIH inflation in line with RPI less 0.8% pre 2030 moving to RPI with no adjustment from 2030 onwards;
- Increase in pensionable stipends in line with CPIH;
- Mortality in accordance with the 90% of the S3NA VL tables, with allowance for improvements in mortality rates from 2013 in line with the CMI2020 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 data of 0% (i.e w2020 = 0%).

continued...

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

Following finalisation of the 31 December 2021 valuation, deficit contributions ceased with effect from 1 January 2023, since the Scheme was fully funded.

The deficit recovery contributions under the recovery plan in force at each 31 December were as follows:

	% of pensionable stipends
31 December 2021	7.1% payable from January 2021 to December 2022
31 December 2022	Nil
31 December 2023	Nil

An interim reduction to deficit contributions to 3.2% of pensionable stipends was made with effect from April 2022, and remained in place until December 2022.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2023 and over 2022 is set out in the table below.

	2023	2022
Balance sheet liability at 1 January	-	2,000
Deficit contributions paid	-	(1,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability*(recognised in SoFA)	-	(1,000)
Balance sheet liability at 31 December	-	-

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

The liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions. No assumptions are needed for December 2022 as there are no agreed deficit recovery payments going forward. No price inflation assumption was needed for December 2021 since pensionable stipends for the remainder of the recovery plan were already known.:

	December 2023	December 2022	December 2021
Discount rate	N/A	N/A	0.0% pa
Price inflation	N/A	N/A	N/A
Increase to total pensionable payroll	N/A	N/A	-1.5%p.a

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

continued...

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

25. FINANCIAL INSTRUMENTS

	2023	2022
Financial assets	£	£
Financial assets measured at fair value through income and expenditure	12,369,259	12,190,954
	12,369,259	12,190,954

26. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

SOCIETY OF THE SACRED MISSION

England & Wales - Charity number 1101444

Accounts

REGISTERED COMPANY NUMBER: 04943183 (England and Wales)
REGISTERED CHARITY NUMBER: 1101444

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

SOCIETY OF THE SACRED MISSION
(A COMPANY LIMITED BY GUARANTEE)

SOCIETY OF THE SACRED MISSION

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2022 to 31 December 2022. The annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's objectives are set out in the memorandum of association. The Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The Charity exists for the purposes set out in its Articles revised in 2020:

'The objects of the Charity, for the benefit of the public, the advancement of the Christian religion by the following means:

a. The conduct of a recognised religious community of the Church of England known as the Society of the Sacred Mission;

b. The pursuit of any purpose, charitable according to the law of England and Wales which is calculated to express the Gospel in practical form.'

The aims of the Society are to support and encourage those who wish to prepare and train for Christian ministry in all its forms and by so doing assist and pastor those wishing to affirm and come to a life enhancing knowledge of the Christian faith.

The Society undertakes charitable activities within the fields of Christian ministry, spirituality and education. This has been the Society's policy since its inception. The principal areas in which the Society is currently involved are supporting theological education and training, in addition to providing grant funding in support of projects consistent with its aims and objectives. Specific activities include the operation of St Antony's Priory as a Christian spirituality centre that provides spiritual direction and the training and ongoing support of spiritual directors, together with retreat accommodation and quiet days for individuals and groups. There is a regular timetable of worship in the Chapel, and the library is available for theological study. New work includes a project to develop an Institute for Anglican Religious Life.

The Charity also administers restricted funds for the benefit of the independent SSM province of Southern Africa and the Kelham Theological College Fund for grants in support of training for ministry.

The trustees confirm that in developing and undertaking activities by the Society, they are mindful of their obligations to ensure that they are furthering the charity's purposes for the public benefit and have had due regard to the guidance published by the Charity Commission in this respect.

Grant-making policies

The responsibility for making decisions on grant making rests with the Trustees. Grants are considered by the trustees twice per year, and they may also be considered by correspondence. An annual budget for grants is agreed by the trustees. Grants are provided through the Kelham Theological College Fund established for the specific purpose of supporting ministry training and theological education. The Society also supports wider Christian related activities and projects through discretionary grants from its General Fund.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIC REPORT
Achievement and performance
Report from the chairman

In 2022 the Trustees initiated a governance review, supported by our solicitors, to include consideration of the charitable objects, corporate strategy, schemes of delegation and staff contracts, amongst other things. This has proved to be a worthwhile exercise and we hope to complete it in 2023.

The Charity's principal activities include the support of the professed members of the Society, the distribution of grants, and the operation of St Antony's Priory as a Christian spirituality centre.

Sadly, Fr Frank died in July, aged 98. The funeral service was held in Willen Parish Church, with Fr Jonathan presiding and Fr Robert preaching. Fr Edmund remains in Westbury Grange care home, Fr Jonathan lives independently in Newport Pagnell, and Fr Robert continues to assist in the parish of St John the Divine, Kennington. Fr Andrew, in Yokohama, keeps in touch via Fr Jonathan.

It has been a good year for St Antony's Priory. Over the summer months, the Cottage guest house underwent extensive refurbishment, reopening in October with very positive feedback from guests. A major part of the work of the Priory involves the provision and training of Spiritual Directors. We administer a network of more than 70 spiritual directors, who between them are accompanying approximately 350 people. In September, a completely revised training course was relaunched, with an intake of 14. It is hoped that a second cohort will be recruited in 2023. With the ending of lockdown restrictions in early 2022, the chapel congregation has grown to become a viable worshipping community. And over the course of 2022 a scoping project to explore the setting up of an Institute for Anglican Religious Life was warmly endorsed by the Trustees. Further development of this work will continue through 2023.

The Society administers the Kelham Theological College Fund (KTC) which exists to fund training for ministry, broadly understood. Twelve grants were awarded in 2022, which supported the Healing of Memories Institute in South Africa, pastoral assistant programmes in London and in Oxford, and support for a number of students and serving clergy to undertake courses of theological study.

We also make grants to SSM Southern Africa, from a restricted fund established to support their work. It has been necessary to develop new administrative protocols and we are confident of a good working relationship between the two organisations going forward.

The Charity retains ownership of properties in Milton Keynes, currently leased to Willen Hospice. Consideration will, in due course, need to be given to the future of these holdings as part of the ongoing strategic review.

I also wish to thank the Director, Staff and Trustees for all their hard work during the past year.

Financial review
Results for the year

Results for the year: Income for the year was £489,887 (2021: £2,223,127). Expenditure for the year was £745,793 (2021: £600,160). Net income/(expenditure) before investment gains was (£255,906) (2021: £1,622,967). Net investment losses for the year were £1,524,109 (2021: gains of £1,108,250) together with net expenditure before investment losses of £255,906, accounting for the overall decrease in funds during the year from £15,828,654 (2021) to £14,048,639.

Principal funding

The principal funding streams are derived from the donations of income from the professed members and investment income from the investment portfolios held.

Material investments policy

The Society operates an actively managed investment portfolio of equities and bonds which has been reviewed during the year to provide a greater emphasis on income generation rather than capital growth. The Society seeks to avoid direct investments in military-related and tobacco-related holdings and concentrate upon ethical securities.

The Society's primary investments were managed by Rathbones during the year with some short-term cash deposits also held.

STRATEGIC REPORT

Financial review

Reserves policy

The Society's reserve policy focuses on the level of 'free reserves'. Free reserves exclude restricted funds, designated funds and the net book value of the Society's tangible fixed assets and investment property. At the year-end free reserves amounted to £2,656,672 (2021: £3,809,225).

The Society seeks to maintain sufficient free reserves to manage the risks to which the charity is exposed in the course of its business, including, but not limited to, safeguarding against volatile income.

The Charity has designated £2m of its funding for the care of the Professed, all of whom are elderly. It recognizes its need to provide for the ongoing care of these men. The amount is an estimate of costs and remains under review. Our first Charitable Object is the conduct of the religious community, and we believe that this designation is sufficient for the maintenance of the members of the order.

The Charity's reserves are held at their current level to enable the generation of income to match the bulk of its operating costs. It generates some income from operational activities. The Charity is currently reviewing its strategic objectives, which may include new activities that both require capital investment and may generate additional funding streams. The Charity will keep its reserves under review in order to make the best use of its financial assets for the strategic purposes of the Charity.

The remaining balance of unrestricted reserves £7,122,688 has decreased during the year resulting from investment losses. These reserves are considered by the Trustees to be more than adequate to meet future additional designations in addition to providing substantial capital grants in support of projects consistent with the Society's aims and objectives.

Plans for future period

The Charity will continue its core objectives and the ongoing activities outlines above. It will keep its activities under review and will seek to strengthen further its Board. It will maintain and improve its buildings and look for ways to further its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board has strategic oversight of the Charity and it has been in the past year reviewed its skills and membership needs. It is actively seeking to recruit additional members.

Day to day running of the Charity in its operations at St Antony's and its grant making is delegated to the Director, Fr Nicholas Buxton and his able team of dedicated staff. The Financial Manual gives clarity on Financial processes and delegations.

The Board meets by zoom or in person four to six times a year as needed and conducts urgent business by correspondence. It is aware that it needs new and more members and is actively looking at options for this. The Board discusses and agrees staff pay reviews by comparing with market rates and the circumstances at the time of the annual review.

The Charity has no subsidiaries or trading arm and the only close relationship is with the independent province SSM Southern Africa which the Charity supports through a Restricted Fund, advised by an Advisory Group.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04943183 (England and Wales)

Registered Charity number
1101444

Registered office
St Antony's Priory
74 Claypath
Durham
DH1 1QT

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees
Revd Canon S J Bamber
Fr J Ewer
S Hogg Chair of Trustees (resigned 11/5/2022)
Fr R Stretton
M Tomlinson
The Ven R G Cooper
Rev Canon S Jones (appointed 2/2/2023)

Auditors
Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Solicitors
Wrigleys Solicitors LLP
19 Cookbridge Street
Leeds
LS2 3AG

Accountants
Ribchesters Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

TRUSTEES' RESPONSIBILITY STATEMENT
The trustees (who are also the directors of Society of the Sacred Mission for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

AUDITORS

The auditors, Haines Watts North East Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 10/7/2023 and signed on the board's behalf by:

Shaile Bamber

Revd Canon S J Bamber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

Opinion

We have audited the financial statements of Society of the Sacred Mission (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2022 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
As explained more fully in the Trustees' Responsibilities Statement, 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.

Our 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 a Report of the Independent Auditors 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.

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities SORP (FRS 102) 'Accounting and Reporting by Charities, Companies Act 2006 and UK GAAP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:
- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

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 auditors' 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.

S Easton

Stephen Easton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Date: 10/7/2023

SOCIETY OF THE SACRED MISSION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	96,945	-	96,945	1,886,827
Charitable activities	5				
Income from charitable activities		16,421	-	16,421	13,398
Investment income	4	221,844	153,081	374,925	313,725
Other income	6	1,596	-	1,596	9,177
Total		336,806	153,081	489,887	2,223,127
EXPENDITURE ON					
Raising funds	7	28,052	28,434	56,486	41,601
Charitable activities	8				
Grant funding of activities		15,009	195,490	210,499	82,694
Support costs		20,634	720	21,354	20,708
Activities undertaken directly		441,550	384	441,934	443,668
Governance costs		15,520	-	15,520	11,489
Total		520,765	225,028	745,793	600,160
Net gains/(losses) on investments		(745,755)	(778,354)	(1,524,109)	1,108,250
NET INCOME/(EXPENDITURE)		(929,714)	(850,301)	(1,780,015)	2,731,217
Transfers between funds	22	(3,470)	3,470	-	-
Net movement in funds		(933,184)	(846,831)	(1,780,015)	2,731,217
RECONCILIATION OF FUNDS					
Total funds brought forward		10,052,403	5,776,251	15,828,654	13,097,437
TOTAL FUNDS CARRIED FORWARD		9,119,219	4,929,420	14,048,639	15,828,654

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

BALANCE SHEET
31 DECEMBER 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	16	1,566,014	1,341,176
Investments			
Investments	17	9,290,952	11,435,996
Investment property	18	2,900,002	2,900,002
		13,756,968	15,677,174
CURRENT ASSETS			
Debtors	19	20,915	48,065
Cash at bank and in hand		316,374	156,210
		337,289	204,275
CREDITORS			
Amounts falling due within one year	20	(45,618)	(50,795)
NET CURRENT ASSETS		291,671	153,480
TOTAL ASSETS LESS CURRENT LIABILITIES		14,048,639	15,830,654
PENSION LIABILITY	23	-	(2,000)
NET ASSETS		14,048,639	15,828,654
FUNDS	22		
Unrestricted funds		9,119,218	10,052,403
Restricted funds		4,929,421	5,776,251
TOTAL FUNDS		14,048,639	15,828,654

The financial statements were approved by the Board of Trustees and authorised for issue on 10/7/2023 and were signed on its behalf by:

Shaun Bamber.

Canon S J Bamber - Trustee

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(454,754)	(219,553)
Net cash used in operating activities		(454,754)	(219,553)
Cash flows from investing activities			
Purchase of tangible fixed assets		(305,608)	(680)
Purchase of fixed asset investments		(1,724,154)	(1,716,321)
Sale of fixed asset investments		2,345,089	1,523,850
Dividend income		298,441	238,623
Interest received		1,150	79
Net cash provided by investing activities		614,918	45,551
Change in cash and cash equivalents in the reporting period		160,164	(174,002)
Cash and cash equivalents at the beginning of the reporting period		156,210	330,212
Cash and cash equivalents at the end of the reporting period		316,374	156,210

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(1,780,015)	2,731,217
Adjustments for:		
Depreciation charges	80,770	75,812
Losses/(gain) on investments	1,524,109	(1,108,250)
Interest received	(1,150)	(79)
Dividends and rents received	(298,441)	(238,623)
Transfer of SSM (SA) donation	-	(1,653,820)
Decrease/(increase) in debtors	27,150	(25,451)
(Decrease)/increase in creditors	(5,177)	1,641
Difference between pension charge and cash contributions	(2,000)	(2,000)
Net cash used in operations	(454,754)	(219,553)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	156,210	160,164	316,374
	156,210	160,164	316,374
Total	156,210	160,164	316,374

The notes form part of these financial statements

1. GENERAL INFORMATION

The Society of the Sacred Mission is a charity registered in England and Wales with the Charity Commission and is a company limited by guarantee.

The Charity's registered office is St Antony's Priory, 74 Claypath, Durham DH1 1QT. Its principal activity is set out in the Trustees' Report and relates to Christian ministry.

The financial statements are presented in the charity's functional currency of sterling and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Society of the Sacred Mission meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of listed investments where valuations can be subject to variations arising from external factors which can impact on the future actual results.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

Critical areas of judgement:

Valuations of investment properties where the trustees have considered the information available to them and made a judgement accordingly.

Going concern
The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of events. The directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

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

continued...

2. ACCOUNTING POLICIES - continued

Income
The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on receipt.

Investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Expenditure on raising funds includes those incurred in managing the investments of the company. Support costs are those incurred directly in support of expenditure on the objects of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Building improvements	- 10% on cost
Equipment & furnishings	- 20% on cost

Taxation
The charity is exempt from corporation tax on its charitable activities.

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 Company and which have not been designated for other purposes.

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

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2. ACCOUNTING POLICIES - continued

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

Investment income, gains and losses are allocated to the appropriate fund.

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 the 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 presented as 'Gains/(losses) on investments' in the Statement of financial activities.

Listed investments are stated at fair value, being market value at the balance sheet date.

Investment properties are measured at their fair value at the balance sheet date based on an assessment by the trustees of the market value with reference to valuations and the current property market.

Programme related loans in the form of investments are stated at cost less any repayments and impairment.

Leases
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the term of the lease.

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

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.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Liabilities
Liabilities and provisions 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.

Financial instruments
The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

continued...

2. ACCOUNTING POLICIES - continued

Investments
The Company is a member of a defined benefits pension scheme. The scheme is a multi-employer plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period. Deficit recovery contributions are accounted for as the plan is agreed and discounted.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	90,441	1,881,827
Legacies	6,504	5,000
	96,945	1,886,827

Donations totalling £1,781,446 were restricted to the Southern Africa fund in 2021.

4. INVESTMENT INCOME

	2022	2021
	£	£
Income from investment properties	75,334	75,023
Dividend income	298,441	238,623
Bank interest	1,150	79
	374,925	313,725

5. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Income from guests and residents	16,421	13,398
	16,421	13,398

All income in the above years was unrestricted.

6. OTHER INCOME

	2022	2021
	£	£
Royalties	-	99
Sundry Income	726	8,438
Room hire	870	640
	1,596	9,177

All income in the above years was unrestricted

continued...

7. RAISING FUNDS

Investment Management Costs are split between the following funds:

	2022	2021
	£	£
General fund	28,052	18,382
Kelham College fund	19,404	21,082
Southern Africa fund	9,030	2,137
	56,486	41,601

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Grant funding of activities (see note 10)	Support costs (see note 11)	Totals
	£	£	£	£
Grant funding of activities	-	210,499	-	210,499
Support costs	-	-	21,354	21,354
Activities undertaken directly	441,934	-	-	441,934
Governance costs	-	-	15,520	15,520
	441,934	210,499	36,874	689,307

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	144,509	117,953
Depreciation	80,770	75,812
Community costs	203,170	232,607
Travel and transport	1,191	465
Furniture and equipment	983	9,223
Publicity	105	748
Administration	11,206	6,860
	441,934	443,668

10. GRANTS PAYABLE

	2022	2021
	£	£
Grant funding of activities	210,499	82,694

continued...

11. SUPPORT COSTS

	2022	2021
	£	£
Trustees' expenses	545	1,309
Bank charges	721	762
Auditor's remuneration	10,500	11,489
Legal and professional	15,430	9,213
Accountancy and payroll	9,678	9,424
	36,874	32,197

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	80,770	75,812

13. TRUSTEES' REMUNERATION AND BENEFITS

Some of the Trustees are professed members of the Society. They donate their earnings to the Society and have their living expenses borne by the Society.

The Trustees received no remuneration or other benefits in connection with their duties as trustees.

Trustees' expenses

During the year expenses of £545 were reimbursed to 3 Trustees in respect of travel and subsistence costs (2021: £1,309 to 4 Trustees).

14. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	128,503	105,801
Social security costs	4,781	2,784
Contributions to defined contribution pension schemes	11,225	9,368
	144,509	117,953

Key management personnel comprise the Trustees of the society, none of whom are remunerated.

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	7	7

No employees received emoluments in excess of £60,000.

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15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	105,381	1,781,446	1,886,827
Charitable activities			
Income from charitable activities	13,398	-	13,398
Investment income	210,796	102,929	313,725
Other income	9,177	-	9,177
Total	338,752	1,884,375	2,223,127
EXPENDITURE ON			
Raising funds	18,382	23,219	41,601
Charitable activities			
Grant funding of activities	23,404	59,290	82,694
Support costs	20,708	-	20,708
Activities undertaken directly	443,668	-	443,668
Governance costs	11,489	-	11,489
Total	517,651	82,509	600,160
Net gains on investments	564,140	544,110	1,108,250
NET INCOME	385,241	2,345,976	2,731,217
RECONCILIATION OF FUNDS			
Total funds brought forward	9,667,162	3,430,275	13,097,437
TOTAL FUNDS CARRIED FORWARD	10,052,403	5,776,251	15,828,654

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16. TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Equipment & furnishings £	Totals £
COST				
At 1 January 2022	1,131,173	511,405	21,903	1,664,481
Additions	-	300,120	5,488	305,608
At 31 December 2022	1,131,173	811,525	27,391	1,970,089
DEPRECIATION				
At 1 January 2022	198,347	115,665	9,293	323,305
Charge for year	20,357	55,865	4,548	80,770
At 31 December 2022	218,704	171,530	13,841	404,075
NET BOOK VALUE				
At 31 December 2022	912,469	639,995	13,550	1,566,014
At 31 December 2021	932,826	395,740	12,610	1,341,176

Included in land and buildings is freehold land at a cost of £113,334 (2021: £113,334) which is not depreciated.

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	11,435,996
Additions	1,724,154
Disposals	(2,091,884)
Revaluations	(1,777,314)
At 31 December 2022	9,290,952
NET BOOK VALUE	
At 31 December 2022	9,290,952
At 31 December 2021	11,435,996

There were no investment assets outside of the UK.

Cost or valuation at 31 December 2022 is represented by:

	Listed investments £
Valuation in 2022	9,290,952

continued...

18. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2022 and 31 December 2022	2,900,002
NET BOOK VALUE	
At 31 December 2022	2,900,002
At 31 December 2021	2,900,002

If investment property had not been revalued it would have been included at the following historical cost:

Cost £888,247

Investment property was valued on an open market basis desktop appraisal on 10 January 2023 by RICS Registered Valuers, Gerwyn Bryan Property Solutions.

The trustees consider that this valuation represents market value.

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	13,539	31,500
Prepayments and accrued income	7,376	16,565
	20,915	48,065

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	5,805	2,086
Social security and other taxes	2,396	1,713
Other creditors	153	190
Accruals and deferred income	37,264	46,806
	45,618	50,795

Deferred income totalling £5,175 (2021: £4,746) relates to rental income in relation to the year ended 31 December 2023.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Fixed assets	1,566,014	-	1,566,014	1,341,176
Investments	7,261,533	4,929,421	12,190,954	14,335,998
Current assets	337,289	-	337,289	204,275
Current liabilities	(45,618)	-	(45,618)	(50,795)
Pension liability	-	-	-	(2,000)
	9,119,218	4,929,421	14,048,639	15,828,654

continued...

22. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	8,052,403	(929,715)	(3,470)	7,119,218
Care of the elderly	2,000,000	-	-	2,000,000
	10,052,403	(929,715)	(3,470)	9,119,218
Restricted funds				
Kelham College fund	3,902,170	(545,251)	3,470	3,360,389
Durham fund	18,606	(1,104)	-	17,502
Southern Africa fund	1,855,475	(303,945)	-	1,551,530
	5,776,251	(850,300)	3,470	4,929,421
TOTAL FUNDS	15,828,654	(1,780,015)	-	14,048,639

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	336,806	(520,766)	(745,755)	(929,715)
Restricted funds				
Kelham College fund	104,650	(118,123)	(531,778)	(545,251)
Durham fund	-	(1,104)	-	(1,104)
Southern Africa fund	48,431	(105,800)	(246,576)	(303,945)
	153,081	(225,027)	(778,354)	(850,300)
TOTAL FUNDS	489,887	(745,793)	(1,524,109)	(1,780,015)

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	7,667,162	385,241	8,052,403
Care of the elderly	2,000,000	-	2,000,000
	9,667,162	385,241	10,052,403
Restricted funds			
Kelham College fund	3,408,196	493,974	3,902,170
Durham fund	22,079	(3,473)	18,606
Southern Africa fund	-	1,855,475	1,855,475
	3,430,275	2,345,976	5,776,251
TOTAL FUNDS	13,097,437	2,731,217	15,828,654

continued...

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	338,752	(517,651)	564,140	385,241
Restricted funds				
Kelham College fund	91,753	(63,843)	466,064	493,974
Durham fund	-	(3,473)	-	(3,473)
Southern Africa fund	1,792,622	(15,193)	78,046	1,855,475
	1,884,375	(82,509)	544,110	2,345,976
TOTAL FUNDS	2,223,127	(600,160)	1,108,250	2,731,217

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
Unrestricted funds				
General fund	7,667,162	(544,474)	(3,470)	7,119,218
Care of the elderly	2,000,000	-	-	2,000,000
	9,667,162	(544,474)	(3,470)	9,119,218
Restricted funds				
Kelham College fund	3,408,196	(51,277)	3,470	3,360,389
Durham fund	22,079	(4,577)	-	17,502
Southern Africa fund	-	1,551,530	-	1,551,530
	3,430,275	1,495,676	3,470	4,929,421
TOTAL FUNDS	13,097,437	951,202	-	14,048,639

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	675,558	(1,038,417)	(181,615)	(544,474)
Restricted funds				
Kelham College fund	196,403	(181,966)	(65,714)	(51,277)
Durham fund	-	(4,577)	-	(4,577)
Southern Africa fund	1,841,053	(120,993)	(168,530)	1,551,530
	2,037,456	(307,536)	(234,244)	1,495,676
TOTAL FUNDS	2,713,014	(1,345,953)	(415,859)	951,202

continued...

22. MOVEMENT IN FUNDS - continued

General funds
The General Fund exists to provide a base for the generation of investment income to meet the operating costs of the charity. The charity is currently reviewing its strategic plan and will be developing a Reserves approach driven by that strategic plan.

Designated funds
Care of the elderly
The charity has designated a fund for the care of the elderly professed members of the society. They are all aged over 75 and the charity is committed to meeting all living and care costs during their lifetimes. The amount is difficult to quantify, and the amount of this designation is kept under review.

Restricted funds
Kelham College Fund
The Kelham College fund arises from a transfer from the Kelham Theological College Fund on 1 January 2004. The fund is used for the training of persons intending to take Holy Orders in the Church of England or any Church in communion with it, the training for mission of members of the Church of England or any church in communion with it and the training or education of persons working for the extension of Christ's Kingdom in any way connected with the Church of England or any Church in communion with it.

Durham Fund
This represents grant income received to fund recovery days at St Antony's Priory, Durham.

Southern Africa Fund
The Southern Africa restricted fund comprises of funds solely to support the mission of the independent SSM Province of Southern Africa.

23. EMPLOYEE BENEFIT OBLIGATIONS

Society of the Sacred Mission 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. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means 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 (2022: £9,323, 2021: £10,031).

A valuation of the scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2021. The 2021 valuation revealed a surplus of £560m, based on assets of £2,720m and a funding target of £2,160m assessed using the following assumption

- An average discount rate of 2.7% p.a;
- RPI inflation of 3.6% p.a (and pensions increases consistent with this);
- Increase in pensionable stipends in line with CPIH;

continued...

23. EMPLOYEE BENEFIT OBLIGATIONS - continued

- Mortality in accordance with the 90% of the S3NA VL tables, with allowance for improvements mortality rates in line with the CMI2020 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.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. However, as there are no agreed deficit recovery payments from 1 January 2023 onwards, the balance sheet liability as at 31 December 2022 is nil. The movement in the balance sheet liability over 2021 and over 2022 is set out in the table below.

	2022	2021
Balance sheet liability at 1 January	2,000	4,000
Deficit contributions paid	(1,000)	(2,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability*(recognised in SoFA)	(1,000)	-
Balance sheet liability at 31 December	-	2,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

The liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2022	December 2021	December 2020
Discount rate	N/A	0.0% pa	0.2% pa
Price inflation	N/A	N/A	3.1% pa
Increase to total pensionable payroll	N/A	-1.5% pa	1.6% pa

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

continued...

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

25. FINANCIAL INSTRUMENTS

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	12,190,954	14,335,998
	12,190,954	14,335,998

26. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

SOCIETY OF THE SACRED MISSION

England & Wales - Charity number 1101444

Accounts

REGISTERED COMPANY NUMBER: 04943183 (England and Wales)
REGISTERED CHARITY NUMBER: 1101444

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

FOR

SOCIETY OF THE SACRED MISSION
(A COMPANY LIMITED BY GUARANTEE)

SOCIETY OF THE SACRED MISSION

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2021 to 31 December 2021. The annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's objectives are set out in the memorandum of association. The Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The Charity exists for the purposes set out in its Articles revised in 2020:

'The objects of the Charity, for the benefit of the public, the advancement of the Christian religion by the following means:

a. The conduct of a recognised religious community of the Church of England known as the Society of the Sacred Mission;

b. The pursuit of any purpose, charitable according to the law of England and Wales which is calculated to express the Gospel in practical form.'

The aims of the Society are to support and encourage those who wish to prepare and train for Christian ministry in all its forms and by so doing assist and pastor those wishing to affirm and come to a life enchancing knowledge of the Christian faith.

The Society undertakes charitable activities within the fields of Christian ministry, spirituality and education. This has been the Society's policy since its inception. The principal areas in which the Society is currently involved are supporting theological education and training in addition to providing grant support for projects consistent with its aims and objectives. Its specific activities include a Spiritual Direction training programme, a retreat house and a place for quiet days and study including the use of its Library. The Charity has also supported a resident community. It also provides daily worship in the Chapel. New work is taking place to scope a potential stream of work on Anglican Religious Life.

The Charity also administers Restricted Funds for the support of the Southern African Province of SSM and another for grants (the Kelham Theological College Fund).

The trustees confirm that in developing and undertaking activities by the Society, they are mindful of their obligations to ensure that they are furthering the charity's purposes for the public benefit and have had due regard to the guidance published by the Charity Commission in this respect.

Grant-making policies

The responsibility for making decisions on grant making rests with the Trustees. Grants are considered by the trustees at their regular meetings, and they may also be considered by correspondence. An annual budget for grants is agreed by the trustees. Grants are provided through the Kelham Theological College Fund established for the specific purpose of supporting ministry training and theological education. The Society also supports wider Christian related activities and projects through discretionary grants from its General Fund.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

STRATEGIC REPORT
Achievement and performance
Report from the chairman

The Professed brethren remain few in number with two in Residential Care. Brother Andrew is still in Japan and Father Robert in London, both still providing ministry. Fr Jonathan lives in sheltered accommodation in Buckinghamshire and is still very active. The Trustees are committed to the support and care of these men.

Willen Hospice has continued to lease Willen Priory's buildings, and a new 3 year lease was signed at the beginning of April 2022.

Southern Africa continues in its mission and the relationship with that Province remains warm. SSM now holds the assets of SSM SA in a Restricted Fund, advised by an Advisory Group on the best use of that Fund.

At St Antony's, 2021 was another year of challenges and opportunities. The continuing pressures of the COVID pandemic curtailed activities and for much of the year there were no parish groups using the Priory and visitor numbers were low.

The Cottage continued to have guests when regulations allowed and a steady stream of visitors came. The Cottage has been particularly popular with clergy on retreat. In 2022 we will carry out a renovation of the Cottage, long overdue, which will mean closing the Cottage to visitors for several weeks.

The Chapel has continued to provide modern catholic worship with the daily offices, and regular masses on Sundays and weekdays. Highlights have included a very full Holy Week schedule and masses to mark Solemnities and SSM anniversaries.

Spiritual Direction training continues and we have employed a new member of staff to help develop and deliver this important work.

Early work has begun on scoping a project to research and determine resources required for a study of Anglican Religious Life in England.

The Residential Community has faced challenges in attracting people to join. The pandemic has made it harder to get people to come and try it out and throughout the year we have struggled to get more than two or three members at any time. In November 2021 the Director decided to suspend the Community, pending a careful reappraisal. This has not been an easy place to come to and trustees agreed that this is the time to pause and look afresh at our activities and priorities.

Grant Making continues through the Kelham Theological College Fund.

Financial review
Results for the year

Results for the year: Income for the year was £2,223,127 (2020: £455,873). Expenditure for the year was £602,160 (2020: £600,415). Net income/(expenditure) before investment gains was £1,620,967 (2020: (£144,542)). Net investment gains for the year were £1,108,250 (2020: losses of £474,333) together with net income before investment gains of £1,622,967 of £2,731,217, accounting for the overall increase in funds during the year from £13,097,437 (2020) to £15,828,654.

Principal funding

The principal funding streams are derived from the donations of income from the professed members and investment income from the investment portfolios held. Total income is usually less than £500.000 per year, however exceptionally for 2021, there was a one-off donation of £1,781,446 from Society of the Sacred Mission Southern Africa representing the transfer of its assets to Society of the Sacred Mission. Note 21 refers.

STRATEGIC REPORT

Financial review

Material investments policy

The Society operates an actively managed investment portfolio of equities and bonds which has been reviewed during the year to provide a greater emphasis on income generation rather than capital growth. The Society seeks to avoid direct investments in military-related and tobacco-related holdings and concentrate upon ethical securities.

The Society's primary investments were managed by Rathbones during the year with some short-term cash deposits also held.

Reserves policy

The Society's reserve policy focuses on the level of 'free reserves'. Free reserves exclude restricted funds, designated funds and the net book value of the Society's tangible fixed assets and investment property. At the year-end free reserves amounted to £3,809,225 (2020: £3,223,852).

The Society seeks to maintain sufficient free reserves to manage the risks to which the charity is exposed in the course of its business, including, but not limited to, safeguarding against volatile income.

The Charity has designated £2m of its funding for the care of the Professed, all of whom are elderly. It recognizes its need to provide for the ongoing care of these men. The amount is an estimate of costs and remains under review. Our first Charitable Object is the conduct of the religious community, and we believe that this designation is sufficient for the maintenance of the members of the order.

The charity's reserves are held at their current level to enable the generation of income to match most of its operating costs. It has limited other sources of income. However, the charity is in the early stages of planning for strategic initiatives and partnerships that may make use of capital sums, generate other sources of income and allow for new projects. The charity will keep its reserves under review and strive for a balance of income generating reserves and the best use of its financial assets for the strategic priorities of the charity.

The remaining balance of unrestricted reserves £8,052,403 has increased during the year resulting from investment gains. These reserves are considered by the Trustees to be more than adequate to meet future additional designations in addition to providing substantial capital grants in support of projects consistent with the Society's aims and objectives.

Plans for future period

The Charity will continue its core objectives and the ongoing activities outlines above. It will keep its activities under review and will seek to strengthen further its Board. It will maintain and improve its buildings and look for ways to further its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board has strategic oversight of the Charity and it has been in the past year reviewed its skills and membership needs. It is looking to recruit additional members.

Day to day running of the Charity in its operations at St Antony's and its grant making is delegated to the Director, Fr Nicholas Buxton and his able team of dedicated staff. The Financial Manual gives clarity on Financial processes and delegations.

The Board meets by zoom or in person four to six times a year as needed and conducts urgent business by correspondence. ot is aware that it needs new and more members and is actively looking at options for this. The Board discusses and agrees staff pay reviews by comparing with market rates and the circumstances at the time of the annual review.

The Charity has no subsidiaries or trading arm and the only close relationship is with SSM Southern Africa which the Charity supports through a Restricted Fund, advised by an Advisory Group.

We are hugely grateful to our trustee colleagues and to all the Staff at St Antony's. It is time to review what we offer and what we do best and the Board will take this forward in 2022.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04943183 (England and Wales)

Registered Charity number
1101444

Registered office
St Antony's Priory
74 Claypath
Durham
DH1 1QT

Trustees
Revd Canon S J Bamber
Fr J Ewer
S Hogg Chair of Trustees (resigned 11/5/2022)
Revd Prof K Straughan (resigned 25/8/2021)
Fr R Stretton
M Tomlinson
The Ven R G Cooper

Auditors
Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Solicitors
Wrigleys Solicitors LLP
19 Cookbridge Street
Leeds
LS2 3AG

Accountants
Ribchesters Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Society of the Sacred Mission for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 presume that the charitable company will continue in business.

TRUSTEES' RESPONSIBILITY STATEMENT - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts North East Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14/6/22 and signed on the board's behalf by:

Shale Bamber.

.....

Revd Canon S J Bamber - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

Opinion

We have audited the financial statements of Society of the Sacred Mission (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2021 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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
As explained more fully in the Trustees' Responsibilities Statement, 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.

Our 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 a Report of the Independent Auditors 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.

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

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities SORP (FRS 102) 'Accounting and Reporting by Charities, Companies Act 2006 and UK GAAP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

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 auditors' 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.

S Easton

Stephen Easton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Date: 14/6/22

SOCIETY OF THE SACRED MISSION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	105,381	1,781,446	1,886,827	92,435
Charitable activities	5				
Income from charitable activities		13,398	-	13,398	18,587
Investment income	4	210,796	102,929	313,725	336,029
Other income	6	9,177	-	9,177	8,822
Total		338,752	1,884,375	2,223,127	455,873
EXPENDITURE ON					
Raising funds		18,382	23,219	41,601	49,542
Charitable activities	7				
Grant funding of activities		23,404	59,290	82,694	79,590
Support costs		20,708	-	20,708	42,273
Activities undertaken directly		443,668	-	443,668	422,791
Governance costs		11,489	-	11,489	6,219
Total		517,651	82,509	600,160	600,415
Net gains/(losses) on investments		564,140	544,110	1,108,250	(474,333)
NET INCOME/(EXPENDITURE)		385,241	2,345,976	2,731,217	(618,875)
RECONCILIATION OF FUNDS					
Total funds brought forward		9,667,162	3,430,275	13,097,437	13,716,312
TOTAL FUNDS CARRIED FORWARD		10,052,403	5,776,251	15,828,654	13,097,437

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	15	1,341,176	1,416,308
Investments			
Investments	16	11,435,996	8,356,455
Investment property	17	2,900,002	3,025,002
		15,677,174	12,797,765
CURRENT ASSETS			
Debtors	18	48,065	22,614
Cash at bank and in hand		156,210	330,212
		204,275	352,826
CREDITORS			
Amounts falling due within one year	19	(50,795)	(49,154)
NET CURRENT ASSETS		153,480	303,672
TOTAL ASSETS LESS CURRENT LIABILITIES		15,830,654	13,101,437
PENSION LIABILITY	22	(2,000)	(4,000)
NET ASSETS		15,828,654	13,097,437
FUNDS	21		
Unrestricted funds		10,052,403	9,667,162
Restricted funds		5,776,251	3,430,275
TOTAL FUNDS		15,828,654	13,097,437

The financial statements were approved by the Board of Trustees and authorised for issue on ..14/6/22..... and were signed on its behalf by:

S Bamber.

.....

Revd Canon S J Bamber - Trustee

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(219,553)	(487,839)
Net cash used in operating activities		(219,553)	(487,839)
Cash flows from investing activities			
Purchase of tangible fixed assets		(680)	(170,657)
Purchase of fixed asset investments		(1,716,321)	(5,175,481)
Sale of tangible fixed assets		-	20,400
Sale of fixed asset investments		1,523,850	4,884,745
Dividend income		238,623	275,326
Interest received		79	356
Net cash provided by/(used in) investing activities		45,551	(165,311)
Cash flows from financing activities			
Capital repayments in year		-	(10,662)
Net cash provided by/(used in) financing activities		-	(10,662)
Change in cash and cash equivalents in the reporting period		(174,002)	(663,812)
Cash and cash equivalents at the beginning of the reporting period		330,212	994,024
Cash and cash equivalents at the end of the reporting period		156,210	330,212

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,731,217	(618,875)
Adjustments for:		
Depreciation charges	75,812	67,091
(Gain)/losses on investments	(1,108,250)	474,333
Profit on disposal of fixed assets	-	(3,845)
Interest received	(79)	(356)
Dividends and rents received	(238,623)	(275,326)
Movement in SSM (SA) investments	-	(91,861)
Transfer of SSM (SA) donation	(1,653,820)	-
Increase in debtors	(25,451)	(12,243)
Increase/(decrease) in creditors	1,641	(24,757)
Difference between pension charge and cash contributions	(2,000)	(2,000)
Net cash used in operations	(219,553)	(487,839)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	330,212	(174,002)	156,210
	330,212	(174,002)	156,210
Total	330,212	(174,002)	156,210

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

The Society of the Sacred Mission is a charity registered in England and Wales with the Charity Commission and is a company limited by guarantee.

The Charity's registered office is St Antony's Priory, 74 Claypath, Durham DH1 1QT. Its principal activity is set out in the Trustees' Report and relates to Christian ministry.

The financial statements are presented in the charity's functional currency of sterling and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Society of the Sacred Mission meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of listed investments where valuations can be subject to variations arising from external factors which can impact on the future actual results.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

Critical areas of judgement:

Valuations of investment properties where the trustees have considered the information available to them and made a judgement accordingly.

Going concern
The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of events. The directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

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

continued...

2. ACCOUNTING POLICIES - continued

Income
The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on receipt.

Investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Expenditure on raising funds includes those incurred in managing the investments of the company. Support costs are those incurred directly in support of expenditure on the objects of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Building improvements	- 10% on cost
Equipment & furnishings	- 20% on cost

Taxation
The charity is exempt from corporation tax on its charitable activities.

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 Company and which have not been designated for other purposes.

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

continued...

2. ACCOUNTING POLICIES - continued

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

Investment income, gains and losses are allocated to the appropriate fund.

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 the 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 presented as 'Gains/(losses) on investments' in the Statement of financial activities.

Listed investments are stated at fair value, being market value at the balance sheet date.

Investment properties are measured at their fair value at the balance sheet date based on an assessment by the trustees of the market value with reference to valuations and the current property market.

Programme related loans in the form of investments are stated at cost less any repayments and impairment.

Leases
Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the term of the lease.

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

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.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Liabilities
Liabilities and provisions 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.

Financial instruments
The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

continued...

2. ACCOUNTING POLICIES - continued

Investments
The Company is a member of a defined benefits pension scheme. The scheme is a multi-employer plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period. Deficit recovery contributions are accounted for as the plan is agreed and discounted.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	1,881,827	92,435
Legacies	5,000	
	1,886,827	92,435

Donations totalling £1,781,446 were restricted to the Southern Africa fund.

4. INVESTMENT INCOME

	2021	2020
	£	£
Income from investment properties	75,023	60,347
Dividend income	238,623	275,326
Bank interest	79	356
	313,725	336,029

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Income from guests and residents	13,398	18,587
	13,398	18,587

All income in the above years was unrestricted

6. OTHER INCOME

	2021	2020
	£	£
Royalties	99	94
Sundry Income	8,438	8,438
Room hire	640	290
	9,177	8,822

All income in the above years was unrestricted

continued...

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Grant funding of activities	-	82,694	-	82,694
Support costs	-	-	20,708	20,708
Activities undertaken directly	443,668	-	-	443,668
Governance costs	-	-	11,489	11,489
	443,668	82,694	32,197	558,559

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	117,953	135,211
Depreciation	75,812	67,091
Community costs	232,607	210,491
Travel and transport	465	1,238
Furniture and equipment	9,223	1,254
Publicity	748	346
Administration	6,860	11,005
Profit on disposal of fixed assets	-	(3,845)
	443,668	422,791

9. GRANTS PAYABLE

	2021	2020
	£	£
Grant funding of activities	82,694	79,590

10. SUPPORT COSTS

	2021	2020
	£	£
Trustees' expenses	1,309	2,067
Bank charges	762	745
Auditor's remuneration	11,489	6,219
Legal and professional	9,213	34,276
Accountancy and payroll	9,424	5,185
	32,197	48,492

continued...

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	75,812	67,088
Surplus on disposal of fixed assets	-	(3,845)

12. TRUSTEES' REMUNERATION AND BENEFITS

Some of the Trustees are professed members of the Society. They donate their earnings to the Society and have their living expenses borne by the Society.

The Trustees received no remuneration or other benefits in connection with their duties as trustees.

Trustees' expenses

During the year expenses of £1,309 was reimbursed to 4 Trustees in respect of travel and subsistence costs (2020 £2,067 to 4 Trustees).

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	105,801	124,887
Social security costs	2,784	2,490
Contributions to defined contribution pension schemes	9,368	7,834
	117,953	135,211

No employee received remuneration amounting to more than £60,000 in either year.

Included within other pension costs for 2021 is the reduction of the balance sheet liability of £2,000 (2020: decrease £2,000) in respect of the adjustment to notified deficit recovery contributions.

Key management personnel comprise the Trustees of the society, none of whom are remunerated.

The average monthly number of employees during the year was as follows:

	2021	2020
Employees	7	7

No employees received emoluments in excess of £60,000.

continued...

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	92,435	-	92,435
Charitable activities			
Income from charitable activities	18,587	-	18,587
Investment income	236,189	99,840	336,029
Other income	8,822	-	8,822
Total	356,033	99,840	455,873
EXPENDITURE ON			
Raising funds	36,769	12,773	49,542
Charitable activities			
Grant funding of activities	30,200	49,390	79,590
Support costs	42,273	-	42,273
Activities undertaken directly	422,791	-	422,791
Governance costs	6,219	-	6,219
Total	538,252	62,163	600,415
Net gains/(losses) on investments	(303,082)	(171,251)	(474,333)
NET INCOME/(EXPENDITURE)	(485,301)	(133,574)	(618,875)
RECONCILIATION OF FUNDS			
Total funds brought forward	10,152,463	3,563,849	13,716,312
TOTAL FUNDS CARRIED FORWARD	9,667,162	3,430,275	13,097,437

continued...

15. TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Equipment & furnishings £	Totals £
COST				
At 1 January 2021	1,131,173	511,405	21,223	1,663,801
Additions	-	-	680	680
At 31 December 2021	1,131,173	511,405	21,903	1,664,481
DEPRECIATION				
At 1 January 2021	177,990	64,524	4,979	247,493
Charge for year	20,357	51,141	4,314	75,812
At 31 December 2021	198,347	115,665	9,293	323,305
NET BOOK VALUE				
At 31 December 2021	932,826	395,740	12,610	1,341,176
At 31 December 2020	953,183	446,881	16,244	1,416,308

Included in land and buildings is freehold land at a cost of £113,334 (2020: £113,334) which is not depreciated.

16. FIXED ASSET INVESTMENTS

	Listedinvestments £
MARKET VALUE	
At 1 January 2021	8,356,455
Held for SSM(SA) as at 1 January 2021	1,653,820
	10,010,275
Additions	1,716,321
Disposals	(1,498,888)
Revaluations	1,208,288
At 31 December 2021	11,435,996
NET BOOK VALUE	
At 31 December 2021	11,435,996
At 31 December 2020	8,356,455
Held for SSM(SA) at 31 December 2020	1,653,820
	10,010,275

There were no investment assets outside of the UK.

Cost or valuation at 31 December 2021 is represented by:

	investments £
Valuation in 2021	11,435,996

continued...

continued...

17. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2021	3,025,002
Impairments	(125,000)
At 31 December 2021	2,900,002
NET BOOK VALUE	
At 31 December 2021	2,900,002
At 31 December 2020	3,025,002

If investment property had not been revalued it would have been included at the following historical cost.

Cost £888,247 (£345,134 aggregate depreciation).

Investment property was valued on an open market basis on 31 January 2022 by Gerwyn Bryan Property Solutions.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	31,500	13,500
Prepayments and accrued income	16,565	9,114
	48,065	22,614

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	2,086	8,091
Social security and other taxes	1,713	1,304
Other creditors	190	91
Accruals and deferred income	46,806	39,668
	50,795	49,154

Deferred income totalling £4,746 (2020: £4,650) relates to rental and spiritual direction course income relation to the year ended 31 December 2022.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	1,341,176	-	1,341,176	1,416,308
Investments	8,559,747	5,776,251	14,335,998	11,381,457
Current assets	204,275	-	204,275	352,826
Current liabilities	(50,795)	-	(50,795)	(49,154)
Pension liability	(2,000)	-	(2,000)	(4,000)
	10,052,403	5,776,251	15,828,654	13,097,437

continued...

21. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	7,667,162	385,241	8,052,403
Care of the elderly	2,000,000	-	2,000,000
	9,667,162	385,241	10,052,403
Restricted funds			
Kelham College fund	3,408,196	493,974	3,902,170
Durham fund	22,079	(3,473)	18,606
Southern Africa fund	-	1,855,475	1,855,475
	3,430,275	2,345,976	5,776,251
TOTAL FUNDS	13,097,437	2,731,217	15,828,654

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	338,752	(517,651)	564,140	385,241
Restricted funds				
Kelham College fund	91,753	(63,843)	466,064	493,974
Durham fund	-	(3,473)	-	(3,473)
Southern Africa fund	1,792,622	(15,193)	78,046	1,855,475
	1,884,375	(82,509)	544,110	2,345,976
TOTAL FUNDS	2,223,127	(600,160)	1,108,250	2,731,217

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	6,152,463	(485,301)	2,000,000	7,667,162
Care of the elderly	4,000,000	-	(2,000,000)	2,000,000
	10,152,463	(485,301)	-	9,667,162
Restricted funds				
Kelham College fund	3,541,770	(133,574)	-	3,408,196
Durham fund	22,079	-	-	22,079
	3,563,849	(133,574)	-	3,430,275
TOTAL FUNDS	13,716,312	(618,875)	-	13,097,437

continued...

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	356,033	(538,252)	(303,082)	(485,301)
Restricted funds				
Kelham College fund	99,840	(62,163)	(171,251)	(133,574)
TOTAL FUNDS	455,873	(600,415)	(474,333)	(618,875)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	6,152,463	(100,060)	2,000,000	8,052,403
Care of the elderly	4,000,000	-	(2,000,000)	2,000,000
	10,152,463	(100,060)	-	10,052,403
Restricted funds				
Kelham College fund	3,541,770	360,400	-	3,902,170
Durham fund	22,079	(3,473)	-	18,606
Southern Africa fund	-	1,855,475	-	1,855,475
	3,563,849	2,212,402	-	5,776,251
TOTAL FUNDS	13,716,312	2,112,342	-	15,828,654

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	694,785	(1,055,903)	261,058	(100,060)
Restricted funds				
Kelham College fund	191,593	(126,006)	294,813	360,400
Durham fund	-	(3,473)	-	(3,473)
Southern Africa fund	1,792,622	(15,193)	78,046	1,855,475
	1,984,215	(144,672)	372,859	2,212,402
TOTAL FUNDS	2,679,000	(1,200,575)	633,917	2,112,342

continued...

21. MOVEMENT IN FUNDS - continued

General funds
The General Fund exists to provide a base for the generation of investment income to meet the operating costs of the charity. The charity is currently reviewing its strategic plan and will be developing a Reserves approach driven by that strategic plan.

Designated funds
Care of the elderly
The charity has designated a fund for the care of the elderly professed members of the society. They are all aged over 75 and the charity is committed to meeting all living and care costs during their lifetimes. The amount is difficult to quantify, and the amount of this designation is kept under review.

Restricted funds
Kelham College Fund
The Kelham College fund arises from a transfer from the Kelham Theological College Fund on 1 January 2004. The fund is used for the training of persons intending to take Holy Orders in the Church of England or any Church in communion with it, the training for mission of members of the Church of England or any church in communion with it and the training or education of persons working for the extension of Christ's Kingdom in any way connected with the Church of England or any Church in communion with it.

Durham Fund
This represents grant income received to fund recovery days at St Antony's Priory, Durham.

Southern Africa Fund
In September 2021 Society of the Sacred Mission Southern Africa resolved to transfer its assets to the Society of the Sacred Mission. This process was supported by advice from their legal advisors. It was agreed to hold these assets in a Restricted Fund for mission in Southern Africa. This Fund has been established and the Trustees of Society of the Sacred Mission have appointed an Advisory Group to advise its Trustees on the use of the Fund. The Transfer Letter signed by both Boards establishes the Terms of the Transfer and sets out the process in the event of any disputes or the dissolution of either the Charity or the cessation of the work of the South African Province.

22. EMPLOYEE BENEFIT OBLIGATIONS

Society of the Sacred Mission 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. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means 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 (2021: £9,368, 2020: £7,834).

A valuation of the scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m assessed using the following assumption

- An average discount rate of 3.2% p.a;
- RPI inflation of 3.4% p.a (and pensions increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a;

continued...

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

- Mortality in accordance with the 95% of the S3NA VL tables, with allowance for improvements mortality rates in line with the CMI2018 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.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2019, 31 December 2020 and 31 December 2021 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2021 is set out in the table below.

	2021	2020
Balance sheet liability at 1 January	4,000	6,000
Deficit contributions paid	(2,000)	(3,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability*(recognised in SoFA)	-	1,000
Balance sheet liability at 31 December	2,000	4,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

The liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2021	December 2020	December 2019
Discount rate	0.0%	0.2% pa	1.1% pa
Price inflation	n/a%	3.1% pa	2.8% pa
Increase to total pensionable payroll	-1.5%	1.6% pa	1.3% pa

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

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

continued...

24. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	14,335,998	11,381,457
	14,335,998	11,381,457

25. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

SOCIETY OF THE SACRED MISSION

England & Wales - Charity number 1101444

Accounts

REGISTERED COMPANY NUMBER: 04943183 (England and Wales)
REGISTERED CHARITY NUMBER: 1101444

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

SOCIETY OF THE SACRED MISSION
(A COMPANY LIMITED BY GUARANTEE)

SOCIETY OF THE SACRED MISSION

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2020 to 31 December 2020. The annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's objectives are set out in the memorandum of association. The Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The aims of the Society are to support and encourage those who wish to prepare and train for Christian ministry in all its forms and by so doing assist and pastor those wishing to affirm and come to a life enchancing knowledge of the Christian faith.

The Society undertakes charitable activities within the fields of Christian ministry, spirituality and education. This has been the Society's policy since its inception. The principal areas in which the Society is currently involved are supporting theological education and training in addition to providing grant support for projects consistent with its aims and objectives.

The trustees confirm that in developing and undertaking activities by the Society, they are mindful of their obligations to ensure that they are furthering the charity's purposes for the public benefit and have had due regard to the guidance published by the Charity Commission in this respect.

Grant-making policies

The responsibility for making decisions on grant making rests with the Trustees. The trustees have reviewed their grant making processes and have moved away from an annual application process. Grants are considered by the trustees or as delegated to the standing committee at their regular meetings. Grant applications may also be considered by correspondence. An annual budget for grants is agreed by the trustees. Grants are provided through the Kelham Theological College Fund established for the specific purpose of supporting ministry training and theological education. The Society also supports wider Christian related activities and projects through discretionary grants from its General Fund.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Report from the chairman

It seems that every annual report being written in 2021 will talk of 2020 as being 'a year like no other'. For the Charity, in many ways, it was business as usual, but we were not immune to the effects of the pandemic. However, our reserves served us well and we were able to weather the storm financially.

2020 started with much promise - we had three new Board members. A much kinder and more collaborative yet more rigorous relationship with Southern Africa was being forged by Fr Keith. We were discussing structures and working together to improve management and governance. At the same time conversations were beginning with potential partners in Milton Keynes about working together to undertake joint projects and to preserve the legacy of our time there. Much was happening to move things forward.

Then covid hit. The first major effect was the long-covid illness of one of our trustees. He is still not back to full health a year later and this has put extra pressure on other trustees. We have paused or slowed the discussions at Milton Keynes as the working out of them needs a world without the restrictions of covid.

The care of our Professed Members is a priority. We support the five remaining brethren and are in touch with them regularly. Visits have of course been impossible but through Fr Jonathan we hear of Edmund and Frank and we are in regular contact with Fr Robert. Contact with Br Andrew in Japan is less regular, but we are in touch with a Japanese contact to improve this.

The work with Southern Africa has been picked up again in 2021 and we hope to find a good way forward to improve governance and enable the members of the Southern African Province to have more control and influence over the working of that Charity and its finances.

2020 was the year that we finished the renovations of St Antony's and the new community began. We welcomed our first four members, but the pandemic and associated lockdowns have made recruiting members slower. However, steady as she goes, we have great hope for the Community and for the future of St Antony's. We now have a resident praying community and daily offices and regular masses are taking place in the chapel.

The provision of Spiritual Direction and the training and support of Spiritual Directors at St Antony's has continued and has made appropriate use of online methods when physical meetings have not been possible Work on revising the training course we offer has continued. Parish visits and retreats have of course been significantly curtailed.

The internal processes at St Antony's have been reviewed - a significant amount of work on procedures and policies has been done better to equip us for resuming full activities. The Cottage is ready for visitors on retreat as soon as it is possible. It has been good to have had time to reflect and plan but we are very much looking forward to having the place full again.

The Charity has reviewed its governance and a revised Memorandum and Articles has been agreed. We are working through the filing processes to register these. At the time of writing, we are awaiting Companies House agreement. We said goodbye to two trustees in 2020 and welcomed a new one in early 2021. We are looking for new trustees with the right skills to add to the Board. A skills matrix and a skills review guide us in our search but along with all small charities it can be difficult to find the people we need.

The pandemic has meant that some things have taken longer, that some things will be delayed and that some things may have to be reconsidered. However, the Charity ended 2020 having weathered the financial impact of the crisis and still moving forward, perhaps more sedately. For now, we carry on as best we can, making sensible use of our resources, financial and human.

My heartfelt thanks to my fellow trustees and the staff at St Antony's. Under the inspirational leadership of Fr Nicholas, St Antony's has come alive again and we have great plans and hopes for the future.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Results for the year

Income for the year was £455,873 (2019: £473,864)

Expenditure for the year was £600,415 (2019: £661,154)

Net expenditure before investment gains was £144,542 (2019: £187,290)

Investment losses for the year were £474,333 (2019: gains of £3,557,261) together with net expenditure before investment gains of £144,542 of £618,875, accounting for the overall decrease in funds during the year from £13,716,312 (2019) to £13,097,437.

Principal funding

The principal funding streams are derived from the donations of income from the professed members and investment income from the investment portfolios held.

Material investments policy

The Society operates an actively managed investment portfolio of equities and bonds which has been reviewed during the year to provide a greater emphasis on income generation rather than capital growth. The Society seeks to avoid direct investments in military-related and tobacco-related holdings and concentrate upon ethical securities.

The Society's primary investments were managed by Rathbones during the year with some short-term cash deposits also held.

Reserves policy

The Society's reserve policy focuses on the level of 'free reserves'. Free reserves exclude restricted funds, designated funds and the net book value of the Society's tangible fixed assets and investment property. At the year-end free reserves amounted to £3,223,852

The Society seeks to maintain sufficient free reserves to manage the risks to which the charity is exposed in the course of its business, including, but not limited to, safeguarding against volatile income.

The Charity has designated £2m of its funding for the care of the Professed, all of whom are elderly. It recognizes its need to provide for the ongoing care of these men. The amount is an estimate of costs and is under review. Our first Charitable Object is the conduct of the religious community, and we believe that this designation is sufficient for the maintenance of the members of the order.

The charity's reserves are held at their current level to enable the generation of income to match most of its operating costs. It has limited other sources of income and it was down to these resources that we were able to weather 2020. However, the charity is in the early stages of planning for strategic initiatives and partnerships that may make use of capital sums, generate other sources of income and allow for new projects. The charity will keep its reserves under review and strive for a balance of income generating reserves and the best use of its financial assets for the strategic priorities of the charity.

The remaining balance of unrestricted reserves £7,667,162 has decreased during the year resulting from investment losses. These reserves are considered by the Trustees to be more than adequate to meet future additional designations in addition to providing substantial capital grants in support of projects consistent with the Society's aims and objectives.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT
Redevelopment of St Antony's Priory

Redevelopment of St Antony's Priory Durham commenced in 2019 and it was completed in 2020. This enabled the successful establishment of a religious community, with improved library and meeting room facilities available for study and contemplative reflection.

Information on fundraising practices

The Society does not actively solicit donations from the public at large. Professed Members donate their earnings in accordance with the principles of the Society.

The Society does not work with professional fundraisers or feel it necessary to follow a Fundraising Code Practice.

REFERENCE AND ADMINISTRATIVE DETAILS
Registered Company number
04943183 (England and Wales)

Registered Charity number
1101444

Registered office
St Antony's Priory
74 Claypath
Durham
DH1 1QT

Trustees
Revd Canon S J Bamber
Fr J Ewer
S Hogg Chair of Trustees
J Hopkinson (resigned 27/4/2020)
R Scott-Biggs (resigned 29/6/2020)
Revd Prof K Straughan
Fr R Stretton
M Tomlinson
The Ven R G Cooper (appointed 4/12/2020)

Auditors
Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Accountants
Ribchesters Chartered Accountants
Finchale House
Belmont Business Park
Durham
DH1 1TW

CHANGE OF NAME
The charitable company passed a special resolution on 4 December 2020 changing its name from Society of the Sacred Mission (Europe) to Society of the Sacred Mission. The change of name has been filed with Companies House and a new Certificate of incorporation has been issued.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Society of the Sacred Mission for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Haines Watts North East Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the members of the Board of Trustees and signed on their behalf by:



Stephen Hogg
Chair of Trustees
Date: 22 July 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOCIETY OF THE SACRED MISSION

Opinion

We have audited the financial statements of Society of the Sacred Mission (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2020 and of its incoming resources and application of resources, including its 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement, 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.

Our 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 a Report of the Independent Auditors 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:

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Charities SORP (FRS 102) 'Accounting and Reporting by Charities, Companies Act 2006 and UK GAAP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 Report of the Independent Auditors.

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 auditors' 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.

S Easton

Stephen Easton FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts North East Audit LLP
17 Queens Ln
Newcastle upon Tyne
NE1 1RN

Date: 22/7/2021

SOCIETY OF THE SACRED MISSION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	92,435	-	92,435	117,922
Charitable activities	5				
Income from charitable activities		18,587	-	18,587	22,608
Investment income	4	236,189	99,840	336,029	298,771
Other income	6	8,822	-	8,822	34,563
Total		356,033	99,840	455,873	473,864
EXPENDITURE ON					
Raising funds		36,769	12,773	49,542	65,658
Charitable activities	7				
Grant funding of activities		30,200	49,390	79,590	42,957
Support costs		42,273	-	42,273	33,526
Activities undertaken directly		422,791	-	422,791	502,862
Governance costs		6,219	-	6,219	16,151
Total		538,252	62,163	600,415	661,154
Net gains/(losses) on investments		(303,082)	(171,251)	(474,333)	3,557,261
NET INCOME/(EXPENDITURE)		(485,301)	(133,574)	(618,875)	3,369,971
RECONCILIATION OF FUNDS					
Total funds brought forward		10,152,463	3,563,849	13,716,312	10,346,341
TOTAL FUNDS CARRIED FORWARD		9,667,162	3,430,275	13,097,437	13,716,312

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	14	1,416,308	1,329,294
Investments			
Investments	15	8,356,455	8,448,194
Investment property	16	3,025,002	3,025,002
		12,797,765	12,802,490
CURRENT ASSETS			
Debtors	17	22,614	10,371
Cash at bank and in hand		330,212	994,024
		352,826	1,004,395
CREDITORS			
Amounts falling due within one year	18	(49,154)	(84,573)
NET CURRENT ASSETS		303,672	919,822
TOTAL ASSETS LESS CURRENT LIABILITIES		13,101,437	13,722,312
PENSION LIABILITY	22	(4,000)	(6,000)
NET ASSETS		13,097,437	13,716,312
FUNDS	21		
Unrestricted funds		9,667,162	10,152,463
Restricted funds		3,430,275	3,563,849
TOTAL FUNDS		13,097,437	13,716,312

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved for issue by the Trustees and signed on their behalf by:

Stephen Hogg
Chair of Trustees
Date: 12 July 2021

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(487,839)	(429,380)
Net cash used in operating activities		(487,839)	(429,380)
Cash flows from investing activities			
Purchase of tangible fixed assets		(170,657)	(325,994)
Purchase of fixed asset investments		(5,175,481)	(2,844,475)
Sale of tangible fixed assets		20,400	-
Sale of fixed asset investments		4,884,745	2,845,716
Sale of investment property		-	954,523
Dividend income		275,326	294,361
Interest received		356	4,410
Net cash (used in)/provided by investing activities		(165,311)	928,541
Cash flows from financing activities			
New loans in year		-	294,735
Loan repayments in year		-	(17,913)
Capital repayments in year		(10,662)	-
Net cash (used in)/provided by financing activities		(10,662)	276,822
Change in cash and cash equivalents in the reporting period		(663,812)	775,983
Cash and cash equivalents at the beginning of the reporting period		994,024	218,041
Cash and cash equivalents at the end of the reporting period		330,212	994,024

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(618,875)	3,369,971
Adjustments for:		
Depreciation charges	67,091	60,475
Losses/(gain) on investments	474,333	(3,557,261)
Profit on disposal of fixed assets	(3,845)	(3,843)
Interest received	(356)	(4,410)
Dividends and rents received	(275,326)	(294,361)
Movement in SSM (SA) investments	(91,861)	(14,056)
Increase in debtors	(12,243)	(6,252)
(Decrease)/increase in creditors	(24,757)	33,357
Difference between pension charge and cash contributions	(2,000)	(13,000)
Net cash used in operations	(487,839)	(429,380)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	994,024	(663,812)	330,212
	994,024	(663,812)	330,212
Debt			
Finance leases	(10,662)	10,662	-
	(10,662)	10,662	-
Total	983,362	(653,150)	330,212

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

The Society of the Sacred Mission is a charity registered in England and Wales with the Charity Commission and is a company limited by guarantee.

The Charity's registered office is St Antony's Priory, 74 Claypath, Durham DH1 1QT. Its principal activity is set out in the Trustees' Report and relates to Christian ministry.

The financial statements are presented in the charity's functional currency of sterling and rounded to the nearest £1.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Society of the Sacred Mission meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year are discussed below.

Valuation of listed investments where valuations can be subject to variations arising from external factors which can impact on the future actual results.

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually.

Critical areas of judgement:

Valuations of investment properties where the trustees have considered the information available to them and made a judgement accordingly.

Going concern
The financial statements have been prepared on a going concern basis. The directors have considered budgets, cash flows and the impact of events, including that of COVID19. Whilst the economic shutdown in response to COVID19 has had significant impact on the charity's operations, the directors are satisfied that the charity has sufficient available resources, both in terms of cash and investments that can be converted to cash, such that there is no material uncertainty and the going concern basis of preparing the financial statements continues to be appropriate.

continued...

2. ACCOUNTING POLICIES - continued

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations are recognised on receipt.

Investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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.

Expenditure on raising funds includes those incurred in managing the investments of the company. Support costs are those incurred directly in support of expenditure on the objects of the charity.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Building improvements	- 10% on cost
Equipment & furnishings	- 20% on cost
Motor vehicles	- 25% on cost

Taxation
The charity is exempt from corporation tax on its charitable activities.

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 Company and which have not been designated for other purposes.

continued...

2. ACCOUNTING POLICIES - continued

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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 the 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 presented as 'Gains/(losses) on investments' in the Statement of financial activities.

Listed investments are stated at fair value, being market value at the balance sheet date.

Investment properties are measured at their fair value at the balance sheet date based on an assessment by the trustees of the market value with reference to valuations and the current property market.

Programme related loans in the form of investments are stated at cost less any repayments and impairment.

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

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.

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Liabilities
Liabilities and provisions 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.

Financial instruments
The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Pensions
The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

continued...

2. ACCOUNTING POLICIES - continued

Investments
The Company is a member of a defined benefits pension scheme. The scheme is a multi-employer plan where it is not possible, in the normal course of events, to identify on a consistent and reasonable basis, the share of underlying assets and liabilities belonging to individual participating employees. Therefore, as required by FRS102, the company accounts for this scheme as if it was a defined contribution scheme. The amount charged to the Statement of financial activities incorporating income and expenditure account represents contributions payable to the scheme in respect of the accounting period. Deficit recovery contributions are accounted for as the plan is agreed and discounted.

3. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	92,436	108,008
Legacies	-	9,914
	92,436	117,922

All income in the above years was unrestricted

4. INVESTMENT INCOME

	2020	2019
	£	£
Income from investment properties	60,347	17,757
Dividend income	275,326	276,604
Bank interest	356	637
Loan interest receivable	-	3,773
	336,029	298,771

5. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Income from guests and residents	18,587	22,608
	18,587	22,608

All income in the above years was unrestricted

6. OTHER INCOME

	2020	2019
	£	£
Royalties	94	223
Merchandising income	-	5
Sundry Income	8,438	767
Insurance settlements	-	22,784
Room hire	290	10,784
	8,822	34,563

All income in the above years was unrestricted

continued...

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities	Support costs (see note 9)	Totals
	£	£	£	£
Grant funding of activities	-	79,590	-	79,590
Support costs	-	-	42,273	42,273
Activities undertaken directly	422,791	-	-	422,791
Governance costs	-	-	6,219	6,219
	422,791	79,590	48,492	550,873

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Staff costs	135,211	163,090
Depreciation	67,091	60,475
Community costs	210,491	266,975
Travel and transport	1,238	2,411
Furniture and equipment	1,254	-
Chapter	-	988
Publicity	346	2,782
Administration	11,005	9,984
Profit on disposal of fixed assets	(3,845)	(3,843)
	422,791	502,862

9. SUPPORT COSTS

	2020	2019
	£	£
Trustees' expenses	2,067	5,460
Bank charges	745	1,727
Auditor's remuneration	6,219	16,151
Legal and professional	34,276	24,870
Accountancy and payroll	5,185	-
Interest on finance lease	-	1,469
	48,492	49,677

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	67,088	60,476
Surplus on disposal of fixed assets	(3,845)	(3,843)

continued...

11. TRUSTEES' REMUNERATION AND BENEFITS

Some of the trustees are professed members of the Society. They donate their earnings to the Society and have their living expenses borne by the Society.

The trustees received no remuneration or other benefits in connection with their duties as trustees.

Trustees' expenses

During the year expenses of £2,067 was reimbursed to 4 trustees in respect of travel and subsistence costs (2019 £5,460 to 4 trustees).

12. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	124,887	158,401
Social security costs	2,490	5,489
Contributions to defined contribution pension schemes	7,834	(800)
	135,211	163,090

No employee received remuneration amounting to more than £60,000 in either year.

Included within other pension costs for 2020 is the reduction of the balance sheet liability of £2,000 (2019: decrease £13,000) in respect of the adjustment to notified deficit recovery contributions.

Key management personnel comprise the trustees of the society, none of whom are remunerated.

The average monthly number of employees during the year was as follows:

	2020	2019
Employees	7	7

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	117,922	-	117,922
Charitable activities			
Income from charitable activities	22,608	-	22,608
Investment income	193,909	104,862	298,771
Other income	34,563	-	34,563
Total	369,002	104,862	473,864
EXPENDITURE ON			
Raising funds	49,028	16,630	65,658
Charitable activities			
Grant funding of activities	42,957	-	42,957

continued...

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Support costs	33,526	-	33,526
Activities undertaken directly	467,405	35,457	502,862
Governance costs	16,151	-	16,151
Total	609,067	52,087	661,154
Net gains on investments	3,148,228	409,033	3,557,261
NET INCOME	2,908,163	461,808	3,369,971
RECONCILIATION OF FUNDS			
Total funds brought forward	7,244,300	3,102,041	10,346,341
TOTAL FUNDS CARRIED FORWARD	10,152,463	3,563,849	13,716,312

14. TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Equipment & furnishings £	Motor vehicles £	Totals £
COST					
At 1 January 2020	1,131,173	344,787	17,184	45,378	1,538,522
Additions	-	166,618	4,039	-	170,657
Disposals	-	-	-	(45,378)	(45,378)
At 31 December 2020	1,131,173	511,405	21,223	-	1,663,801
DEPRECIATION					
At 1 January 2020	157,634	26,740	1,461	23,393	209,228
Charge for year	20,356	37,784	3,518	5,430	67,088
Eliminated on disposal	-	-	-	(28,823)	(28,823)
At 31 December 2020	177,990	64,524	4,979	-	247,493
NET BOOK VALUE					
At 31 December 2020	953,183	446,881	16,244	-	1,416,308
At 31 December 2019	973,539	318,047	15,723	21,985	1,329,294

Included in land and buildings is freehold land at a cost of £113,334 (2019: £113,334) which is not depreciated.

continued...

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	8,448,194
Additions	5,175,481
Disposals	(4,256,921)
Revaluations	(1,102,160)
Movement in amounts held for SSM(SA)	91,861
At 31 December 2020	8,356,455
NET BOOK VALUE	
At 31 December 2020	8,356,455
At 31 December 2019	8,448,194

The charity holds within its portfolio of investments, investments on behalf of The Society of the Sacred Mission (South Africa). The investments are held within a single portfolio managed by the investment managers in accordance with the agreed investment policy. The movements shown in the note above relate to the portfolio as a whole with the net amount held on behalf of the Society of the Sacred Mission (South Africa) at 31 December 2020 deducted. At the balance sheet date to total amount held was £1,653,820 (2019: £1,745,681).

16. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 January 2020 and 31 December 2020	3,025,002
NET BOOK VALUE	
At 31 December 2020	3,025,002
At 31 December 2019	3,025,002

The 2020 valuations were made by the trustees, based on RICS valuations provided to them by valuers during the course of 2019.

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	13,500	4,109
Other debtors	-	100
Prepayments and accrued income	9,114	6,162
	22,614	10,371

continued...

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Hire purchase (see note 19)	-	10,662
Trade creditors	8,091	3,003
Social security and other taxes	1,304	1,676
Other creditors	91	10,351
Accruals and deferred income	39,668	58,881
	49,154	84,573

Deferred income totalling £4,650 (2019: £12,069) relates to rental and spiritual direction course income relation to the year ended 31 December 2021.

19. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2020	2019
	£	£
Net obligations repayable:		
Within one year	-	10,662

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds
	£	£	£	£
Fixed assets	1,416,308	-	1,416,308	1,329,294
Investments	7,951,182	3,430,275	11,381,457	11,473,196
Current assets	352,826	-	352,826	1,004,395
Current liabilities	(49,154)	-	(49,154)	(84,573)
Pension liability	(4,000)	-	(4,000)	(6,000)
	9,667,162	3,430,275	13,097,437	13,716,312

21. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	Transfers between funds	At 31.12.20
	£	£	£	£
Unrestricted funds				
General fund	6,152,463	(485,301)	2,000,000	7,667,162
Care of the elderly	4,000,000	-	(2,000,000)	2,000,000
	10,152,463	(485,301)	-	9,667,162
Restricted funds				
Kelham College fund	3,541,770	(133,574)	-	3,408,196
Durham fund	22,079	-	-	22,079
	3,563,849	(133,574)	-	3,430,275
TOTAL FUNDS	13,716,312	(618,875)	-	13,097,437

continued...

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	356,033	(538,252)	(303,082)	(485,301)
Restricted funds				
Kelham College fund	99,840	(62,163)	(171,251)	(133,574)
TOTAL FUNDS	455,873	(600,415)	(474,333)	(618,875)

Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
Unrestricted funds			
General fund	3,244,300	2,908,163	6,152,463
Care of the elderly	4,000,000	-	4,000,000
	7,244,300	2,908,163	10,152,463
Restricted funds			
Kelham College fund	3,079,962	461,808	3,541,770
Durham fund	22,079	-	22,079
	3,102,041	461,808	3,563,849
TOTAL FUNDS	10,346,341	3,369,971	13,716,312

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	369,002	(609,067)	3,148,228	2,908,163
Restricted funds				
Kelham College fund	104,862	(52,087)	409,033	461,808
TOTAL FUNDS	473,864	(661,154)	3,557,261	3,369,971

continued...

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	3,244,300	2,422,862	2,000,000	7,667,162
Care of the elderly	4,000,000	-	(2,000,000)	2,000,000
	7,244,300	2,422,862	-	9,667,162
Restricted funds				
Kelham College fund	3,079,962	328,234	-	3,408,196
Durham fund	22,079	-	-	22,079
	3,102,041	328,234	-	3,430,275
TOTAL FUNDS	10,346,341	2,751,096	-	13,097,437

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	725,035	(1,147,319)	2,845,146	2,422,862
Restricted funds				
Kelham College fund	204,702	(114,250)	237,782	328,234
TOTAL FUNDS	929,737	(1,261,569)	3,082,928	2,751,096

General funds
The General Fund exists to provide a base for the generation of investment income to meet the operating costs of the charity. The charity is currently reviewing its strategic plan and will be developing a Reserves approach driven by that strategic plan.

Designated funds
Care of the elderly
The charity has designated a fund for the care of the elderly professed members of the society. They are all aged over 75 and the charity is committed to meeting all living and care costs during their lifetimes. The amount is difficult to quantify, and the amount of this designation is kept under review. We have reduced the designated sum by 50% this year as a more reasonable contingency for potential future costs.

Restricted funds
Kelham College Fund
The Kelham College fund arises from a transfer from the Kelham Theological College Fund on 1 January 2004. The fund is used for the training of persons intending to take Holy Orders in the Church of England or any Church in communion with it, the training for mission of members of the Church of England or any church in communion with it and the training or education of persons working for the extension of Christ's Kingdom in any way connected with the Church of England or any Church in communion with it.

continued...

21. MOVEMENT IN FUNDS - continued

Durham Fund
This represents grant income received to fund recovery days at St Antony's Priory, Durham.

22. EMPLOYEE BENEFIT OBLIGATIONS

Society of the Sacred Mission 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. This means it is not possible to attribute the Scheme's assets and liabilities to each specific Responsible Body, and this means 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 (2020: £7,834, 2019: £(800)).

A valuation of the scheme is carried out once every three years. The most recent Scheme valuation completed was carried out at as 31 December 2018. The 2018 valuation revealed a deficit of £50m, based on assets of £1,818m and a funding target of £1,868m assessed using the following assumption

- An average discount rate of 3.2% p.a;
- RPI inflation of 3.4% p.a (and pensions increases consistent with this);
- Increase in pensionable stipends of 3.4% p.a;
- Mortality in accordance with the 95% of the S3NA VL tables, with allowance for improvements mortality rates in line with the CMI2018 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.

Following the 31 December 2018 valuation, a recovery plan was put in place until 31 December 2022 and the deficit recovery contributions (as a percentage of pensionable stipends) are as set out in the table below.

% of pensionable stipends	January 2018 to December 2020	January 2021 to December 2022
Deficit repair contributions	11.9%	7.1%

As at 31 December 2017 and 31 December 2018 the deficit recovery contributions under the recovery plan in force at that time were 11.9% of pensionable stipends until December 2025.

As at 31 December 2019 and 31 December 2020 the deficit recovery contributions under the recovery plan in force were as set out in the above table.

For senior office holders, pensionable stipends are adjusted in the calculations by a multiple, as set out in the Scheme's rules.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the balance sheet liability over 2020 and over 2019 is set out int he table below.

	2020	2019
Balance sheet liability at 1 January	6,000	19,000
Deficit contributions paid	(3,000)	(3,000)
Interest cost (recognised in SoFA)	-	-
Remaining change to the balance sheet liability*(recognised in SoFA)	1,000	(10,000)
Balance sheet liability at 31 December	4,000	6,000

* Comprises change in agreed deficit recovery plan, and change in discount rate and assumptions between year-ends.

continued...

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

The liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions set by reference to the duration of the deficit recovery payments:

	December 2020	December 2019	December 2018
Discount rate	0.2%	1.1% pa	2.1% pa
Price inflation	3.1%	2.8% pa	3.1% pa
Increase to total pensionable payroll	1.6%	1.3% pa	1.6% pa

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

23. RELATED PARTY DISCLOSURES

The Society is a corporate trustee of the Society of the Sacred Mission (Southern Africa) and holds the investments within its investment portfolio on behalf of the charity . Further details are given in note 15.

Trustee's remuneration and expenses are disclosed in note 11.

24. FINANCIAL INSTRUMENTS

	2020	2019
Financial assets	£	£
Financial assets measured at fair value through income and expenditure	11,381,457	11,473,196
	11,381,457	1,473,196

25. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.