

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.

SOCIETY OF THE SACRED MISSION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

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.

SOCIETY OF THE SACRED MISSION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

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 Southern 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.

SOCIETY OF THE SACRED MISSION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

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.

SOCIETY OF THE SACRED MISSION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2024

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

SOCIETY OF THE SACRED MISSION
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 27.10.24 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.

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

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.

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

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					
Income from charitable activities	5	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		<u>347,497</u>	<u>164,305</u>	<u>511,802</u>	<u>515,362</u>
EXPENDITURE ON					
Raising funds	7	17,893	36,997	54,890	55,916
Charitable activities					
Grant funding of activities	8	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		<u>596,207</u>	<u>257,169</u>	<u>853,376</u>	<u>793,560</u>
Net (losses)/gains on investments		<u>(349,698)</u>	<u>(92,035)</u>	<u>(441,733)</u>	<u>225,674</u>
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		<u><u>8,426,897</u></u>	<u><u>4,785,911</u></u>	<u><u>13,212,808</u></u>	<u><u>13,996,115</u></u>

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	<u>500,002</u>	<u>2,900,002</u>
		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		<u>167,750</u>	<u>188,636</u>
		2,575,406	266,106
CREDITORS			
Amounts falling due within one year	22	(137,194)	(93,254)
NET CURRENT ASSETS		<u>2,438,212</u>	<u>172,852</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		13,212,808	13,996,115
NET ASSETS		<u>13,212,808</u>	<u>13,996,115</u>
FUNDS	24		
Unrestricted funds		8,426,897	9,025,305
Restricted funds		<u>4,785,911</u>	<u>4,970,810</u>
TOTAL FUNDS		<u>13,212,808</u>	<u>13,996,115</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27.10.24 and were signed on its behalf by:

Shad 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	<u>(591,354)</u>	<u>(495,556)</u>
Net cash used in operating activities		<u>(591,354)</u>	<u>(495,556)</u>
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		<u>8,264</u>	<u>2,490</u>
Net cash provided by investing activities		<u>570,468</u>	<u>367,818</u>
Change in cash and cash equivalents in the reporting period		<u>(20,886)</u>	<u>(127,738)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>188,636</u>	<u>316,374</u>
Cash and cash equivalents at the end of the reporting period		<u><u>167,750</u></u>	<u><u>188,636</u></u>

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

**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	<u>43,940</u>	<u>47,636</u>
Net cash used in operations	<u>(591,354)</u>	<u>(495,556)</u>

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	<u>188,636</u>	<u>(20,886)</u>	<u>167,750</u>
	<u>188,636</u>	<u>(20,886)</u>	<u>167,750</u>
Total	<u>188,636</u>	<u>(20,886)</u>	<u>167,750</u>

The notes form part of these financial statements

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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.

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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.

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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.

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 31 DECEMBER 2024**

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	<u>-</u>	<u>6,000</u>
	<u>84,472</u>	<u>88,524</u>

4. INVESTMENT INCOME

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

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Income from guests and residents	<u>35,231</u>	<u>32,632</u>
	<u>35,231</u>	<u>32,632</u>

All income in the above years was unrestricted.

6. OTHER INCOME

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

SOCIETY OF THE SACRED MISSION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

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
	<u>54,890</u>	<u>55,916</u>

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
	<u>514,219</u>	<u>230,183</u>	<u>54,084</u>	<u>798,486</u>

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
	<u>514,219</u>	<u>482,293</u>

10. GRANTS PAYABLE

	2024 £	2023 £
Grant funding of activities	<u>230,183</u>	<u>222,222</u>

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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	<u>8,687</u>	<u>7,517</u>
	<u>54,084</u>	<u>33,129</u>

12. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Depreciation - owned assets	<u>110,885</u>	<u>107,376</u>

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	<u>10,140</u>	<u>10,176</u>
	<u>171,727</u>	<u>162,650</u>

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
	<u>7</u>	<u>7</u>
Employees		

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

SOCIETY OF THE SACRED MISSION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	<u>2,403</u>	<u>-</u>	<u>2,403</u>
Total	<u>352,133</u>	<u>163,229</u>	<u>515,362</u>
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	<u>21,016</u>	<u>-</u>	<u>21,016</u>
Total	<u>555,758</u>	<u>237,802</u>	<u>793,560</u>
Net gains on investments	<u>109,712</u>	<u>115,962</u>	<u>225,674</u>
NET INCOME/(EXPENDITURE)	(93,913)	41,389	(52,524)
RECONCILIATION OF FUNDS			
Total funds brought forward at 01/01/2023	<u>9,119,218</u>	<u>4,929,421</u>	<u>14,048,639</u>
TOTAL FUNDS CARRIED FORWARD AT 31/12/2023	<u><u>9,025,305</u></u>	<u><u>4,970,810</u></u>	<u><u>13,996,115</u></u>

SOCIETY OF THE SACRED MISSION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	<u>973,165</u>	<u>457,023</u>	<u>1,118,816</u>	<u>30,026</u>	<u>2,579,030</u>
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	<u>238,877</u>	<u>2,285</u>	<u>335,346</u>	<u>23,976</u>	<u>600,484</u>
NET BOOK VALUE					
At 31 December 2024	<u>734,288</u>	<u>454,738</u>	<u>783,470</u>	<u>6,050</u>	<u>1,978,546</u>
At 31 December 2023	<u>892,112</u>	<u>-</u>	<u>551,891</u>	<u>10,001</u>	<u>1,454,004</u>

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	<u>9,469,257</u>
Additions	2,129,505
Disposals	(3,013,383)
Revaluations	(289,330)
At 31 December 2024	<u>8,296,049</u>
NET BOOK VALUE	
At 31 December 2024	<u>8,296,049</u>
At 31 December 2023	<u>9,469,257</u>

There were no investment assets outside of the UK.

Cost or valuation at 31 December 2024 is represented by:

	Listed investments £
Valuation in 2024	<u>8,296,049</u>

SOCIETY OF THE SACRED MISSION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

18. INVESTMENT PROPERTY

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

Fair value at 31 December 2024 is represented by:

	£
Valuation in 2024	<u>500,002</u>

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	<u>137,467</u>	<u>-</u>

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

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

21. CURRENT ASSET INVESTMENTS

	2024 £	2023 £
Investment property	<u>2,100,000</u>	<u>-</u>

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.

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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	<u>38,873</u>	<u>39,516</u>
	<u>137,194</u>	<u>93,254</u>

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	<u>(129,737)</u>	<u>(7,457)</u>	<u>(137,194)</u>	<u>(93,254)</u>
	<u>8,426,897</u>	<u>4,785,911</u>	<u>13,212,808</u>	<u>13,996,115</u>

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	<u>2,000,000</u>	<u>-</u>	<u>(457,023)</u>	<u>1,542,977</u>
	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	<u>1,514,556</u>	<u>(76,785)</u>	<u>-</u>	<u>1,437,771</u>
	4,970,810	(184,899)	-	4,785,911
TOTAL FUNDS	<u>13,996,115</u>	<u>(783,307)</u>	<u>-</u>	<u>13,212,808</u>

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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	<u>49,862</u>	<u>(99,121)</u>	<u>(27,526)</u>	<u>(76,785)</u>
	<u>164,305</u>	<u>(257,169)</u>	<u>(92,035)</u>	<u>(184,899)</u>
TOTAL FUNDS	<u>511,802</u>	<u>(853,376)</u>	<u>(441,733)</u>	<u>(783,307)</u>

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	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
	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	<u>1,551,530</u>	<u>(36,974)</u>	<u>1,514,556</u>
	<u>4,929,421</u>	<u>41,389</u>	<u>4,970,810</u>
TOTAL FUNDS	<u>14,048,639</u>	<u>(52,524)</u>	<u>13,996,115</u>

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	<u>50,490</u>	<u>(122,520)</u>	<u>35,056</u>	<u>(36,974)</u>
	<u>163,229</u>	<u>(237,802)</u>	<u>115,962</u>	<u>41,389</u>
TOTAL FUNDS	<u>515,362</u>	<u>(793,560)</u>	<u>225,674</u>	<u>(52,524)</u>

SOCIETY OF THE SACRED MISSION

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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% p.a and an allowance for 2020 data of 0% (i.e w2020 = 0%).

SOCIETY OF THE SACRED MISSION

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	<u>8,296,048</u>	<u>9,469,257</u>
	<u>8,296,048</u>	<u>9,469,257</u>

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.