CHURCH MISSION SOCIETY

England & Wales · Charity number 1131655

Details

Status	Registered
Legal form	Charitable company
Company number	06985330
Registered	2009-09-16
Register	View on the Charity Commission register

Contact

Address	Church Mission Society C M S House Watlington Road Cowley Oxford OX4 6BZ
Phone	01865787400
Email	info@churchmissionsociety.org
Website	www.churchmissionsociety.org

Activities

Objects: THE COMPANY'S OBJECT IS AS A COMMUNITY OF PEOPLE IN MISSION OBEYING THE CALL OF GOD, TO PROCLAIM THE GOSPEL IN ALL PLACES AND TO DRAW ALL PEOPLES INTO FELLOWSHIP WITH THE LORD JESUS CHRIST.

Activities: Evangelistic mission through: People in Mission,supporting people in cross-cultural mission. Mission Grants,support for key projects and ministries. Pioneer Training,equipping and mobilising Christians. Leadership Formation,Investing in Christian leaders of the future. Mission Interchange,networking and 'mission together' across cultural and linguistic divides.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL AND OVERSEAS
- Argentina
- Bangladesh
- Bolivia
- Brazil
- Bulgaria
- Burundi
- Chile
- China
- Congo (Democratic Republic)
- Cyprus
- Ecuador
- Egypt
- Ethiopia
- India
- Israel
- Jordan
- Kenya
- Lebanon
- Madagascar
- Malaysia
- Malta
- Nepal
- Occupied Palestinian Territories
- Pakistan
- Paraguay
- Peru
- Philippines
- Portugal
- Rwanda
- Serbia
- South Sudan
- Spain
- Sri Lanka

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- Taiwan
- Tanzania
- Thailand
- Uganda
- Ukraine
- Uruguay
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£8,562,000	£8,081,000	£30,509,000	154
2024-01-31	£8,274,000	£7,931,000	£28,745,000	165
2023-01-31	£9,044,000	£7,395,000	£28,170,000	161
2022-01-31	£9,443,000	£7,456,000	£29,357,000	165
2021-01-31	£8,521,000	£7,475,000	£21,396,000	178

Trustees

Name	Role	Appointed
Rev Jeremy Michael Moodey	Chair	2024-10-09
Chloe Sarah Louter		2022-01-01
Dr Anne Keene		2020-01-01
Fiona Lambert		2020-01-01
John Thoburn Stansfeld		2018-01-01
Jonathan Paul Smith		2026-01-01
Modupe Olywatoyin Adefala		2026-01-01
Olatunji Ayodeji Iyiola		2026-01-01
Oluwaseyi Tolulope Kehinde-Peters		2026-01-01
Rev Nicholas James Quested Drayson		2024-12-05
Rev Richard John Moy		2023-01-01
Reverend Sarah Jayne Hewitt		2023-01-01
Ruth Whitaker		2026-01-01

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Linked charities

- THE CHURCH MISSION SOCIETY TRUST (1131655-1)
- ANONYMOUS B (OWN MISSIONARY) FUND (1131655-10)
- MARRIOTT TRUST FUND (1131655-100)
- HALL AND HOUGHTON FUND (1131655-101)
- HOPWOOD NILGIRIS FUND (1131655-102)
- WALTER JONES FUND (1131655-103)
- WILLIAM CHARLES JONES CHINA AND JAPAN FUND (1131655-104)
- IVETT FUND (1131655-105)
- JENKINS SUDAN TRUST FUND (1131655-106)
- JENKINS UGANDA TRUST FUND (1131655-107)
- JOHNSON TRUST FUND (1131655-108)
- JENKINS TRUST (MEERUT CATECHIST) FUND (1131655-109)
- BIBLEWOMEN FUND (1131655-11)
- CANON JOHNSON MEMORIAL FUND (1131655-110)
- KENNETH JOHNSON PRIZE FUND (1131655-111)
- MALCOLM JONES SCHOLARSHIP SIKANDRA FUND (1131655-112)
- JOY THANKSGIVING MEMORIAL FUND (1131655-113)
- JUDSON TRUST FUND (1131655-114)
- KASHMIR C M S SCHOOLS FUND (1131655-115)
- NORMAN KEMP, IN THANKFUL MEMORY, TELUGU NATIVE CATECHIST FUND (1131655-116)
- ISFAHAN HOSPITAL BED FUND (1131655-117)
- IYI ENU HOSPITAL BED FUND (1131655-118)
- KALOLENI HOSPITAL BED FUNDS (1131655-119)
- BLACKBURN UGANDA WORKING PARTY FUND (1131655-12)
- KIGEME HOSPITAL BED FUNDS (1131655-120)
- HESTER KNIGHT SCHOLARSHIP FUND (1131655-121)
- KUMI HOSPITAL BED FUNDS (1131655-122)
- LUSADIA HOSPITAL ENDOWMENT FUND (1131655-123)
- LUSADIA HOSPITAL BED FUNDS (1131655-124)
- MANNING MEDICAL SHARES FUND (1131655-125)
- KRISHNAGAR ALFRED STEPHENS' SCHOLARSHIP FUND (1131655-126)
- KRISHNAGAR DUDLEY SMITH TRUST FUND (1131655-127)
- KRISHNAGAR ROBERT WILKINS SCHOLARSHIPS FUND (1131655-128)
- LAKE MEMORIAL FUND (1131655-129)

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- BORDESLEY HOLY TRINITY CATECHIST SOUTH CHINA FUND (1131655-13)
- LANGLEY KISTNA FUND (1131655-130)
- MCDONNELL UGANDA TRUST FUND (1131655-131)
- M L BIBLEWOMAN FUND (1131655-132)
- MASS MOVEMENT FUND (1131655-133)
- MASS MOVEMENT ALIGAH BUISSINNE FUND (1131655-134)
- LEA MEMORIAL FUND (1131655-135)
- SUSANNA DAVIDSON LATHAM TRUST FUND (1131655-136)
- MABEL LEWIN MEMORIAL SCHOLARSHIP FUND (1131655-137)
- LLOYD BIBLEWOMAN FUND (1131655-138)
- LUCKNOW HIGH SCHOOL ENDOWMENT FUND (1131655-139)
- MANGAN AND NEWTON FOUNDATION (1131655-14)
- PHYLLIS MANNING MUSIC SCHOLARSHIP FUND (1131655-140)
- MASS MOVEMENT GOJRA FUND (1131655-141)
- WALKER MADRAS FUND (1131655-142)
- WALMSLEY BIBLEWOMAN FUND (1131655-143)
- REVEREND HENRY ERNEST LOUGHTON MEMORIAL FUND (1131655-144)
- MARY LOCKHART MEMORIAL FUND (1131655-145)
- JAMES LONG FUND FOR LECTURES ON RELIGIONS OF THE EAST (1131655-146)
- WILLIAM CHARLES JONES INDIA FUND (1131655-147)
- MARQUIS TRUST FUND NO 1 (1131655-148)
- MARQUIS TRUST FUND NO 2 (1131655-149)
- ARMSTRONG MEMORIAL FUND (1131655-15)
- MILLAR TRUST FUND (1131655-150)
- MASENO HOSPITAL BED FUNDS (1131655-151)
- MATANA HOSPITAL BED FUNDS (1131655-152)
- ROGERS TRUST FUND (1131655-153)
- MENGO HOSPITAL BED FUNDS (1131655-154)
- MASULIPATAM FEMALE SCHOOL FUND (1131655-155)
- GEORGE MAXWELL SCHOLARSHIP FUND (1131655-156)
- MELLISH TRUST FUND (1131655-157)
- MELVILLE HALL PRIZE FUND (1131655-158)
- LESLIE MELVILLE BURSARIES FUND (1131655-159)
- BARING BATALA TRUST FUND (1131655-16)
- LADY MUIR MEMORIAL HOME FUND (1131655-160)

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- NAISH BIBLEWOMAN FUND (1131655-161)
- NABLUS HOSPITAL BED FUNDS (1131655-162)
- RICHARD AND MARY NEEDHAM IN MEMORIAM TRUST FUND (1131655-163)
- PERFUMI TRUST FUND (1131655-164)
- PALMER TRUST FUND (1131655-165)
- PAWSON TRUST FUND (1131655-166)
- NICOL AFRICAN TEACHER FUND (1131655-167)
- HILDA NIGHTINGALE MEMORIAL FUND (1131655-168)
- NORTON TRUST FUND (1131655-169)
- BISHOP BOWEN MEMORIAL FUND (1131655-17)
- RIDLEY HALL CAMBRIDGE JUBILEE FUND (1131655-170)
- NGORA HOSPITAL BED FUNDS (1131655-171)
- NUGENT SCHOOL ENDOWMENT FUND (1131655-172)
- PORTER TRUST FUND (1131655-173)
- POTTER TRUST FUND (1131655-174)
- PUCKLE MEMORIAL FUND (1131655-175)
- OMDURMAN HOSPITAL BED FUNDS (1131655-176)
- PACHOD HOSPITAL BED FUNDS (1131655-177)
- PESHAWAR MEDICAL MISSION ENDOWMENT FUND (1131655-178)
- PESHAWAR HOSPITAL (MRS STARR) FUND (1131655-179)
- HETTIE BARON ASERAPPA TRUST FUND (1131655-18)
- PEROWNE TESTIMONIAL FUND (1131655-180)
- IRENE PETRIE MEMORIAL FUND (1131655-181)
- PERKINS TRUST FUND (1131655-182)
- RICKATSON MEMORIAL FUND (1131655-183)
- PESHAWAR HOSPITAL BED FUNDS (1131655-184)
- PLATT TRUST FUND (1131655-185)
- PLUMPTRE TRUST FUND (1131655-186)
- PRINCESS CHRISTIAN MISSION HOSPITAL FUND (1131655-187)
- PRINCESS CHRISTIAN MISSION HOSPITAL BED FUNDS (1131655-188)
- PRINCESS CHRISTIAN MISSION HOSPITAL (G L BROWNE) FUND (1131655-189)
- GOODWIN TRUST FUND (1131655-19)
- QUETTA HOSPITAL BED FUNDS (1131655-190)
- RAINWARI HOSPITAL HOOKER FUND (1131655-191)
- HENRY PROCTOR MEMORIAL SCHOLARSHIP FUND (1131655-192)

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- EUGENE STOCK MEMORIAL FUND (1131655-193)
- TUCKER BATALA TRUST FUND (1131655-194)
- HENRY VENN NATIVE CHURCH FUND (1131655-195)
- RAINAWARI HOSPITAL BED FUNDS (1131655-196)
- SHIKARPUR DISPENSARY DUDLEY SMITH TRUST FUND (1131655-197)
- SHIRAZ HOSPITAL BED FUND (1131655-198)
- BISHOP ROBINS ASSISTANT BURSARY FUND (1131655-199)
- ABADAN ST CHRISTOPHERS BURSARY TRUST FUND (1131655-2)
- ASHMAN BURSARY TRUST FUND (1131655-20)
- SIDWELL TRUST FUND (1131655-200)
- JOHN TENNANT TRUST FUND (1131655-201)
- TREMLETT TRUST FUND (1131655-202)
- DISNEY ROBINSON MEMORIAL FUND (1131655-203)
- RUGBY FOX MEMORIAL FUND (1131655-204)
- REV A D SMART FUND (1131655-205)
- SPARKE TRUST FUND (1131655-206)
- ROTHWELL TRUST FUND (1131655-207)
- THOMPSON TRUST FUND (1131655-208)
- L E TUBBS TRUST FUND (1131655-209)
- ISLAMIC STUDIES FUND (1131655-21)
- ROWLAND TAMIL CATECHIST FUND (1131655-210)
- ROXBURGH COLPORTAGE FUND (1131655-211)
- RYDE SCHOLARSHIP FUND (1131655-212)
- ST BRIGIDS HOUSE BURSARY FUND FUND (1131655-213)
- ST MICHAEL'S BLACKWELL LEAVING SCHOLARSHIP FUND (1131655-214)
- ST MICHAEL'S COOPER FUND (1131655-215)
- ST MICHAEL'S COOPER ORGAN IMPROVEMENT FUND (1131655-216)
- ST MICHAEL'S SIR JOHN KENNAWAY BURSARSHIP FUND (1131655-217)
- SUTTON TINNEVELLY UPPER CLAPTON SCHOOL FUND (1131655-218)
- THOMPSON MEMORIAL TRUST FUND (1131655-219)
- TANNER MEMORIAL FUND (1131655-22)
- SOUTH INDIA CATECHIST FUND (1131655-220)
- TELUGU CATECHIST WICKSTEED TRUST FUND (1131655-221)
- TINNEVELLY FEMALE SCHOOL FUND (1131655-222)
- TORO HOSPITAL BED FUNDS (1131655-223)

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- TRAVANCORE MASS MOVEMENTS FUND (1131655-224)
- HARRIET UZBORNE PRIZE FUND (1131655-225)
- EMELIA VENN SCHOLARSHIP FUND (1131655-226)
- WEBBER TRUST FUND (1131655-227)
- GEORGE WELCHMAN MEMORIAL PRIZE FUND (1131655-228)
- WHIDBORNE FUND (1131655-229)
- VENNER TRUST FUND (1131655-23)
- ST MICHAEL'S LEAVING SCHOLARSHIP FUND (1131655-230)
- ST MICHAEL'S PRIZE FUND (1131655-231)
- ST MICHAEL'S MARY MAMMATT MEMORIAL PRIZE FUND (1131655-232)
- ST MICHAEL'S WIGRAM SCHOLARSHIP (1131655-233)
- SANTIRAJPUR DUDLEY SMITH TRUST FUND (1131655-234)
- SAWYER TRUST FUND (1131655-235)
- SHYIRA HOSPITAL BED FUNDS (1131655-236)
- TURPIN TRUST FUND (1131655-237)
- VIJAYAWADA HOSPITAL BED FUNDS (1131655-238)
- WUSASA HOSPITAL BED FUNDS (1131655-239)
- WALKER MASS MOVEMENT FUND (1131655-24)
- SIMMONDS TRUST FUND (1131655-240)
- SINCLAIR TRUST FUND (1131655-241)
- ATKINSON BEQUEST FOR A MISSIONARY (1131655-25)
- CATHERINE THOMSON FUND (1131655-26)
- BARRETT-BOULTON MEMORIAL FUND (1131655-27)
- CHINA MEDICAL FUND (1131655-28)
- ALEXANDER CHORLEY HALL MEMORIAL FUND (1131655-29)
- ADENEY MEMORIAL FUND (1131655-3)
- HANGCHOW HOSPITAL BED FUNDS (1131655-30)
- ISABELLA LUCY BISHOP FUND (1131655-31)
- ORTON TRUST FUND (1131655-32)
- PARTINGTON'S TRUST FUND (1131655-33)
- PESHAWAR HOSPITAL WHITE ENDOWMENT FUND (1131655-34)
- BOSCOMBE DORNAKAL BURSARY FUND (1131655-35)
- BRABAZON TRUST FUND (1131655-36)
- BRADBURN SCHOLARSHIP FUND (1131655-37)
- BREED SCHOLARSHIP FUND (1131655-38)

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- BREN MEMORIAL FUND (1131655-39)
- BARTON AGRA SCHOLARSHIP PRIZE FUND (1131655-4)
- BUCHANAN FEMALE INSTITUTION FUND (1131655-40)
- BUCKLEY MEMORIAL ORDINATION SCHOLARSHIP FUND (1131655-41)
- MARY BURROWS MEMORIAL FUND (1131655-42)
- BUNYONI HOSPITAL BED FUND (1131655-43)
- DONKIN TRUST FUND (1131655-44)
- HIRNAPUR HOSPITAL BED FUNDS (1131655-45)
- IGANGA HOSPITAL BED FUND (1131655-46)
- C B BURNETT IN MEMORIAM FUND (1131655-47)
- CLARK TRUST FUND (1131655-48)
- DENIS CROFTON FUND (1131655-49)
- BISHOP ENDOWMENT FUND (1131655-5)
- REV H L EVES MEMORIAL FUND (1131655-50)
- JOSEPH BUSH MEMORIAL FUND (1131655-51)
- CALCUTTA CHRIST CHURCH SCHOOL FUND (1131655-52)
- CALCUTTA COLLEGE DUBLIN THEOLOGICAL SCHOLARSHIP FUND (1131655-53)
- PETER CATOR MADRAS PRIZE FUND (1131655-54)
- LOUIS BYRDE MEMORIAL FUND (1131655-55)
- CAREY CATECHIST FUND (1131655-56)
- JAMES CROSS TRUST FUND (1131655-57)
- DORNAKAL TEACHER GREEN TRUST FUND (1131655-58)
- CAIRO CHURCH FUND (1131655-59)
- AMPHLETT TRUST FUND (1131655-6)
- DAVIES INDIA EDUCATION FUND (1131655-60)
- HALL AND HOUGHTON FUND (1131655-61)
- HALL AND HOUGHTON FUND (1131655-62)
- ISFAHAN ARMENIAN GIRL'S SUNDAY SCHOOL PRIZE FUND (1131655-63)
- FRYER SCHOLARSHIP FUND (1131655-64)
- ISLAY CAMPBELL MEMORIAL FUND (1131655-65)
- JENKINS ENDOWMENT (LUSADIA) FUND (1131655-66)
- COBB TRUST FUND (1131655-67)
- LUI HOSPITAL BED FUNDS (1131655-68)
- MULTAN HOSPITAL BED FUNDS (1131655-69)
- ANANTNAG HOSPITAL BED FUND (1131655-7)

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- SALT HOSPITAL BED FUNDS (1131655-70)
- NASH MEMORIAL PRIZE FUND (1131655-71)
- COBBOLD MEMORIAL PRIZE FUND (1131655-72)
- CROSS TRUST FUND (1131655-73)
- E G M FUND (1131655-74)
- THE RIGHT HONOURABLE FLORENCE ANNIE ALEXANDRA BARONESS COTTESLOE (1131655-75)
- EVES MEMORIAL FUND (1131655-76)
- WHITAKER MEMORIAL SCHOOL ENDOWMENT FUND (1131655-77)
- IGUYE HOSPITAL (TOWNSHEND BED) FUND (1131655-78)
- FAULKNER TRUST FUND (1131655-79)
- JOHN BISHOP MEMORIAL FUND (1131655-8)
- LASLETT TRUST FUND (1131655-80)
- FELIX MEMORIAL INDIAN CHURCH WORKER FUND (1131655-81)
- JOSEPH FENN MEMORIAL FUND (1131655-82)
- FOWLER TRUST FUND (1131655-83)
- FRYER TRUST FUND (1131655-84)
- REV C A FOX MEMORIAL MISSIONARY FUND (1131655-85)
- M J HALL MEMORIAL FUND (1131655-86)
- HARRISON TRUST FUND (1131655-87)
- HENRIETTA HOUGHTON FUND (1131655-88)
- F W FRENCH THEOLOGICAL TRAINING FUND (1131655-89)
- BANNU HOSPITAL BED FUNDS (1131655-9)
- GIBB TRUST FUND (1131655-90)
- HALL AND HOUGHTON FUND (NEW ZEALAND PORTION) (1131655-91)
- MUNTZ EVANGELIST FUND (1131655-92)
- GIBBON MEMORIAL FUND (1131655-93)
- GRIFFITH MEMORIAL FUND (1131655-94)
- FRANCES RIDLEY HAVERGAL MEMORIAL FUND (1131655-95)
- ELIZABETH HIBBERT PRIZE FUND (1131655-96)
- HARPUR MEMORIAL HOSPITAL MENOUF, BED FUNDS (1131655-97)
- HARPUR MEMORIAL HOSPITAL OLD CAIRO, ROGERS TRUST FUND (1131655-98)
- HARPUR MEMORIAL, OLD CAIRO, BED FUNDS (1131655-99)

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CHURCH MISSION SOCIETY

England & Wales - Charity number 1131655

Accounts

With Jesus
With each other
To the edges

Annual Report and Financial Statements

for the year ended 31 January 2025

CHURCH MISSION SOCIETY

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Church Mission Society – Group
Registered company limited by guarantee in England and Wales (Company no. 6985330)
Registered charity no. 1131655 (England and Wales)
Registered charity no. SC047163 (Scotland)

The Strategic Report of the CMS Trustees

The Trustees of Church Mission Society, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 January 2025.

Objectives and Activities

Our Vision: To see our world made new through the love of God as we follow Jesus to the edges.

Our Goal: Communities and society are transformed as new disciples participate in the life and work of Jesus in our world.

Our Purpose: We exist to make disciples of Jesus at the edges.

Who we are: Jesus spent much of his time with people at the edges, and that's where we want to be too. Church Mission Society invites people at the edges of church, the edges of society and the edges of our comfort zones to follow Jesus and play a part in his story. Come with us to the edges and discover God at work in ways you might not have expected.

Our values – we are people who are:

- Pioneering: We are constantly seeking and moving to the edges of church, society and ourselves, and calling others to do the same: to try new things, ask questions, cross boundaries and not get too comfortable.
- Evangelistic: We share Jesus in word and action with people at the edges and invite them to be part of his story.
- Relational: We get alongside people, becoming a genuine part of the edge-based communities where we find ourselves, recognising that often we are guests not hosts.
- Faithful: We remain true to our calling and don't get discouraged easily. We recognise that mission at the edges takes time, that God is our leading partner in all we do and can be trusted to bring needed change.

Where we work: By working "at the edges" we mean that we encourage individuals and groups of people to follow Jesus:

- At the edges of existing church
- At the edges of society
- At the edges of our comfort zones

Within the UK and overseas, we are specifically called to mission at the margins and cultural fringes, where Jesus is not often followed and which are often overlooked or written off. We believe God is already at work in these spaces and our task is to join in.

What we do: We are called to make disciples of Jesus where you may not expect to find them. And to see those disciples make more disciples until communities of people committed to following the way of Jesus are formed.

This is how we see change happen: person by person, community by community. To be more specific:

- We connect people with a heart for the edges so they can work together. Often this takes the form of cross-cultural hubs, or pockets of people from Western and non-Western backgrounds teaming up to bring change in a specific edge-based context.
- We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
- We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In CMS's vast history, thousands of people have crossed geographical, cultural and societal boundaries to make disciples of Jesus. Through their efforts, missteps and all, we have seen the gospel of Jesus make itself at home in a variety of contexts all over the world. Sometimes in ways we could never have foreseen.

Public benefit

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. As "a community of people in mission obeying the call of God to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ", CMS works out its Public Benefit in a number of ways.

CMS believes the Christian faith is of benefit to society, and individuals, bringing a vision of transformation for peace and social harmony which grows from what Christians believe is God's ultimate purpose: to bring all things into unity and perfection in Jesus Christ. People are likely to become disciples of Jesus if Christians "live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love and prayerfully expect the Spirit's power to transform individuals, communities and whole nations". CMS seeks to demonstrate this benefit through its wide range of mission activities both in the UK and internationally as detailed throughout the Strategic Report.

Achievements and Performance

CEO's report by Alastair Bateman

I look back over 2024 with immense gratitude – to our God, who equips and strengthens us in his mission, and to Church Mission Society staff, people in mission and supporters, who continue to faithfully follow Jesus to the edges together.

We began the year sharing a new focus in year two of the Jesus Never Gives Up campaign. This campaign highlights CMS's work to both encourage existing supporters and introduce CMS to potential new supporters. In this second year, our focus has been on how Jesus calls us to empower people who have been pushed to the edges of life – by things like armed conflict, discrimination or poverty – to reach their God-given potential.

Hellen was one of those who had been pushed to the edges, in her case through war in South Sudan. Hellen's father was killed and, with no other family left, she decided to follow others who were going to Uganda. Hellen was taken to a refugee camp, where she was safer – but her struggles were not over: "When I came here, I lost hope. I stayed scared because I came without anyone. Life was very hard." After a time, Hellen got married and had a baby, but when she was pregnant with her second child, her husband died of cancer. She was on her own again, with two children to look after. She lived in fear, and couldn't see a reason to go on.

Hellen was invited to be part of a trauma healing group, facilitated by CMS partner Sam. Each week, the group learned about someone in the Bible who faced trauma and how God met that person. Through being part of the group, Hellen gave her life to Jesus. She says, "Jesus is the one who can bring peace to our lives, to our families, to our country. I'm so grateful to Almighty God for making me regain my hope and the miracle that he has done in my life through the trauma healing programme of Across and with the support from CMS. I feel as if there's nothing that is traumatising me now. I am free."

Hellen's story is part of a growing area of work for CMS and CMS-Africa, seeking to make disciples of Jesus in contexts of armed conflict. Eastern DR Congo is another area where CMS partners are introducing people who long for peace to Jesus, the Prince of Peace. Bisoke, who leads a peace centre in the town of Bunia, eastern DRC, told us about the transformation he has seen in a man called Manasseh.

"I'm so grateful to Almighty God for making me regain my hope.... I feel as if there's nothing that is traumatising me now. I am free."

Hellen, a South Sudanese refugee who met Jesus through a trauma healing programme in a refugee camp in Uganda

Manasseh joined a militia after his village was attacked – he felt that he had no other option. He knew that his life in the forest with the militia was not good, but didn't know where to turn. Eventually he ran away and ended up in a refugee camp in Bunia. From this camp, Manasseh's wife joined some of the activities run by the peace centre, and he noticed that she started to change. As the peace centre team showed Manasseh God's love despite the terrible things he had done, he began to share his experiences.

Manasseh turned to Jesus, and he is now ordained and working alongside Bisoke at the peace centre, sharing his testimony to encourage others. And how did this transformation take place? Bisoke is clear: "Only Jesus."

I was privileged to meet with some of the leaders of this vital work in Africa alongside other key partners in Cairo in the summer. Several members of CMS's leadership came together with partners leading a range of ministries to reflect, pray, learn from one another and share vision.

In Cairo, we were hosted by a partner organisation that supports followers of Jesus from a Muslim background across the Middle East and North Africa. These followers of Jesus face many challenges: isolation, rejection from family and friends, and struggles to connect with churches. It was so good to meet some of their team

and hear stories from the people they are working with, people like Mariam (name changed), who met Jesus after fleeing war in Syria.

Mariam arrived in Lebanon with her children and her husband, who would not allow her to leave the dirty, windowless flat where they now lived. After a neighbour persuaded Mariam's husband to let her visit a place offering help, Mariam discovered a local church. She chose to follow Jesus after reading the Bible, sensing God speak to her and secretly going to a group at the church. When her husband and parents discovered her new faith, they gave her a choice – her family or Jesus.

Mariam chose Jesus. Her husband took their children back to Syria without warning. Mariam didn't see her daughter for nine years. Yet while she tried every way she could think of to get her children back, and cried out to Jesus, Mariam also started to see that God could have a plan for her. Through training with our partner organisation, Mariam has been equipped to reach and disciple others. Now, as well as working with children and young people, Mariam shares, "I lead a service for women from a Kurdish tribe, 80 women in 10 groups like house churches. I preach the gospel. I am a missionary."

Mariam has now been reunited with her oldest daughter. She explains, "My passion is to work with women who have been through similar experiences. I tell them the story of how my daughter came back. And I tell them that through all the hardship, God is still at work…. I'm a new creation because of Jesus – and that is the message I want to tell everyone."

"I'm a new creation because of Jesus – and that is the message I want to tell everyone."

Mariam, who met Jesus after fleeing war in Syria and has no regrets about following Jesus

While I was in Cairo, leaders of the CMS Mission Network (Asia-CMS, CMS-Africa, NZCMS, CMS Australia, CMS Ireland and SAMS USA) were also able to spend time together. It was an opportunity to pray together and catch up on shared opportunities and challenges in our work around the world and to identify areas where we can work closely together. We talked about the Anglican Communion, with the Global South Fellowship of Anglicans gathering in Cairo at the same time. We also discussed how we communicate about global mission to different audiences and how we are engaging young people with global mission.

Another area of our work that has been developed over the year is in pioneering mission in Latin America. Drawing on the experience of pioneering mission and our Pioneer Mission Training in the UK, a number of partners in Latin America have come together to consider how to connect with people in Latin America who are beyond the reach of traditional church. CMS Britain hub director Jonny Baker met with the group in Brazil for a valuable time of dreaming and planning in April. Later in the year mission director Andy Roberts met with the coordinating group in Peru, where they were hosted by pioneers who are creating connections at the edges through a restaurant and community art space. I look forward to hearing more as this work develops further.

Closer to home, CMS's Pioneer Mission Training welcomed the largest ever intake of students to training based in Oxford (with some students attending in person and others joining from all over the world online) for undergraduate and postgraduate courses. It is always inspiring to hear of the wide range of ways these students are connecting with people on the edges to share the love of Jesus.

This year it was also a particular joy to welcome a group of eight Congolese students to join the cohort remotely from Goma, eastern DRC. They are part of the latest cohort to follow a training pathway focused on African Christianity, as CMS seeks to connect with and equip diaspora communities. In September, the Acts 11 Centre for Global Witness and Human Migration was launched with a conference at CMS House. This project brings together CMS's work with diaspora communities, and facilitates a conversation about migration and its implications for the Christian faith and mission. September also saw the first groups of students begin a pathway focused on Asian Christianity, another strand of the Acts 11 Centre.

"A great deal of what we call mission today really depends on migration. And in many ways, it always has."

Dr Harvey Kwiyani leads the Acts 11 Centre, exploring the relationship between migration and mission

As ever, I am consistently inspired by CMS's supporters, who pray faithfully and go above and beyond for mission. This year I was particularly encouraged by Peter, who undertook a 150-mile sponsored cycle to raise money for mission, and Harry (5) who donated some of his pocket money.

The communications team at CMS continue to be passionate about helping people to hear how God is at work in extraordinary ways, and to that end they developed a new series of video updates bringing mission news from around the world. The first Hope from the Edges video was shared in October, and supporters can look forward to regular episodes sharing news and stories from CMS people in mission.

There have also been changes to the leadership team at CMS over the last 12 months. In December 2024 we said farewell to Rev Virginia Luckett as she stepped down as fundraising and communications director, and welcomed Laura Hayes to take up the role. We're so grateful to Virginia for her passion and energy as she led the fundraising and communications group, and are really pleased that Laura has joined the CMS family for the next chapter.

We owe much gratitude to Charles Clayton, who stepped down as Chair of Trustees at the end of March 2025. It has been an immense joy to work alongside Charles since I joined CMS in 2019, and I know that many others who have seen Charles's commitment and diligence over the last 10 years are deeply thankful for his service. I'm delighted that Rev Jeremy Moodey – former charity CEO, investment banker, diplomat and football referee – joined the Board of Trustees on 9 October in preparation for becoming Chair at the beginning of April 2025.

It is such a privilege to be going to the edges in mission together with such wonderful staff and trustees, as well as the hugely faithful supporters who make Church Mission Society's work possible. Thank you to all who have played a part in God's mission with CMS this year.

CMS strategic priorities

The strategic priorities set out by the CMS leadership team help to bring focus to our work as we look to see our world made new through the love of God.

Last year the priorities were:

Mission programme development

In the coming year the existing hub teams will further develop these hubs towards maturity, continuing to strengthen teams and partnerships, sharing stories of how their work is having an impact; and learning from the outcomes of initial work to inform future plans. The new teams will develop plans towards a point of implementation.

During the year, the five “hubs” (developing work with specific focus, either geographical, thematic or methodological in edge contexts) that had previously begun implementation continued to become further established. Leaders from developing hubs came together in Cairo in July to reflect and learn together.

As we began to hear stories of the impact of these areas of work, the CMS fundraising and communications team were able to share stories about:

- Supporting and discipling Christian believers from a Muslim background in the Middle East, especially as a result of training in Lebanon.
- Addressing conflict in DR Congo and South Sudan (and in refugee camps in Uganda) through working with Christian leaders.
- Mobilising indigenous Christians in the Chaco region of northern Argentina.
- Celebrating excellence in missiology, learning and development through the Acts 11 Project, Pioneer Mission Training and Pioneering Parishes.

In addition, mission partners were able to connect with refresher training in telling stories at the summer People in Mission conference and as part of preparations for home leave.

Among newer teams, further gatherings took place to focus on catalysing pioneering mission across Latin America with a view to implementation of a hub in the 2025–26 financial year.

Progress was also made in developing plans for future hubs:

- Connecting with unreached people in South East Asia
- Following Jesus in Muslim-majority contexts in Africa
- Supporting indigenous Christians in the Middle East

Organisational development

Building on the conversations that have already taken place, we will continue to grow as a global learning community through listening to voices from hub contexts. We will develop our use of technological platforms to facilitate conversations and shared learning.

As the hub teams develop their work areas, we will seek to recruit people in mission to meet the needs identified in those contexts.

Gathering key partners in Cairo to connect and learn together was an important step in growing as a global learning community. To further this aim, plans began during the year for another gathering, to include a wider group of people in mission and staff, to take place in the UK in 2025–26. Opportunities were also arranged for staff and people in mission to hear from a range of global voices (including CMS partners) about key issues in mission through the year.

A new recruitment, selection and learning policy was put into practice, with the first mission partner to go through this revised process being selected towards the end of the year. Progress was also made in ensuring visibility and promotion of roles that meet needs identified by hubs as CMS seeks to recruit new people in mission.

Fundraising and communications

The fundraising and communications team will seek to acquire new individual supporters through the Jesus Never Gives up campaign. We will focus on increasing unrestricted and lightly restricted giving from both new and existing supporters. As the campaign enters its third year, we will implement learnings from year two as we prepare for year three.

During the course of 2024–25, year two of the Jesus Never Gives Up campaign saw CMS acquire new supporters, including both individuals and churches, through a continued programme of speaking engagements in churches and a range of digital promotion opportunities.

The team shared a powerful film, images and stories from work in a refugee camp in north west Uganda as a core part of this work.

Alongside recruiting new supporters, we were able to reconnect with and see renewed support from individuals and churches on the CMS database who had not given for several years.

The team continue to draw on learnings to hone their approach going forward, seeking to establish a culture of ongoing learning, particularly around digital engagement and lead generation.

Future Plans: Strategic Priorities for 2025–26

The key priorities for CMS all feed into the desired outcomes of seeing:

- People come to encounter and follow Jesus Christ in marginalised, minority and reimagined mission contexts.
- New communities of disciples grow in their own cultures.
- Mission is multiplied as the passion for mission is imparted and mission movements grow.

The different parts of CMS's work will contribute to that overall aim as follows:

Mission programme development

By the end of 2025–26, we aim to have nine mission movement "hubs" implemented and developed to a high level of effectiveness. The earliest hubs should be effectively enabling wider mission movements to grow and flourish. Hubs will be sharing stories of impact and continuing to learn together.

A key element of development will be to re-envision the CMS global family with a new "Summer Gathering" event that will take place at All Nations Christian College, Hertfordshire, in August at which we will start to explore strengthening and building thought leadership initiatives around the world.

Organisational development

We seek to continue to build a learning community, listening to global voices and taking opportunities to grow as we journey together as staff, people in mission and partners around the world.

In particular, we will facilitate an intercultural exchange of learning through CMS's work and opportunities to bring partners together. We will continue to work to recruit people in mission to meet the needs of the developing hub work, and to equip those people in mission well for service.

Fundraising and communications

The fundraising and communications team will continue to acquire new supporters, growing CMS's income in the process. In particular, the team will work to increase the proportion of CMS's income that is unrestricted and lightly restricted – including through giving from both individuals and churches. The team will also work to ensure that supporters continue to have an enriching and encouraging experience of journeying with CMS.

Structure, Governance and Management

Legal Status

Church Mission Society is a registered charity (England and Wales (RCN: 1131655), and Scotland (RCN: SC047163)) and a company limited by guarantee in England and Wales (Company Number 6985330) established on 8 August 2009, although its history as a mission dates back to the 18th century. For details of other group charities/members see Note 1 to the financial statements.

Charitable Objects

Church Mission Society's object is as a community of people in mission obeying the call of God, to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ.

Patron

Vacant

CMS Governance Arrangements

CMS is governed by its Memorandum and Articles of Association and by a Board of Trustees. The Trustees of CMS aim to have high standards of accountability as well as proper and ethical performance of their duties. The process for appointing the Board of Trustees is as follows:

- The Board of Trustees of CMS is made up of up to fifteen Trustees, of whom (excluding the Chair) up to eleven Trustees are elected by the CMS membership and up to three Trustees are co-opted.
- The elected members of the Board of Trustees are subject to a fixed-term appointment of four years, with the opportunity to be elected for one further term, or a third in exceptional circumstances. Elections take place for vacancies.
- Co-opted Trustees are subject to a fixed-term appointment of two years, renewable a maximum of twice.
- The Chair of Trustees is appointed by the Board of Trustees and may serve for a maximum of three four-year terms.

The Board of Trustees meets four times a year, including one meeting focusing on trustee development. There is also a wider induction and training process in place for Trustees, which includes consideration of governance, Board operations, the role of Trustees, organisational strategy, the CMS ethos and risk management.

The Board has four sub-committees, which each meet four times a year and have specific terms of reference. These are:

- Finance Committee
- Fundraising & Communications Committee
- Governance Committee
- Mission Practice Committee

The purpose of the Finance Committee is to provide qualitative and quantitative input to Trustee decision making in relation to CMS's financial affairs. In this the committee is advisory, making recommendations to the whole Board. For the more technical areas of accounting, auditing, insurance, investment, pensions and property, the committee particularly helps the Board of Trustees to align decision making with expertise and knowledge.

The purpose of the Fundraising Committee is to advise the charity's fundraising team in the use of the most effective and efficient methods, and to ensure regulatory compliance, particularly in the use of data, public communications and fundraising methods. In this the committee is advisory, making recommendations to the whole Board.

The Governance Committee reviews the effectiveness of the governance system and the human resources (HR) function, and assists in the nomination and selection of Trustees and principal officers.

The purpose of the Mission Practice Committee is to help the trustees to understand the mission practice of CMS, and be connected with the people involved, in order that Board discussions and decisions are well informed.

The Board of Trustees

The Trustees of CMS are also its legal company directors. A list of the trustees who served during the year and up to the date of signing the financial statements is included below.

Mr Charles Clayton, Chair, to 31 3 2025	Mrs Fiona Lambert
Rev Jeremy Moodey appointed 9 10 2024, Chair from 01 04 2025	Mrs Chloe Louter
The Very Rev Andrew Bowerman to 09 05 2025	Dr Kevin McKemey to 31 07 2024
Rt Rev Nicholas Drayson appointed 05 12 2024	Rev Dr Richard Moy
Rev Sarah Jayne Hewitt	Mr John Stansfeld
Ms Catherine Morgan Hickey	Mr Simon Upcott
Dr Anne Keene	

The Chair of Trustees is responsible for ensuring the members of the Board of Trustees collectively contribute the broad range of skills and experience necessary for its effectiveness. The Trustees are responsible for developing strategic vision, articulating policy, managing risk and ensuring effective governance. The Board is assisted in implementation of policies and strategies by the Chief Executive Officer who is supported by the wider CMS Senior Leadership Team.

In addition to Trustees, the other sub-committees have additional co-opted members in attendance.

CMS Senior Leadership Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer & People and Learning Director	Mrs Debbie James
Mission Director	Canon Andy Roberts MBE

Britain Hub Mission Director	Mr Jonny Baker
Fundraising and Communications Director	Rev Virginia Luckett to 31 12 2024 Mrs Laura Hayes from 02 12 2024
Finance and Corporate Services Director	Mrs Becky Morris

The Chief Executive Officer is responsible to the Board of Trustees for the management of CMS. He leads the Senior Leadership Team (SLT), which is shaped around the following responsibilities:

- International Mission – responsible for CMS engagement in international mission in partnership with churches and other agencies of mission worldwide, including members of the CMS Mission Network.
- Britain Hub and Mission Education – overseeing the education and formation of pioneers, supporting UK churches in missional engagement and responsible for CMS's mission partners in Great Britain.
- People and Learning – overseeing the selection, formation and ongoing support of people in mission, and supporting CMS with expertise in HR and safeguarding.
- Fundraising and Communications – broad base fundraising from individuals, churches, trusts and major donors; embedding the CMS brand, telling the CMS story absorbingly and raising awareness and engagement with CMS and God's mission.
- Finance and Corporate Services – supporting CMS with expertise in finance, ICT, facilities and legal compliance.

Key Management Personnel Remuneration Policy

The Board of Trustees and the SLT are the key management personnel of CMS, responsible for directing and operating the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 15 to the financial statements.

Salaries of all staff, including the SLT, are reviewed annually taking inflation and the overall financial position of CMS into consideration. Remuneration levels are also benchmarked with Croner's charity pay and benefits report every four to five years to ensure that the level of remuneration is in line with roles in similar size organisations.

Fundraising

CMS has three sources of donation income to sustain its mission, without which CMS could not carry out its work. These are: Churches, Individuals and Trusts. The income from these sources is split 35 per cent Churches (2024: 34 per cent), 60 per cent Individuals (2024: 57 per cent) and 5 per cent Trusts (2024: 9 per cent). The Trustees are grateful for the faithful and committed support from them making CMS's work possible. We thank, inform and engage with our donors regularly, which we see as a key factor in retaining supporters. There is also income from legacies, kindly left to Church Mission Society by supporters in their will, which has provided 27 per cent of our total income in this financial year (2024: 33 per cent). The balance is from other income such as education fees and trading income. During the year CMS spent £1m (11.8 per cent of total income) on fundraising activity (2024: £1m, 12.8 per cent) in raising funds for CMS mission activities.

We are pleased to say that we are registered with the Fundraising Regulator and fully comply with the Fundraising Code of Practice. We have worked hard to ensure we protect and work in the interest of supporters who might be seen as vulnerable, through old age or illness, and have developed policy and procedures to ensure we continue to work in their best interest.

In 2024–25 we had 10 complaints relating to our fundraising activity (2023–24: 1). We have appropriately resolved each one with the people raising the complaints and have made changes to our procedures where necessary. During the year we reviewed our complaints policy and updated our method of recording complaints. Overall, given the schedule of fundraising activity in 2024–25, we consider this a very low level of complaint.

Use of Volunteers

Church Mission Society is a membership society and we are very grateful for voluntary support from members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

Grants

As shown in the financial review and Note 13, grant expenditure makes up a significant amount of CMS total expenditure. Project proposals received from partner organisations are subject to a formal approval process, which looks at issues such as the alignment, capacity and structure of the partner organisation. An agreed monitoring process is undertaken during the course of the partner spending the funds, and this includes reviews and evaluation of financial and narrative reports.

Risk Management Policy and Internal Control

The Trustees regularly review the internal and external risks facing CMS. A formal risk management process has been developed and the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have also considered the controls in place for these risks and have identified any necessary areas for action. This includes the regular review of CMS's financial position and internal control environment. CMS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of senior management and Trustees. The financial reporting system compares results with these plans on a monthly basis.

Current risks and the corresponding mitigating controls are set out below, in no order of priority:

Economic Turmoil

World events continue to impact the UK and the uncertainty and effects of international war, tariffs and inflation present risks to CMS in its cost base, investment values and capacity of donors to give. Communication with supporters, investment strategies and cost control are helping to mitigate this risk.

Pensions

CMS's defined benefit scheme is open to risks on their liabilities and assets as a result of changes in life expectancy, inflation, discount rates, future salary increases and the value of investments.

The impact of any negative movements in the pension scheme deficit is likely to result in increased payments from CMS. The scheme is now closed to new members and closed to future accrual. CMS works with the pension scheme Trustees, its investment managers and its own actuarial consultants to understand and mitigate these risks wherever possible.

International Operations

As an international organisation with people in mission and property across the globe, critical incidents are an inherent risk in our work. To mitigate this, robust security procedures have been put in place, security training has been rolled out to relevant high-risk personnel and the Crisis Management Team is in place, with clear contingency plans for emergencies.

Reputation

Damage to reputation is a risk for any organisation and particularly important for a charity. One key area in this regard is safeguarding. The Board reviews and approves the CMS safeguarding policy every year and significant work continues to ensure both our policy and practice continue to comply with the charity commission guidance on safeguarding.

Financial Review

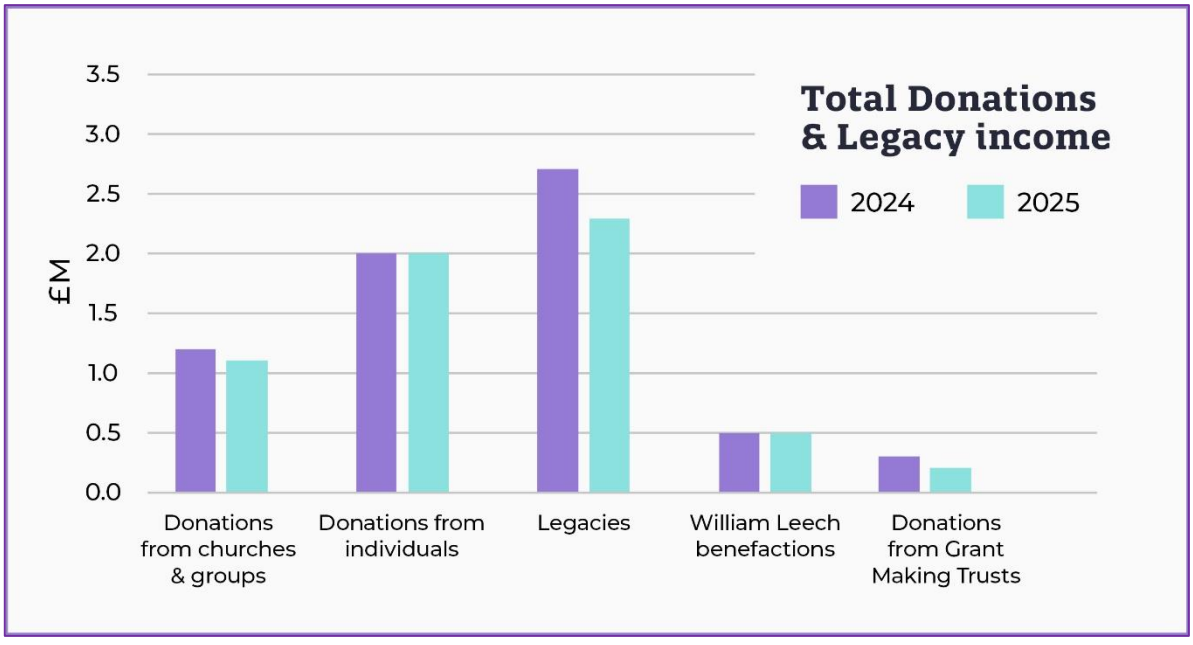
The report and financial statements of Church Mission Society Group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

Income

Total income for the year was £8.6m (2024: £8.3m), an increase of £0.3m from the previous year, primarily due to a property sale.

Other income increased by £0.8m due to a gain arising from the sale of a property, previously included in the accounts at cost and reflecting the rise in property prices since the purchase. Investment income at £0.8m was in line with prior year, similarly income from other trading activities is in line with prior year. Income from charitable activities increased by £0.1m to £0.4m due to increased pioneer education student numbers.

Donations and legacy income (shown in the chart below) has decreased by £0.7m to £6.1m, with £0.4m decrease in legacies, £0.2m decrease in grant making trust income and £0.1m other. While legacy income was strong in the year at £2.3m, the prior year results included an exceptional legacy. The results clearly show the importance of legacy income to CMS, representing 27 per cent (2024: 33 per cent) of the overall income during this financial year. The Trustees are extremely thankful for the generosity of those who make legacy gifts. Such gifts are important for sustaining our efforts to follow Jesus to the edges. The Trustees are also grateful for the donations received from trusts during the year including from two William Leech charitable trusts.



**** The above graphs are for 12 months to end of January 2024 and to end of January 2025*

Charitable Activity Expenditure

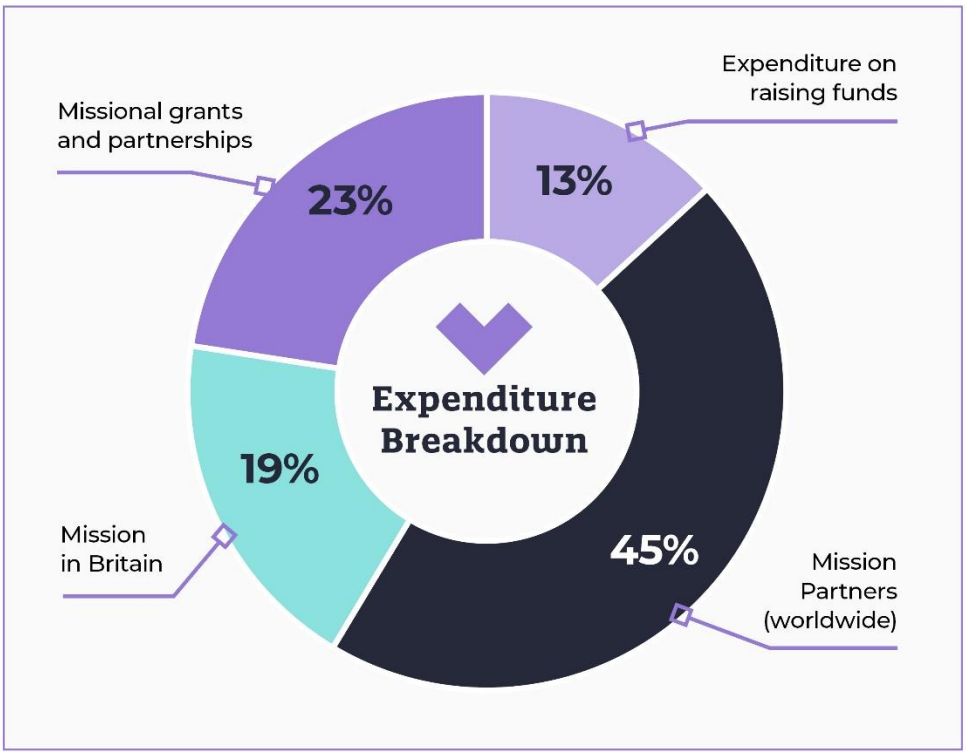
Total expenditure amounted to £8.1m (2024: £7.9m). Overall, there has been an increase of £0.2m in total expenditure, arising from an expansion in missional grants and partnerships work. The chart below shows how this is spent across our areas of work.

The recruitment, training and support of people in mission worldwide is CMS's largest area of spending, comprising 45 per cent of total expenditure (2024: 48 per cent). The majority of this expenditure supports 69 long term mission partners working in a range of activities in 32 different countries.

The other main areas of expenditure are Mission in Britain and missional grants and partnerships. Expenditure within the Mission in Britain category relates to the work of the team in catalysing missional movement and engagement, teaching and supporting our students on the Pioneer Mission Training programme and the activities of nine mission partners in Britain. Pioneer spending has involved both running the programme in Oxford and work being undertaken by CMS pioneer hubs.

Missional grants and partnerships expenditure comprises the costs of our work in catalysing and facilitating mission movements around the world. This includes grants totalling £0.3m (2024: £0.4m) paid to CMS-Africa and Asia-CMS.

The breakdown below shows the proportions spent on each activity.



CMS Defined Benefit Pension Scheme

At the year-end the net liability recognised in the balance sheet relating to the CMS Pension Scheme (Defined Benefit Scheme) was £nil (2024: £nil) as measured in accordance with FRS 102. The FRS102 valuation initially resulted in a surplus of £1.5m (2024: £2.6m) which has been restricted to £nil as it is unlikely that CMS would be able to benefit from this.

The last triennial valuation of the Scheme took place as at 31 March 2022, with the Scheme in surplus by £152k as at the triennial date. Cost to buy out as at the triennial date was £18.9m. As part of that valuation, CMS and the Pension Trustee agreed and paid contributions totalling £2.2m into the Scheme, and the Scheme remains in surplus on a funding basis as at the 31 January 2025 balance sheet date.

Church of England Defined Benefit Scheme

CMS Group has active members in the Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see Note 25B). The Group is grateful for the contributions paid by the Archbishops' Council, which amounts to some £115k for 16 active members of the Clergy Scheme.

Investment policy and review of investment performance

CMS manages its investments according to the CMS Statement of Investment Principles and the Trustees have authority to invest the monies of the Group, not immediately required, in such investments as they think fit. The Statement of Investment Principles includes details of CMS's socially responsible investment policy.

The Trustees have delegated the day-to-day management of the CMS investment portfolio to Cazenove Capital. The investment manager's delegated authority is operated in accordance with the CMS Statement of Investment Principles.

As at 31 January 2025, CMS had £4.5m (2024: £4.2m) of listed investments, £11.1m (2024: £10.0m) of unlisted investments, £81k of social investments (2024: £65k) and £14k (2024: £13k) of cash held within the investment portfolio. This total of £15.8m of investments includes £10.3m of endowed funds where the capital is not available to be spent. Further details of investments can be found in Note 17 of the financial statements. Income from the investment portfolio of CMS contributed to a total investment income of £0.8m in the Statement of Financial Activities (2024: £0.8m). Further details of the makeup of this investment income can be found in Note 6 of the financial statements. The net gain on investments in 2024–25 was £1.3m (2023–24 gain of £0.2m). This gain mostly arose from a rise in the market value of investments held by William Leech (Investments) Ltd, recouping losses of previous years.

During the year, Cazenove Capital, who manage listed holdings, attended the Finance Committee to discuss the performance of CMS's listed investment portfolios, and the CMS Trustee representative on the Board of Directors of William Leech Investments participates in the review of performance of the investments managed by that entity.

Movement in funds

CMS's total funds increased by £1.8m in the year, from £28.7m at the start to £30.5m at the end of the year. This was primarily due to investment gains of £1.3m and £0.9m gain on a property disposal, less £0.4m net other movements.

Reserves Policy and Financial Position Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2024–25 CMS holds unrestricted general funds (free reserves) for the following reasons:

- To fund future pension deficits and contribute towards future costs of buy-out of the CMS Pension Scheme
- To fund capital expenditure in 2025–26, primarily on CMS properties
- To allow for any unbudgeted costs, in particular relating to a mission partner emergency situation
- To provide working capital for cashflow purposes

A separate calculation has been made against each of the above factors. The calculation assesses the specific risks and details the reserve required by working out the impact of reduced income or required increase in expenditure. For example, the capital expenditure reserve simply reflects the required expenditure on CMS properties and equipment for the upcoming year. These risks are specific to CMS and will change each year. As such the overall target is reviewed, adjusted and approved annually by the Trustees.

Based on these calculations, the 2025–26 overall free reserve target for CMS is £3m. The free reserves at 31 January 2025 were £3.3m (2024: £3.1m).

Endowment Funds

Included in the balance sheet are Endowment Funds totalling £10.3m, the capital of which is not available to be spent. Income from endowments is spent according to the restriction.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this was the case as at 31 January 2025.

Designated Funds

The Trustees have set aside funds from the General Fund for unrestricted tangible fixed assets to ensure the general reserves policy is not skewed by holding these funds (see Note 24).

In addition, the Trustees have set aside £0.9m from a previous exceptional legacy as a strategic project fund.

Shares in William Leech (Investments) Limited purchased before 15 October 1996 are also included within the designated fund following receipt of legal advice confirming their status in June 2016.

The Pension Fund relates to funds received from William Leech (Investments) Ltd which are set aside for future use to reduce CMS group pension liabilities. Sale proceeds of £2.1m were added to this fund during the financial year after sale of a house previously held as security for the pension scheme and where the cash continues to be required by the scheme to be ringfenced as security.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the company's auditor is unaware
- each of the Trustees has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, including the strategic report on pages 3 to 19, was approved by the Board of Trustees on 25 June 2025 and signed on their behalf by:

Jeremy Moodey – Chair of Trustees

Independent Auditor's Report to the Members and Trustees of Church Mission Society

Opinion

We have audited the financial statements of Church Mission Society (the "charitable company") for the year ended 31 January 2025 which comprise Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2025 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees Annual Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the

preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, taxation legislation and General Data Protection Regulation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of legacy and grant income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, agreeing a sample of legacy and grant income to supporting documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

Date: 2.7.25

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities

For the year ended 31 January 2025 (Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Income and endowments from:									
Donations and legacies	3	3,179	2,608	287	**6,074**	2,609	3,890	271	**6,770**
Charitable activities	4	272	97	-	**369**	246	6	-	**252**
Other trading activities	5	156	-	-	**156**	186	-	-	**186**
Investments	6	734	87	-	**821**	687	88	-	**775**
Other	7	978	164	-	**1,142**	148	143	-	**291**
Total income		**5,319**	**2,956**	**287**	**8,562**	**3,876**	**4,127**	**271**	**8,274**
Expenditure on:									
Raising funds	9	1,028	21	15	**1,064**	978	21	14	**1,013**
Charitable activities									
Mission Partners (worldwide)	10	1,437	2,235	-	**3,672**	1,172	2,623	-	**3,795**
Mission in Britain	10	1,206	315	-	**1,521**	1,133	343	-	**1,476**
Missional grants and partnerships	10	1,074	750	-	**1,824**	1,199	448	-	**1,647**
Total charitable expenditure		**3,717**	**3,300**	-	**7,017**	**3,504**	**3,414**	-	**6,918**
Total Expenditure	10,11	**4,745**	**3,321**	**15**	**8,081**	**4,482**	**3,435**	**14**	**7,931**
Net gains/(losses) on investments		**432**	-	**851**	**1,283**	**74**	**-**	**163**	**237**
Net income/ (expenditure)		**1,006**	**(365)**	**1,123**	**1,764**	**(532)**	**692**	**420**	**580**
Transfers between funds	24	**(43)**	**43**	**-**	**-**	(60)	60	-	-
(Losses)/gains on revaluation of fixed assets		-	-	-	-	(5)	-	-	**(5)**
Net movement in funds		**963**	**(322)**	**1,123**	**1,764**	**(597)**	**752**	**420**	**575**
Total funds brought forward		**15,553**	**4,007**	**9,185**	**28,745**	**16,150**	**3,255**	**8,765**	**28,170**
Total funds carried forward		**16,516**	**3,685**	**10,308**	**30,509**	**15,553**	**4,007**	**9,185**	**28,745**

The accompanying notes are an integral part of this Statement of Financial Activities (SOFA). All gains and losses arising in the year relate to continuing activities.

Consolidated and Charity Balance Sheet

Company Number 6985330

As at 31 January 2025

	Note	Group 2025 £'000	Group 2024 £'000	Charity 2025 £'000	Charity 2024 £'000
Fixed assets					
Tangible fixed assets	16a	5,285	6,644	5,285	6,644
Investments: Unrestricted		5,601	5,090	5,601	5,090
Investments: Restricted and Endowment		10,168	9,139	10,168	9,139
	17	15,769	14,229	15,769	14,229
		21,054	**20,873**	**21,054**	**20,873**
Current assets					
Debtors	19	1,147	1,592	691	880
Cash at bank and in hand		9,053	7,423	8,232	6,727
		10,200	**9,015**	**8,923**	**7,607**
Current liabilities					
Creditors: amounts falling due within one year	20	(745)	(1,143)	(639)	(1,154)
Net current assets		**9,454**	**7,872**	**8,284**	**6,453**
Total assets less current liabilities		**30,509**	**28,745**	**29,338**	**27,326**
Net assets excluding pension assets or liability		**30,509**	**28,745**	**29,338**	**27,326**
Net assets		**30,509**	**28,745**	**29,338**	**27,326**
The funds of the charity:					
Unrestricted: General fund	24	3,313	3,098	3,313	3,098
Unrestricted: Designated funds	24	13,203	12,455	13,203	12,455
Unrestricted funds		**16,516**	**15,553**	**16,516**	**15,553**
Restricted funds		**3,685**	**4,007**	**2,514**	**2,588**
Endowment funds	**24**	**10,308**	**9,185**	**10,308**	**9,185**
	24	**30,509**	**28,745**	**29,338**	**27,326**

The accompanying notes are an integral part of this Balance Sheet. The financial statements on pages 26 to 59 were approved by the Board of Trustees and authorised for issue on 25 June 2025 and signed on their behalf by:

Jeremy Moodey – Chair of Trustees

Consolidated Cash Flow Statement

As at 31 January 2025

Reconciliation of net income to the net cash flow from operating activities

	2025 £'000	2024 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	1,764	575
Adjustments for:		
Investment income	(821)	(775)
Net losses/(gains) on investments	(1,283)	(237)
Depreciation charge	241	234
Decrease/ (increase) in debtors	445	696
Decrease/ (increase) in assets held for sale	-	1,170
(Decrease)/increase in creditors	(397)	(1,574)
(Gains)/losses on disposal of tangible fixed assets	(879)	2
Net cash used in the Group's operating activities	**(930)**	**91**

Statement of cash flows

	Note	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash used in operating activities		**(930)**	**91**
Cash flows from investing activities:			
Dividends, interest and other income from investments		821	775
Purchase of tangible fixed assets		(73)	(314)
Proceeds from sale of freehold fixed assets and assets held for sale		2,069	-
Purchase of investments		(6,464)	(371)
Proceeds from sale of investments		6,207	132
Net cash provided by investing activities		**2,560**	**222**
Change in cash and cash equivalents in the year		**1,630**	**313**
Cash and cash equivalents at the beginning of the year	29	**7,423**	**7,110**
Cash and cash equivalents at the end of the year	29	**9,053**	**7,423**

Notes to the Financial Statements

As at 31 January 2025

1. Charity information

Church Mission Society is a registered charity in England and Wales (registered charity number 1131655), a registered company in England and Wales (registered number 6985330) limited by guarantee and is registered as a charity in Scotland (charity number SC047163). CMS does not have share capital and has approval to omit the word “Limited” from its name. The members of the company are the Trustees and others as defined in CMS’s Articles of Association. In the event of CMS being wound up the liability in respect of the guarantee is limited to £1 per member.

Church Mission Society was incorporated on 8 August 2009 and registered as a charity on 16 September 2009. CMS was incorporated to effect the merger between The Church Mission Society Trust (registered charity number 1131655-1 England and Wales) and The South American Mission Society (registered charity number 221328 England and Wales).

The Church Mission Society Trust became a subsidiary of CMS under a scheme, agreed with the Charity Commission in 2010, enabling this to take place. The scheme involved a replacement of The Church Mission Society Trust’s objects to mirror those of CMS, and all Trustees of The Church Mission Society Trust resigned and were replaced by CMS as corporate Trustee. As part of the scheme, the name of that charity was changed to The Church Mission Society Trust (formerly Church Mission Society) and a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore, the disclosures in these financial statements for “the Charity” include CMS and The Church Mission Society Trust.

CMS is the sole corporate member of The South American Mission Society with the same group of Trustees common to both societies and accordingly The South American Mission Society (SAMS) is considered to be a subsidiary undertaking of CMS. Further information about CMS’s subsidiary undertakings, including SAMS and CMS House Enterprises Ltd, is included in Note 27.

2. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments that are included at a current market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with the Statement of Recommended Practice “Accounting and Reporting by Charities applicable to charities preparing accounts in accordance with FRS 102” (effective 1 January 2015) and with the Companies Act 2006.

Church Mission Society constitutes a public benefit entity as defined by FRS 102.

2. Accounting policies (continued)

Assessment of going concern

The Trustees have reviewed the financial position and forecasts of the charity and conclude they have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions and estimates were significant to the financial statements, are disclosed in Note 28.

Basis of consolidation

The consolidated financial statements of the CMS Group incorporate the financial statements of the Charity (CMS and The Church Mission Society Trust) and its subsidiary undertakings.

The Trustees have taken advantage of the exemption conferred by S408(3) of the Companies Act 2006 and accordingly present a consolidated Statement of Financial Activities only. In order to comply with the Charities SORP, income and expenditure for the Charity are disclosed by fund in Note 24.

Donations, legacies and other income

Income is recognised in the period in which the Charity has entitlement to the income, when it is probable that the income will be received and the amount of the income can also be measured reliably. Where income is received in advance of providing goods and services the income is deferred until CMS becomes entitled to the income.

Legacy gifts are recognised on a case-by-case basis following the grant of probate and when the entitlement to the legacy has been established, receipt is probable and amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Charity is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably quantified. Where legacies have been notified to the charity, or the charity is awaiting the grant of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. No value is included where the legacy is subject to a life interest held by another party.

2. Accounting policies (continued)

Financial instruments

Church Mission Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value (including any transaction costs) and subsequently measured at their settlement value (which is also the amortised cost). Financial assets held at amortised cost include cash at bank and in hand and the group's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the group's long- and short-term creditors, excluding deferred income.

Investments and investment income

Investments are initially measured at cost. Listed investments are included at their open market value at the balance sheet date. All gains and losses on investments are taken to the Statement of Financial Activities, including the net gains and losses arising from disposals and revaluations in the year. The income from investments and short-term deposits is accounted for on an accruals basis.

The unlisted investment in William Leech (Investments) Limited is included in the financial statements as the Charity's share of the net asset value at 31 January 2025 (unaudited). The year-end of William Leech (Investments) Limited is 31 March.

The social investment (mixed purpose) in Clean for Good Ltd is included in the financial statements as the Charity's share of the net asset value shown in that company's accounts at 31 January 2025. The year-end of Clean for Good Ltd is 31 March 2025. The investment is not justified wholly by either the financial return or by the contribution it makes to the charity's aims but by the combination of the two.

Fund accounting and the allocation of income and expenditure by fund

Income and Expenditure are allocated to three categories of funds: Unrestricted Funds, Restricted Funds and Endowment Funds.

Unrestricted funds are available for use to further the Charity's general purposes and objectives. All income and expenditure associated with the general operation of the Charity has been accounted for within the unrestricted funds, including donations and legacies where the donor attaches no specific conditions. Designated funds are a portion of unrestricted funds that have been set aside by the Trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area. Income and expenditure related to CMS's work in South America is shown within restricted funds.

The endowment funds represent assets which have the restriction that the revenue generated by holding the asset is available to spend but the capital itself cannot be spent. Income generated from endowment funds is applied to unrestricted or restricted funds as appropriate.

2. Accounting policies (continued)

Expenditure

All expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. A liability is recognised when a legal or constructive commitment is entered into by the Charity and so a liability exists.

All expenses, including support costs and governance costs, are classified to the applicable expenditure headings in the Statement of Financial Activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Cost of raising funds comprises those costs incurred in seeking voluntary contributions and in the management of CMS investments.

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are costs associated with the strategic as opposed to the day-to-day management of the Charity's activities.

Support and governance costs are allocated across the categories of expenditure on charitable activities and the cost of raising funds. When it is necessary to apportion certain expenses between the different categories of resources expended, this is undertaken on bases which are considered appropriate. For example, in the case of salaries and pensions, these are apportioned on the basis of estimated time spent on these activities. The allocation model is reviewed and updated annually to ensure that the apportionments properly reflect the activities of the Charity.

Grants payable are recognised during the year in which the Charity enters into a binding commitment to make a grant and this is communicated to the recipient.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of financial activities with the relevant charitable activity expenditure for the period in which they occurred.

2. Accounting policies (continued)

Tangible fixed assets, depreciation and property held for sale

Tangible fixed assets are shown at their current net book value on an historical cost basis. Assets are capitalised where the value of the asset is greater than £500. The carrying values of tangible fixed assets are reviewed for impairment in the period in which events or changes in circumstances indicate that the carrying values may not be recoverable. Tangible fixed assets are grouped by category and depreciated on a straight-line basis as detailed in the table below.

Freehold property	30–50 years	Furniture and office equipment	3–10 years
Leasehold property	shorter of 50 years and the period of the lease	Motor vehicles	4 years
Computer equipment	3–5 years	Plant and machinery	10–20 years

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Pensions

The Charity (CMS) has members in a defined benefit pension scheme, both employees and mission partners. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes).

Defined contribution schemes

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit scheme – CMS Pension Scheme

The CMS defined benefit pension scheme is funded, with the assets of the Scheme held separately from those of the Charity, in Trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the Scheme's liabilities. The resulting defined benefit asset or liability is presented after other net assets on the face of the balance sheet, unless a surplus is not recognised in accordance with FRS 102.

2. Accounting policies (continued)

The current service cost and net interest cost are allocated to relevant expenditure headings within the Statement of Financial Activities, unless the net interest is a credit in which case it is included in "Other income". The change in the value of assets and liabilities arising from asset valuation, actuarial assumptions and any surplus that is not considered recoverable is recognised within the "gains and losses" categories of the Statement of Financial Activities as "Actuarial gains and losses on defined benefit pension scheme".

Defined benefit schemes – multi-employer schemes

The Charity and SAMS participate in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board, also known as the Clergy Pension Scheme, which provides pensions for clergy. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Charity and SAMS are unable to identify their share of the underlying assets and liabilities. No funding liability currently arises for the Charity and SAMS in respect of them.

3. Donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Donations from churches and groups	137	1,016	-	**1,153**	149	1,075	-	**1,224**
Donations from individuals	718	1,240	-	**1,958**	751	1,271	-	**2,022**
Legacies	2,007	284	-	**2,291**	1,308	1,410	-	**2,718**
William Leech benefactions	216	-	287	**503**	205	-	271	**476**
Donations from grant making trusts	101	68	-	**169**	196	134	-	**330**
	3,179	**2,608**	**287**	**6,074**	**2,609**	**3,890**	**271**	**6,770**

Legacies of which CMS has been notified, but not recognised as income, are estimated at £612k (2024: £870k).

William Leech Benefactions

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust). The income from the Foundation Trust is distributed in equal portions to CMS and four other charities. The income from the Charity Trust is distributed for charitable purposes at the discretion of the Trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. The Charity Trust reviews this policy each year.

4. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Pioneer Mission Education training	272	91	-	**363**	246	4	-	**250**
Events	-	6	-	**6**	-	2	-	**2**
	272	**97**	**-**	**369**	**246**	**6**	**-**	**252**

5. Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Income from property	138	-	-	**138**	165	-	-	**165**
Use of conference facilities	18	-	-	**18**	21	-	-	**21**
	156	**-**	**-**	**156**	**186**	**-**	**-**	**186**

6. Income from investments

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Income from William Leech (Investments) Limited	437	-	-	**437**	372	-	-	**372**
Investments listed on a recognised stock exchange	52	66	-	**118**	49	69	-	**118**
Unlisted investments	3	-	-	**3**	1	-	-	**1**
Interest on cash balances	242	21	-	**263**	265	19	-	**284**
	734	**87**	**-**	**821**	**687**	**88**	**-**	**775**

7. Other income

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000
Other income	99	164	-	**263**	148	143	-	**291**
Gain on disposal of freehold property	879	-	-	**879**	-	-	-	**-**
	978	**164**	-	**1,142**	**148**	**143**	**-**	**291**

8. Operating leases as a lessor

The charity receives rental income from leasing certain residential and office properties to tenants under non-cancellable operating leases and tenancy agreements. Income received under operating leases is included in the SOFA on a straight-line basis over the period of the lease. At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2025 £'000	2024 £'000
Not later than one year	74	74
Later than one year and not later than five years	22	63
Later than five years	10	11
	106	**148**

There are no contingent rents recognised as income.

9. Expenditure on raising funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Cost of generating voluntary income	989	21	-	**1,010**	**960**
Cost of activities for generating funds	29	-	-	**29**	**29**
Investment management costs	10	-	15	**25**	**24**
	1,028	**21**	**15**	**1,064**	**1,013**

10. Analysis of expenditure

	Direct	Grants	Support Costs	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Costs of generating voluntary income	662	-	348	**1,010**	**960**
Cost of activities for generating funds	29	-	-	**29**	**29**
Investment management costs	25	-	-	**25**	**24**
	716	**-**	**348**	**1,064**	**1,013**
Charitable activities					
Mission Partners (worldwide)	2,819	53	800	**3,672**	**3,795**
Mission in Britain	1,092	-	429	**1,521**	**1,476**
Missional grants and partnerships	732	596	496	**1,824**	**1,647**
	4,643	**649**	**1,725**	**7,017**	**6,918**
Total Expenditure	**5,359**	**649**	**2,073**	**8,081**	**7,931**

11. Support costs by activity

	Finance, Pension and ICT	Personnel and Development	Facilities and Premises	Governance	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Costs of generating voluntary income	276	-	62	10	**348**	**312**
Charitable activities						
Mission Partners (worldwide)	494	95	185	26	**800**	**683**
Mission in Britain	173	71	185	-	**429**	**385**
Missional grants and partnerships	228	67	186	15	**496**	**438**
Total Support Costs	**1,171**	**233**	**618**	**51**	**2,073**	**1,818**

The support costs are allocated on the basis of an estimate of staff time spent, by each team, on each of the activities.

Governance costs relate to the audit fee of £51k (2024: £48k) and included in Finance and ICT are non-audit fees of £1,5k (2024: £2k). All fees are shown gross of VAT. In addition, trustee expenses of £9k were incurred in the year (2024: £6k).

Depreciation of £241k (2024: £234k) is included in Facilities and Premises support costs.

12. Obligations under operating leases

The group's future minimum lease payments on operating leases are as follows:

	2025 £'000	2024 £'000
Within one year	3	3
In two to five years	-	-
After five years	-	-
	3	**3**

Operating lease charges in the year to 31 January 2025 were £3k (2024: £3k).

13. Analysis of grants

By category of charitable expenditure	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2025	Total grants in year to 31 January 2024
	£'000	£'000	£'000	£'000
Mission Partners (worldwide)	24	29	**53**	**40**
Mission in Britain	-	-	**-**	**-**
Missional grants and partnerships	585	11	**596**	**796**
	609	**40**	**649**	**836**

By geographical area	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2025	Total grants in year to 31 January 2024
	£'000	£'000	£'000	£'000
Africa	234	7	**241**	**349**
Asia	130	5	**135**	**212**
Europe, the Middle East and North Africa	93	4	**97**	**117**
Latin America	152	24	**176**	**158**
	609	**40**	**649**	**836**

Analysis of Grants to Institutions	Nature of grant	Region	Grants to Institutions £'000
Africa			
CMS-Africa	Mission Grant	Africa	230
Other Institutions grants under £100k			4
Total			**234**
			£'000
Asia			
Asia-CMS	Mission Grant	Asia	115
Other Institutions grants under £100K		Asia	15
Total			**130**

13. Analysis of grants (continued)

Europe, the Middle East and North Africa	
Other Institutions grants under £100k	93
Total	**93**
Latin America	
Other Institutions grants under £100k	152
Total	**152**
Total Institutional Grants	**609**

14. Staff costs and other employee benefits

Staff costs	**2025**	**2024**
	£'000	**£'000**
Salaries and allowances	**3,752**	**3,845**
Social security cost	**255**	**253**
Employer's pension contributions (Defined contribution)	**758**	**756**
Redundancy and relocation costs	**29**	**10**
	4,794	**4,864**

One employee received emoluments of between £80k and £90k (2024: nil), one employee received emoluments of between £70k and £80k (2024: two employees) and one employee received emoluments of between £60k and £70k (2024: nil).

The total amount of employee benefits received by key management personnel for their services during the year is £480k (2024: £433k). The number of volunteers working for Church Mission Society is 27 (2024: 30). During the year total redundancy and other termination payments were £29k (2024: £10k).

Employees: The average monthly number of employees in the year is analysed by function below:

UK Staff	**2025**	**2024**
	Number	**Number**
Raising funds	15	12
Charitable activities	61	62
Governance of the charity	1	1
UK Staff	**77**	**75**
Mission Partners	77	90
	154	**165**

15. Trustees' expenses

	2025	2024
	£'000	£'000
Expenses incurred by Trustees and reimbursed by Church Mission Society	4	2
Expenses incurred by Church Mission Society on behalf of the Trustees	5	4
Trustees' indemnity insurance cover cost	12	11
	21	**17**

The Trustees receive no remuneration for their services, but are reimbursed expenses in respect of travel and accommodation expenses for attending meetings. In 2025 nine Trustees received expenses (2024: six). The aggregate value of donations made to Church Mission Society by Trustees and key management personnel who served during year to the general fund was £7k (2024: £8k) and to restricted funds NIL (2024: £1k).

16. Tangible fixed assets

Tangible fixed assets

The Group and Charity

	Freehold Property	Long Leasehold Property	Motor Vehicles	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 February 2024	8,302	267	15	1,814	**10,398**
Additions	-	-		73	**73**
Disposals	(1,579)	-	-	(73)	**(1,652)**
At 31 January 2025	**6,723**	**267**	**15**	**1,814**	**8,819**
Depreciation:					
At 1 February 2024	2,320	48	-	1,386	**3,754**
Charge for the year	136	6		99	**241**
Disposals	(390)	-	-	(71)	**(461)**
At 31 January 2025	**2,066**	**54**	**-**	**1,414**	**3,534**
Net Book Value:					
At 31 January 2024	**5,982**	**219**	**15**	**428**	**6,644**
At 31 January 2025	**4,657**	**213**	**15**	**400**	**5,285**

(a) Capital expenditure authorised and contracted but not yet incurred was £nil (2024: £nil).

(b) The net book value of long leasehold properties at 31 January 2025 includes two leasehold UK properties (2024: 2).

16. Tangible fixed assets and property held for sale (continued)

(c) The net book value of fixtures, fittings and office equipment comprises:

	2025	2024
	£'000	£'000
Fixtures and fittings	310	323
Office furniture	1	1
Computer hardware/software	89	104
	400	**428**

17. Investments

The Group and Charity
Analysis of Movement in Investments

	Listed	Unlisted	Social	Held as cash	2025	2024
Market Value:	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 February 2024	4,194	9,957	65	13	**14,229**	**13,753**
Additions to investments	6,185	279	-	-	**6,464**	**371**
Proceeds from disposals	(6,207)	-	-	-	**(6,207)**	**(133)**
Net movement in cash held by investment manager	-	-	-	1	**1**	**1**
Net gain/(loss) on investments	354	912	16	-	**1,282**	**237**
At 31 January 2025	**4,526**	**11,148**	**81**	**14**	**15,769**	**14,229**

Unlisted Investments (shown at market value)

	2025	2024
	£'000	£'000
Unrestricted Funds		
Ordinary shares – William Leech (Investments) Ltd	3,548	3,284
	3,548	3,284
Endowment Funds		
Ordinary shares – William Leech (Investments) Ltd	7,600	6,673
	11,148	**9,957**

17. Investments (continued)

Investments – William Leech (Investments) Limited

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust, Note 3).

During the year CMS subscribed to additional share capital amounting to £279k in William Leech (Investments) Limited, 57 per cent of the voluntary income received in 2024–25. The historical cost of the investment and the reinvestment in respect of the year to 31 January 2025 was as follows:

	2025 £'000	2024 £'000
At historical cost:		
Balance at 1 February	7,723	7,462
Shares purchased at £1 each	279	261
Balance at 31 January	**8,002**	**7,723**

The Total Net Assets of William Leech (Investments) Limited at 31 January (unaudited) was £55.7m (2024: £49.8m) comprised of listed securities £53.2m, property £0.1m, other net assets £2.4m. The Charity is one of five charities which each hold 20 per cent of the issued share capital of the company. CMS's share of the net assets is therefore £11m (2024: £10.0m). The Charity has a representative on the board of William Leech (Investments) Limited but this does not give the Charity the ability to control or exert significant influence over the company's day-to-day management or financial policies.

Church Mission Society received legal advice in June 2016 from Winckworth Sherwood that considered whether the shares in William Leech (Investments) Limited should be treated as part of unrestricted funds or endowment funds in the accounts of Church Mission Society. The legal advice received in June 2016 confirmed that the shares purchased after 15 October 1996 should be treated as an addition to capital (endowment funds) and also advised that shares purchased prior to 15 October 1996 could be treated as part of unrestricted funds. The Trustees of Church Mission Society accepted this legal advice in June 2016 and the financial statements continue to be prepared on this basis.

Social Investment (unlisted shown at market value)

	2025 £'000	2024 £'000
Unrestricted Funds		
Ordinary shares – Clean for Good Ltd at historical cost	30	30
Add gains	51	35
	81	**65**

CMS's current share is 33 per cent of the issued share capital of the company. The Charity has a representative on the board of Clean for Good Ltd.

17. Investments (continued)

Custodian funds

The Group also acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:

	2025	2024
	£'000	£'000
Value at 31 January	6	5
	6	**5**

These funds are not part of the Group's net assets and are not included in the Group's financial statements. At the request of the Diocese of Uruguay they are deposited with CCLA who manage the Central Board of Finance of the Church of England Investment Funds.

18. Financial instruments

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity has the following financial instruments:

	2025 Group £'000	2024 Group £'000	2025 Charity £'000	2024 Charity £'000
Financial assets measured at fair value, through profit and loss				
Unlisted investments	11,229	10,022	11,229	10,022
Other investments	4,540	4,207	4,540	4,207
Financial assets measured at amortised cost				
Cash at bank and in hand	9,053	7,423	8,233	6,727
Amounts due from subsidiaries	-	-	68	97
Other receivables (excluding prepayments)	948-	1,386	492	674
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	-	-	-	(45)
Other creditors due within one year (excluding tax and deferred income)	(574)	(905)	(480)	(925)

19. Debtors

	2025 Group £'000	2024 Group £'000	2025 Charity £'000	2024 Charity £'000
Trade debtors	67	105	59	64
Taxation recoverable	36	67	34	67
Amounts owed by group entities	-	-	68	97
Prepayments	199	206	199	206
Accrued income	703	1,089	210	364
Other debtors	142	125	121	82
	1,147	**1,592**	**691**	**880**

20. Creditors

Amounts falling due within one year

	2025 Group £'000	2024 Group £'000	2025 Charity £'000	2024 Charity £'000
Trade creditors	215	343	195	333
Amounts owed to group entities	-	-	(62)	45
Accruals for grants payable	71	215	71	215
Other accruals	198	171	185	163
Taxes and social security costs	90	140	79	131
Deferred income	81	98	81	98
Other creditors	90	176	90	169
	745	**1,143**	**639**	**1,154**

All deferred income as at 31 January 2024 was recognised during the year ended 31 January 2025. Deferred income relates to amounts received in advance of entitlement.

21. Registered holder

The properties and investments of The Church Mission Society Trust are held in trust in the name of Church Missionary Trust Association Ltd.

22. Related party transactions

Andy Roberts, a member of CMS key management personnel, is a trustee of ReVive International. During the year CMS sent two mission partners to work with ReVive International.

Transactions with the subsidiary companies, The South American Mission Society and CMS House Enterprises Limited, are set out below:

South American Mission Society (SAMS)

In 2024–25, SAMS charged the Charity (gift from parent entity) with £448k (2024: £550k). This calculation pertains to the amount of restricted funds received by the Charity (Church Mission Society), but relating to mission partners employed by SAMS. Each year, the Charity transfers a gift to SAMS of restricted funds relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity. SAMS made a gift of £300k (2024: £200k) to CMS to support work in Latin America.

CMS House Enterprises Ltd

In 2024–25 the Charity charged CMS House Enterprises Limited management fees totalling £2k (2024: £4k). These are calculated as a percentage of external conference and catering services income. In 2024–25 the Charity charged CMS House Enterprises Limited licence fees totalling £1k (2024: £1k). These are calculated as a percentage of total conference and catering services room hire income.

In 2024–25 CMS House Enterprises Limited charged the Charity room hire fees totalling £0 (2024: £12.5k). These fees are based on usage of rooms hired relating to courses run by the Pioneer Mission Education team.

23. Net assets by fund

The Group – 2025	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	5,090	195	-	**5,285**
Investments	5,601	-	10,168	**15,769**
Current assets	6,442	3,618	140	**10,200**
Less: Current liabilities	(617)	(128)	-	**(745)**
Net Assets 2025	**16,516**	**3,685**	**10,308**	**30,509**

The Charity – 2025	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	5,090	195	-	**5,285**
Investments	5,601	-	10,168	**15,769**
Current assets	6,358	2,425	140	**8,923**
Less: Current liabilities	(533)	(106)	-	**(639)**
Net Assets 2025	**16,516**	**2,514**	**10,308**	**29,338**

The Group – 2024	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,432	212	-	**6,644**
Investments	5,090	89	9,050	**14,229**
Current assets	4,933	3,947	135	**9,015**
Less: Current liabilities	(902)	(241)	-	**(1,143)**
Net Assets 2024	**15,553**	**4,007**	**9,185**	**28,745**

The Charity – 2024	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,432	212	-	**6,644**
Investments	5,090	89	9,050	**14,229**
Current assets	4,972	2,500	135	**7,607**
Less: Current liabilities	(941)	(213)	-	**(1,154)**
Net Assets 2024	**15,553**	**2,588**	**9,185**	**27,326**

24. Funds

Unrestricted Funds: Group and Charity

	At 1 February 2024	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2025
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,098	5,319	(4,269)	168	(1,003)	-	-	**3,313**
Tangible Fixed Asset Fund (Designated)	6,432	-	(235)	-	(1,107)	-	-	**5,090**
William Leech Fund (Designated)	3,284	-	-	264	-	-	-	**3,548**
Strategic Project Fund (Designated)	900	-	-	-	-	-	-	**900**
Pension Fund (Designated)	1,839	-	(241)	-	2,067	-	-	**3,665**
Unrestricted Funds	**15,553**	**5,319**	**(4,745)**	**432**	**(43)**	-	-	**16,516**

The Tangible Fixed Asset Fund represents the net book amount invested in tangible fixed assets (including property held for sale) other than those covered by restricted funds. The William Leech Fund reflects the element of the grants received from William Leech Foundation Limited prior to 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The Pension Fund relates to additional funds received from William Leech (Investments) Ltd and the sale proceeds of a CMS property, which are set aside for future use to reduce CMS group pension liabilities. The trustees have set aside in a designated fund £0.9m for strategic project from proceeds of a previous exceptional legacy.

24. Funds (continued)

Endowment Funds
The Group and Charity

	At 1 February 2024	Income	Expenditure	Net Gain/(Loss) on Investments	Transfers	At 31 January 2025
	£'000	£'000	£'000	£'000	£'000	£'000
William Leech Capital Fund	6,810	287	-	648	-	**7,745**
P Fund	1,220	-	(8)	105	-	**1,317**
H B Aserappa Fund	631	-	(4)	53	-	**680**
R H Aserappa Fund	415	-	(3)	36	-	**448**
Christava Mahilalayam Fund	85	-	-	7	-	**92**
Bell Trust Fund	24	-	-	2	-	**26**
Total Endowment funds	**9,185**	**287**	**(15)**	**851**	**-**	**10,308**

The William Leech Capital Fund reflects the capital element of the grants received from William Leech Foundation Limited after 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The P Fund is a permanently endowed fund. The capital of the fund was amalgamated from a large number of small trust funds with Charity Commission approval in 1998. The total value of the P Fund is broken down into the following areas, defined by the restrictions placed on the income generated:

China	£176k
India	£443k
Medical work	£361k
Palestine	£47k
General reserves	£290k
	£1,317k

The H B Aserappa Fund is for evangelistic work in East Asia or other parts of the world at the Trustees' discretion. The R H Aserappa Fund is for salaries and disbursements to lay evangelists in Sri Lanka.

The Christava Mahilalayam Fund is held for the benefit of the Christava Mahilalayam School in South India.

The Bell Trust Fund is for the in-service training of Religious Education teachers in Africa.

24. Funds (continued)

Restricted Funds
The Group and Charity

	At 1 February 2024	Income	Expenditure	Net Gain on Investments	Transfers	At 31 January 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Mission Personnel Funds	560	1,230	(1,498)	-	265	**557**
South America Funds – Charity	-	66	-	-	(47)	**19**
Latin America Projects	995	59	(128)	-	(15)	**911**
Africa Projects	155	156	(142)	-	(8)	**161**
Asia Projects	168	16	(83)	-	6	**107**
Europe & Middle East Projects	31	13	(22)	-	-	**22**
Multi Region Projects	261	480	(291)	-	(95)	**355**
St Julian's Fund	201	-	(5)	-	-	**196**
Tanzania Education Fund	1	-	-	-	-	**1**
H B Aserappa Income Fund	17	18	(35)	-	-	-
R H Aserappa Income Fund	54	12	-	-	-	**66**
Christava Mahilalayam Income	22	3	-	-	-	**25**
Partnership for Missional Church	1	3	(4)	-	-	-
Mid-Africa Fund	-	118	(118)	-	-	-
Local Partner Fund	19	38	(21)	-	(22)	**14**
Other restricted funds	103	122	(105	-	(41)	**77**
Total restricted funds – Charity	**2,588**	**2,334**	**(2,451)**	**-**	**43**	**2,514**
South America Funds – Group	1,419	622	(870)	-	-	1,171
Total restricted funds – Group	**4,007**	**2,956**	**(3,321)**	**-**	**43**	**3,685**

Mission Personnel Funds are held as individual restricted funds for the support of CMS mission partners.

The South America Funds – Charity funds include reserves held by Church Mission Society which are used to support work in South America.

The regional project funds represent various small projects where the beneficiaries of the grants are based in a specific region or cover multiple regions. Donations and other income are received with a restriction to support these projects.

The St Julian's Fund represents the property held by CMS for the former residents of the St Julian's Community. This fund is restricted for the time that the properties are required by the residents, after which time the properties will revert to the general fund.

The accumulated income from the H B Aserappa Fund, the R H Aserappa Fund, the Christava Mahilalayam Fund is held for the same beneficial objects as for their corresponding endowments.

24. Funds (continued)

The Mid-Africa Fund is held by CMS for work in the Mid-Africa region.

The Local Partner Fund is to support a new generation of gifted and dedicated leaders who are passionate about serving their church in some of the world's financially poorest nations.

Other restricted funds represent a wide variety of small restricted funds, held and separately accounted for, for some of the current projects that CMS is involved in. Some fund transfers in the year relate to transfers from unrestricted funds to finance deficits on restricted funds, in particular mission personnel restricted funds. Other transfers relate to the movement from programme funds to help support individual mission partners and projects.

The South America Funds – Group funds include reserves held by The South American Mission Society which are used to support mission partners in Latin America.

25. Retirement benefits

The Charity (CMS) has members in the CMS defined benefit pension schemes. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes), as explained in Note 25C below.

A. Defined Benefit Schemes – CMS Pension Scheme (Group and Charity)

The Charity contributes to the CMS Pension Scheme, a defined benefit pension scheme, to secure present and future pensions for certain current and former mission partners and staff. CMS Ireland, an independent charity, also funds pensions for its current and former mission partners and staff, but these amount to only some 3 per cent of the scheme's total liabilities.

Nature of the Scheme

The Church Mission Society Pension Scheme operated by the Society is a funded defined benefit arrangement which provides retirement benefits based on final pensionable salary. The Scheme closed to the future accrual of benefits with effect from 30 June 2011. Accrued benefits of active members continue to be linked to pensionable salaries.

The Scheme is a UK registered scheme in accordance with Section 153 of the Finance Act 2004. The Scheme must comply with UK pensions legislation and is regulated by the UK Pensions Regulator. The Scheme is governed by a corporate Trustee, CMS Pension Trust Limited, which has six directors including two member-nominated directors, elected by the membership, and two independent directors, appointed by CMS. The remaining two directors are also appointed by CMS but represent the employer's interests. The Trustee is responsible for the administration of the Scheme and for the Scheme's investment policy. The Trustee, with the advice of the Scheme Actuary and with the agreement of the Employers, determines the contributions that are paid to the Scheme.

The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 31 January 2025.

Funding Policy

Following the cessation of accrual of benefits with effect from 30 June 2011, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation. The funding method employed to calculate the value of previously accrued benefits is the Attained Age Method.

The triennial valuation of 31 March 2022 resulted in a Scheme surplus of £152k as at the triennial date. As part of that valuation, the Society and the Pension Trustee agreed that contributions totalling £2.2m would be paid into the Scheme by 31 March 2023, inclusive of the contributions already paid/due from CMS and CMS Ireland in accordance with the previous funding agreement. No regular payments are due with the exception of administration expenses.

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

25. Retirement benefits (continued)

Scheme Amendments

There have been no amendments to the Scheme during the year and no special events have occurred.

Amounts recognised in the balance sheet	**2025 £'000**	**2024 £'000**
Fair value of scheme assets	52,611	56,611
Present value of funded obligations	(51,159)	(53,981)
Surplus/(deficit) in scheme	**1,452**	**2,630**
Unrecognised asset – restriction of Scheme surplus (in accordance with FRS 102)	(1,452)	(2,630)
Net defined benefit (liability) recognised in the balance sheet	-	-

Amounts charged to the Statement of Financial Activities	**2025 £'000**	**2024 £'000**
Interest on scheme assets	2,696	2,688
Interest effect of asset ceiling	(129)	(259)
Interest cost on obligation	(2,574)	(2,433)
Net interest on net defined benefit asset or liability	**(7)**	**(4)**
Past service costs	-	-
Pension scheme administration expenses	(639)	(521)
Included in net income/(expenditure)	**(646)**	**(525)**
Return on scheme assets (not included in interest)	(3,461)	(4,312)
Experience gain/(loss) on liabilities	197	(1,705)
Actuarial gain on scheme obligation	2,255	2,811
Loss from change in effect of asset ceiling	1,307	3,381
Recognised in "Actuarial gains on defined benefit pension scheme"	**298**	**175**
Total amounts recognised in the SOFA	**(348)**	**(350)**

There are no current service costs of the Scheme included within the SOFA (2024: £nil).

25. Retirement benefits (continued)

Changes in fair value of scheme assets	2025 £'000	2024 £'000
Scheme assets at the beginning of the year	56,611	61,188
Interest on assets	2,696	2,688
Return on scheme assets (not included in interest)	(3,461)	(4,312)
Contributions by CMS	336	336
Contributions by CMS Ireland	12	14
Administration expenses	(639)	(521)
Benefits paid	(2,944)	(2,782)
Scheme assets at the end of the year	**52,611**	**56,611**
Actual return on scheme assets	**(765)**	**(1,624)**

Scheme Assets

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	2025 %	2024 %
Bonds	49	19
Private market funds	-	11
Cash and NCA	3	1
Liability driven investments	48	69

Changes in present value of the Scheme's defined benefit obligation	2025 £'000	2024 £'000
Obligation at the beginning of the year	53,981	55,436
Interest cost on obligation	2,574	2,433
Actuarial (gain)	(2,255)	(2,811)
Past service cost	-	-
Experience loss/(gain) on liabilities	(197)	1,705
Benefits paid	(2,944)	(2,782)
Defined benefit obligation at the end of the year	**51,159**	**53,981**

The weighted average duration of the liabilities of the Scheme was 12 years as at 31 January 2025 and 12 years at 31 January 2024.

25. Retirement benefits (continued)

Principal Actuarial Assumptions at the balance sheet date used for the FRS 102 disclosures

The principal assumptions used by the actuary to calculate the employee benefit obligation for Church Mission Society in respect for the CMS Pension Scheme were as follows:

	2025 %pa	2024 %pa
Discount Rate at end of year	5.40	4.90
Discount Rate at start of year	4.90	4.50
Inflation – CPI	2.85	2.65
Inflation – RPI	3.30	3.10
Rate of increase in pensionable salaries	2.85	2.65
Rate of increase in pensions in respect of service:		
- pre 10 January 1994	3.65	3.65
- between 10 January 1994 and 5 April 2005	3.00	3.00
- after 5 April 2005	2.10	2.10
Rate of increase in deferred pensions in respect of service:		
- before 1 April 1994	5.00	5.00
- between 1 April 1994 and 5 April 2009	2.65	2.65
- after 5 April 2009	2.50	2.50

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 87 if they are male and on average until age 89 if female. For a member currently aged 55 the assumptions are that if they attain an age of 65 they will live on average until age 87 if they are male and on average until 90 if female.

B. Defined Benefit Schemes – Church of England Funded Pensions Scheme (Group and Charity)

In addition to the CMS Pension Scheme the Group has 16 active members of the Church of England Funded Pension Scheme (also known as the Clergy Scheme), which has approximately 8,000 active members. Contributions for these members of the Scheme are paid for by the Archbishops' Council on behalf of the Group, so the expense recognised in the SOFA is £nil (2024: £nil). Employer's contributions to this scheme amounting to some £115k (2024: £135k) are funded by the Archbishops' Council in accordance with the Pensions Measure 1997, under a grant which the national church undertook to make to meet the pension costs of clergy employed by qualifying mission agencies belonging then to the Partnership in World Mission.

25. Retirement benefits (continued)

C. Defined Contribution Schemes (Group and Charity)

The Charity contributes to personal money purchase pension schemes (defined contribution schemes) for certain employees and mission partners.

	2025 £'000	2024 £'000
Staff and Mission Partners	776	757
	776	**757**

26. Secured assets

CMS House and one other residential property have been pledged as security to the CMS Defined Benefit Pension Scheme. These properties are being used as security to guarantee the Charity's funding shortfall to the CMS Defined Benefit Pension Scheme.

27. Subsidiary undertakings

Charity

As outlined in Note 1, The Church Mission Society Trust became a subsidiary of CMS under a scheme agreed with the Charity Commission in 2010. CMS is a corporate trustee of The Church Mission Society Trust. As part of the scheme, a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

Principal Subsidiaries at 31 January 2025

a) The South American Mission Society

Name	Principal Activities	Ownership
The South American Mission Society (RCN: 221328 and Co. No.:00065048)	To be a community of people in mission obeying the call of God, to proclaim the gospel in all places with particular emphasis on Latin America and to draw all people into fellowship with the Lord Jesus Christ.	100%

b) CMS House Enterprises Ltd

Name	Principal Activities	Ownership
CMS House Enterprises Ltd (Co. No.: 09376700)	Income from room hire of CMS House, archive services and consultancy.	100% – £1 share capital

27. Subsidiary undertakings (continued)

Summary of results for the 12 months to 31 January

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Income	7,266	622	96	-	**8,562**	**8,274**
Expenditure	(7,171)	(870)	(40)		**(8,081)**	**(7,931)**
Gains on investments	1,283	-	-	-	**1,283**	**237**
Revaluation of fixed assets	-	-	-	-	**-**	**(5)**
Net movement in funds	**1,656**	**(248)**	**56**	**-**	**1,764**	**575**

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Total fixed assets	21,054	-	-	-	**21,054**	**20,873**
Current assets	8,923	1,255	90	(68)	**10,200**	**9,015**
Current liabilities	(639)	(84)	(90)	68	**(745)**	**(1,143)**
Net assets/(liabilities)	**29,338**	**1,171**	**-**	-	**30,509**	**28,745**

Consolidation adjustments

The SAMS adjustment in the funds movement relates to transfer of restricted funds relating to mission partners where the income is received by CMS (parent charity) (see Note 22) and the costs are paid out of SAMS (subsidiary charity) which is the legal employer. CMS bears all other SAMS overheads without charge, apart from the SAMS governance cost.

The registered office of The Church Mission Society Trust, The South American Mission Society and CMS House Enterprises Ltd is CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ.

27. Subsidiary undertakings (continued)

Other subsidiaries at 31 January 2025

In addition to the above principal subsidiaries, the following entities are also part of the CMS group but are not consolidated due to materiality.

Name	Percentage Holding	Registered Office
Church Missionary Trust Association Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
CMS Pension Trust Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ

28. Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations and financial position. Accounting policies are shown in Note 2 to the financial statements.

Pension liabilities – CMS Pension Scheme

CMS has recognised its liability to its defined benefit pension scheme which involves a number of estimations, as disclosed in Note 25.

Unlisted investments

As outlined in Note 2, the unlisted investments in William Leech (Investments) Limited and Clean for Good Ltd are valued as the share of the net assets at 31 January 2025 (unaudited accounts) based on the information provided by these entities.

Cost allocation

Costs not attributable to a single activity are allocated or apportioned to activities on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised relate to the proportion of time spent by staff across different activities and judgement is exercised in applying cost drivers to cost categories.

29. Change in movement in net funds

	At 1 February 2024	Cash flow	At 31 January 2025
	£'000	£'000	£'000
Cash at bank and in hand	7,423	1,630	9,053
Cash held with investment manager	13	1	14
Net Cash	**7,436**	**1,631**	**9,067**

Cash held with investment manager is included within Investments (see Note 17).

30. Post Balance Sheet event

Since financial year end CMS and the CMS Pension Scheme have agreed to the bulk transfer of pension scheme assets and liabilities to Clara-Pensions, superfund consolidator for defined benefit pension schemes. Pension investment allocations were realigned during the financial year 2024/25 in preparation for this transaction.

The Bulk Transfer Agreement was signed on 30 April 2025, clearance was received from The Pensions Regulator on 2 June 2025, and the transfer is due to take place in July 2025.

Under the agreement, the members of the Scheme and all assets will transfer to Clara's management. CMS continues to provide security for member benefits via a connected covenant structure, a contingent guarantee alongside additional capital commitment from Clara, providing financial safeguards as the Scheme progresses towards an insured buy out.

Reference details of the Charity and Advisers

Principal Address

Church Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Principal Professional Advisers

Bankers	*Auditors*	*Principal Solicitors*	*Investment Managers*
Barclays Bank PLC Public Sector – Charities Level 12 1 Churchill Place London E14 5HP	Crowe U.K. LLP R+ Building 2 Blagrave Street Reading Berkshire RG1 1AZ	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES	Cazenove Capital 12 Moorgate London EC2R 6DA

CHURCH MISSION SOCIETY

England & Wales - Charity number 1131655

Accounts

With Jesus
With each other
To the edges

Annual Report and Financial Statements

for the year ended 31 January 2024

CHURCH MISSION SOCIETY

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Church Mission Society – Group
Registered company limited by guarantee in England and Wales (Company no. 6985330)
Registered charity no. 1131655 (England and Wales)
Registered charity no. SC047163 (Scotland)

The Strategic Report of the CMS Trustees

The Trustees of Church Mission Society, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 January 2024.

Objectives and Activities

Our Vision: To see our world made new through the love of God as we follow Jesus to the edges.

Our Goal: Communities and society are transformed as new disciples participate in the life and work of Jesus in our world.

Our Purpose: We exist to make disciples of Jesus at the edges.

Who we are: Jesus spent much of his time with people at the edges, and that's where we want to be too. Church Mission Society invites people at the edges of church, the edges of society and the edges of our comfort zones to follow Jesus and play a part in his story. Come with us to the edges and discover God at work in ways you might not have expected.

Our values – we are people who are:

- Pioneering: We are constantly seeking and moving to the edges of church, society and ourselves, and calling others to do the same: to try new things, ask questions, cross boundaries and not get too comfortable.
- Evangelistic: We share Jesus in word and action with people at the edges and invite them to be part of his story.
- Relational: We get alongside people, becoming a genuine part of the edge-based communities where we find ourselves, recognising that often we are guests not hosts.
- Faithful: We remain true to our calling and don't get discouraged easily. We recognise that mission at the edges takes time, that God is our leading partner in all we do and can be trusted to bring needed change.

Where we work: By working "at the edges" we mean that we encourage individuals and groups of people to follow Jesus:

- At the edges of existing church
- At the edges of society
- At the edges of our comfort zones

Within the UK and overseas, we are specifically called to mission at the margins and cultural fringes, where Jesus is not often followed and which are often overlooked or written off. We believe God is already at work in these spaces and our task is to join in.

What we do: We are called to make disciples of Jesus where you may not expect to find them. And to see those disciples make more disciples until communities of people committed to following the way of Jesus are formed.

This is how we see change happen: person by person, community by community. To be more specific:

- We connect people with a heart for the edges so they can work together. Often this takes the form of cross-cultural hubs, or pockets of people from Western and non-Western backgrounds teaming up to bring change in a specific edge-based context.
- We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
- We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In CMS's vast history, thousands of people have crossed geographical, cultural and societal boundaries to make disciples of Jesus. Through their efforts, missteps and all, we have seen the gospel of Jesus make itself at home in a variety of contexts all over the world. Sometimes in ways we could never have foreseen.

Public benefit

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. As "a community of people in mission obeying the call of God to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ", CMS works out its Public Benefit in a number of ways.

CMS believes the Christian faith is of benefit to society, and individuals, bringing a vision of transformation for peace and social harmony which grows from what Christians believe is God's ultimate purpose: to bring all things into unity and perfection in Jesus Christ. People are likely to become disciples of Jesus if Christians "live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love and prayerfully expect the Spirit's power to transform individuals, communities and whole nations". CMS seeks to demonstrate this benefit through its wide range of mission activities both in the UK and internationally as detailed throughout the Strategic Report.

Achievements and Performance

CEO's report by Alastair Bateman

In April 2024, Church Mission Society marks 225 years of mission – and this is a milestone made possible by the many people who have been part of the journey. From those who cross cultures near and far to share the love of Jesus, those working behind the scenes to support people in mission, to those who have been at the heart of mission through their prayer and financial giving, CMS work has always been a collaborative effort.

It is an immense privilege to share with you some highlights of the work that has been enabled by the faithful giving and prayers of CMS's supporters this last year. Thank you to all of those who have been joining in with us in mission at the edges.

At the beginning of 2023, we launched the Jesus Never Gives Up three-year campaign to raise awareness of CMS and to reach new financial supporters and potential participants in mission. For the first year of this campaign, we had a focus close to home with our work in a "post-Christian" context in Britain. Aware that many people in the UK have given up on the idea that God is for them, CMS's work in Britain seeks to engage with those who would not go to church – knowing that although people have given up on God, Jesus never gives up on them, and neither do we.

We shared the story of Steve in Rotherham, who had reached the end of himself and was ready to give up – but who met a graduate of CMS's pioneer training who helped him access food and housing, and invited him to a group exploring the Bible and faith. There he met Jesus, and saw his life turn around – Steve comments that it isn't easy, but that he knows Jesus is with him and hasn't given up on him.

"I know I turned my back on God... but God has never turned his back on me."

Steve in Rotherham, who met CMS pioneer training graduate Ali at a social supermarket project

CMS's work in Britain brings together Pioneer Mission Training staff and students, mission partners and the Pioneering Parishes initiative, which provides tools to help parishes go to the edges in their communities.

Pioneering Parishes has become part of CMS in the last year, supported by innovation funding from the Archbishops' Council. It consists of a series of webinars creating a space for church leaders and leadership teams to come together and giving them practices, tools and models to help congregations move outwards into cross-cultural pioneering mission among people who are not like them.

Pioneer Mission Training continues to equip 16 undergraduate and 22 postgraduate students. One area of particular focus and development is in mission among diaspora communities, with the African-diaspora focused route seeing 9 students joining from the UK, Ghana, Kenya, the Netherlands, Peru, St Kitts and Nevis, South Africa and the USA. We have appointed a diaspora centre leader to further develop this work, looking to engage other diaspora communities.

Another focus is on connecting with rising generations, and to this end we were pleased to welcome students with a focus on youth ministry to start their studies this academic year.

Further afield Owen in Honduras, who was rejected by family and grew up in a children's home, also discovered that Jesus had not given up on him. While he was a teenager at the children's home Owen met a CMS mission partner who mentored him – and didn't give up when Owen made some unwise choices. When Owen needed help, he called on this mission partner, and Owen is now following Jesus, running a business and supporting other young people.

"Although I didn't grow up with my father or mother, God always put people around me. And thanks to God, those people have helped me to grow spiritually and through my education."

Owen in Honduras, who was mentored by CMS mission partner Steve

Misha (name changed) in Nepal came to faith in Jesus after her daughter was healed at a church. Misha went on to find herself in a position of leadership in a remote church. Feeling ill equipped for the role, Misha longed for training, but had given up on this being possible – until she met CMS local partners running a three-month course for church leaders in a nearby town. After the training, Misha had grown in confidence and is now leading a new church in her village – Jesus hadn't given up on her leadership potential, and neither had CMS partners.

Altogether CMS supports 252 people in mission working in more than 50 countries. Our 91 mission partners and 82 local partners are working together to make disciples on the margins, joining in with what God is doing.

We continue to develop some specific focus areas for our work – and one of those where we have seen developments this year is in making disciples in contexts affected by armed conflict in DR Congo, South Sudan and Sudan. This "hub" now has a newly selected mission partner working alongside local partners in eastern DRC. A team from the UK visited work among South Sudanese refugees to hear stories of how Jesus is transforming lives through trauma healing.

Other focus areas that have been developing include:

- Work among indigenous peoples in Latin America, with a core team from different people groups meeting together to share vision and experience and to shape the future of mission in their communities.
- Support for believers in Jesus from Muslim backgrounds across the Middle East and North Africa – a newly selected mission partner is now serving with a partner organisation in this area.

One particular joy for the whole CMS staff team was a gathering in July of key leaders from Africa, Asia, Latin America, the Middle East and the UK to connect across languages and cultures as we work together to see lives transformed through the love of Jesus.

The CMS offices in Oxford were filled with fellowship and fun as staff and international mission leaders connected face to face. Leaders from different regions led the staff in prayer for the others present and those they represented. All we heard and discussed was summed up in the repeated refrain from mission director Andy Roberts: “There is life at the edges!”

Strengthening connections was also at the heart of gathering with the CMS mission network: Asia-CMS, CMS-Africa, NZCMS, CMS Australia, CMS Ireland and SAMS USA. The leaders of these organisations met in Nepal in October to reconnect and consider issues we all face, with mission director Andy Roberts representing CMS. Andy was also able to visit early stage work among people with disabilities in South Asia.

“I was very much encouraged by what Misha is doing and by the zeal and passion of the believers for Christ. I feel really God is using her to build his kingdom on this earth.”

CMS local partner, Nepal

Through the year, there continued to be opportunities to connect with supporters in the UK. Members of the senior leadership team and wider staff were pleased to share and pray with the CMS family and to make new connections at conferences and through an increase in chances to speak in churches.

I’m so thankful to be part of this global family of people from so many places, cultures and contexts all passionate about making disciples of Jesus as we go to the edges together. Thank you to all who have walked with Church Mission Society this year.

CMS strategic priorities

All of the work I've shared above is helping CMS to fulfil our vision of seeing our world made new through the love of God. Our strategic priorities bring focus to help us implement the renewed vision and strategy established in previous years.

Last year the priorities were:

Mission programme development

Continue development of work into "hubs" with specific focus, either geographical, thematic or methodological. In particular, implemented hubs will build on the foundations laid so far to work towards their respective goals. We are planning for more hubs to begin implementation during the year.

Five hub teams have already formed, developed collective plans and begun to implement them, including:

- Supporting and discipling Christian believers from a Muslim background in the Middle East and North Africa.
- Addressing conflict in DR Congo, Sudan and South Sudan through working with Christian leaders, enabling a Christian identity to overshadow other factors and equipping local people to address trauma.
- Mobilising indigenous Christians across the Chaco region, discipling and developing a new generation of missional leaders.
- Discipling believers in minority Christian contexts in South Asia.
- Training and support for Christians in Britain to engage in mission effectively in their local communities.

New hub teams began meeting during the year to explore plans to:

- Catalyse pioneering mission across Latin America
- Support the development of a new generation of leaders in the Middle East and North Africa
- Join in with what God is doing in minority Christian contexts in Africa.

Organisational development

In light of the new hub-based work in CMS's mission programme, we will develop relevant new ways of working, especially seeking to listen to voices from these edge contexts. We will work towards recruiting people in mission to the new hub areas along with recruiting for the needs of the wider team.

Over the year we have worked to increase engagement with leaders in edge contexts, as well as increasing the diversity of our staff team. The gathering of hub leaders in summer 2023 provided the opportunity to begin conversations which are being continued through regular Zoom meetings. We are also exploring the possibility of an online platform to facilitate collaboration, learning and planning for an annual such gathering.

Mission opportunities in a range of edge contexts where our work is focused are promoted on an ongoing basis and mission partners were selected to work in two of those contexts during the year.

Fundraising and communications

The fundraising and communications group will continue to embed the new brand and roll out the integrated campaign launched in January 2023. Through this we will tell compelling stories well, in order to engage new donors, raise awareness of CMS's work and encourage participation in mission. The team will continue to develop internal processes to enable these outcomes.

The Jesus Never Gives Up campaign launched as planned at the end of January 2023, with impact stories from a pioneer-led project in Rotherham shared across a range of channels, including in CMS publications and wider Christian media, and online through the website and social media, where campaign posts saw strong engagement. The campaign also included a relaunched church speaker programme, recruiting new individual donors from within those churches.

Future Plans: Strategic Priorities for 2024–25

The CMS strategic priorities are designed to help fulfil CMS's vision "to see our world made new through the love of God as we follow Jesus to the edges". Specifically, we want to contribute to CMS's desired outcomes, to see:

- People come to encounter and follow Jesus Christ.
- New communities of disciples grow in their own cultures at the edges.
- Mission at the edges is multiplied as the passion for mission is imparted and mission movements grow.

Mission programme development

In the coming year the existing hub teams will further develop these hubs towards maturity, continuing to develop teams and partnerships, sharing stories of how their work is having an impact and learning from the outcomes of initial work to inform future plans. The new teams will develop plans towards a point of implementation.

Organisational development

Building on the conversations that have already taken place, we will continue to grow as a global learning community through listening to voices from hub contexts. We will develop our use of technological platforms to facilitate conversations and shared learning.

As the hub teams develop their work areas, we will seek to recruit people in mission to meet the needs identified in those contexts.

Fundraising and communications

The fundraising and communications team will seek to acquire new individual supporters through the Jesus Never Gives up campaign. We will focus on increasing unrestricted and lightly restricted giving from both new and existing supporters. As the campaign enters its second year, we will implement learnings from year one as we prepare for year three.

Structure, Governance and Management

Legal Status

Church Mission Society is a registered charity (England and Wales (RCN: 1131655), and Scotland (RCN: SC047163)) and a company limited by guarantee in England and Wales (Company Number 6985330) established on 8 August 2009, although its history as a mission dates back to the 18th century. For details of other group charities/members see Note 1 to the financial statements.

Charitable Objects

Church Mission Society's object is as a community of people in mission obeying the call of God, to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ.

Patron

The Most Rev and Rt Hon Justin Welby, Archbishop of Canterbury

CMS Governance Arrangements

CMS is governed by its Memorandum and Articles of Association and by a Board of Trustees. The Trustees of CMS aim to have high standards of accountability as well as proper and ethical performance of their duties. The process for appointing the Board of Trustees is as follows:

- The Board of Trustees of CMS is made up of up to 15 CMS members elected by the CMS membership (including not more than three co-opted members) with a Chair appointed by the Board.
- The elected members of the Board of Trustees are subject to a fixed-term appointment of four years, with the opportunity to be elected for one further term, or a third in exceptional circumstances. Elections take place for vacancies.
- Co-opted Trustees are subject to a fixed-term appointment of two years, renewable a maximum of twice.
- The Chair of Trustees is appointed by the Board of Trustees and may serve for a maximum of three four-year terms.

The Board of Trustees regularly meets four times a year, including one meeting focusing on trustee development. There is also a wider induction and training process in place for Trustees, which includes consideration of governance, Board operations, the role of Trustees, organisational strategy, the CMS ethos and risk management.

The Board has four sub-committees, which each meet four times a year and have specific terms of reference. These are:

- Finance Committee
- Fundraising Committee
- Governance Committee
- Mission Practice Committee

The purpose of the Finance Committee is to provide qualitative and quantitative input to Trustee decision making in relation to CMS's financial affairs. In this the committee is advisory, making recommendations to the whole Board. For the more technical areas of accounting, auditing, insurance, investment, pensions and property, the committee particularly helps the Board of Trustees to align decision making with expertise and knowledge.

The purpose of the Fundraising Committee is to advise the charity's fundraising team in the use of the most effective and efficient methods, and to ensure regulatory compliance, particularly in the use of data, public communications and fundraising methods. In this the committee is advisory, making recommendations to the whole Board.

The Governance Committee reviews the effectiveness of the governance system and the human resources (HR) function, and assists in the nomination and selection of Trustees and principal officers.

The purpose of the Mission Practice Committee is to help the trustees to understand the mission practice of CMS, and be connected with the people involved, in order that Board discussions and decisions are well informed.

The Board of Trustees

The Trustees of CMS are also its legal company directors. A list of the trustees who served during the year and up to the date of signing the financial statements is included below.

Mr Charles Clayton (Chair)	Mrs Fiona Lambert
Rev Canon Andrew Bowerman	Mrs Chloe Louter
Mr Beauman Chong (to 31 12 2023)	Dr Kevin McKemey
Rev Sarah Jane Hewitt	Rev Richard Moy
Ms Catherine Morgan Hickey	Mr John Stansfeld
Dr Anne Keene	Mr Simon Upcott

The Chair of Trustees is responsible for ensuring the members of the Board of Trustees collectively contribute the broad range of skills and experience necessary for its effectiveness. The Trustees are responsible for developing strategic vision, articulating policy, managing risk and ensuring effective governance. The Board is assisted in implementation of policies and strategies by the Chief Executive Officer who is supported by the wider CMS Senior Leadership Team.

In addition to Trustees, the other sub-committees have additional co-opted members in attendance.

CMS Senior Leadership Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer & People and Learning Director	Mrs Debbie James
Mission Director	Canon Andy Roberts MBE
Britain Hub Mission Director	Mr Jonny Baker
Fundraising and Communications Director	Rev Virginia Luckett
Finance and Corporate Services Director	Mrs Becky Morris

The Chief Executive Officer is responsible to the Board of Trustees for the management of CMS. He leads the Senior Leadership Team (SLT), which is shaped around the following responsibilities:

- International Mission – responsible for CMS engagement in international mission in partnership with churches and other agencies of mission worldwide, including members of the CMS Mission Network
- Britain Hub and Mission Education – overseeing the education and formation of pioneers, supporting UK churches in missional engagement and responsible for CMS's mission partners in Great Britain
- People and Learning – overseeing the selection, formation and ongoing support of people in mission, and supporting CMS with expertise in HR and safeguarding
- Fundraising and Communications – broad base fundraising from individuals, churches, trusts and major donors; embedding the CMS brand, telling the CMS story absorbingly and raising awareness and engagement with CMS and God's mission.
- Finance and Corporate Services – supporting CMS with expertise in finance, ICT, facilities and legal compliance

Key Management Personnel Remuneration Policy

The Board of Trustees and the SLT are the key management personnel of CMS, responsible for directing and operating the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 15 to the financial statements.

Salaries of all staff, including the SLT, are reviewed annually taking inflation and the overall financial position of CMS into consideration. Remuneration levels are also benchmarked with Croner's charity pay and benefits report every four to five years to ensure that the level of remuneration is in line with roles in similar size organisations.

Fundraising

CMS has three sources of donation income to sustain its mission, without which CMS could not carry out its work. These are: Churches, Individuals and Trusts. The income from these sources is split 34 per cent Churches (2023: 39 per cent), 57 per cent Individuals (2023: 51 per cent) and 9 per cent Trusts (2023: 10 per cent). The Trustees are grateful for the faithful and committed support from them making CMS's work possible. We thank, inform and engage with our donors regularly, which we see as a key factor in retaining supporters. There is also income from legacies, kindly left to Church Mission Society by supporters in their will, which has provided 33 per cent of our total income in this financial year (2023: 36 per cent). The balance is from other income such as education fees and trading income. During the year CMS spent £1m (12.8 per cent of total income) on fundraising activity (2023: £768,000, 8.5 per cent) in raising funds for CMS mission activities.

We are pleased to say that we are registered with the Fundraising Regulator and fully comply with the Fundraising Code of Practice. We have worked hard to ensure we protect and work in the interest of supporters who might be seen as vulnerable, through old age or illness, and have developed policy and procedures to ensure we continue to work in their best interest.

In 2023–24 we had one complaint relating to our fundraising activity (2022–23: 6). We have appropriately resolved each one with the people raising the complaints and have made changes to our procedures where necessary. Overall, given the schedule of fundraising activity in 2023–24, we consider this a very low level of complaint.

Use of Volunteers

Church Mission Society is a membership society and we are very grateful for voluntary support from members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

Grants

As shown in the financial review and Note 13, grant expenditure makes up a significant amount of CMS total expenditure. Project proposals received from partner organisations are subject to a formal approval process, which looks at issues such as the alignment, capacity and structure of the partner organisation. An agreed monitoring process is undertaken during the course of the partner spending the funds, and this includes reviews and evaluation of financial and narrative reports.

Risk Management Policy and Internal Control

The Trustees regularly review the internal and external risks facing CMS. A formal risk management process has been developed and the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have also considered the controls in place for these risks and have identified any necessary areas for action. This includes the regular review of CMS's financial position and internal control environment. CMS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of senior management and Trustees. The financial reporting system compares results with these plans on a monthly basis.

Current risks and the corresponding mitigating controls are set out below, in no order of priority:

Economic Turmoil

World events continue to impact the UK and the uncertainty and effects of inflation present risks to CMS in its cost base, investment values and capacity of donors to give. Communication with supporters, investment strategies and cost control are helping to mitigate this risk.

Pensions

CMS's defined benefit scheme is open to risks on their liabilities and assets as a result of changes in life expectancy, inflation, discount rates, future salary increases and the value of investments.

The impact of any negative movements in the pension scheme deficit is likely to result in increased payments from CMS. The scheme is now closed to new members and closed to future accrual. CMS works with the pension scheme Trustees, its investment managers and its own actuarial consultants to understand and mitigate these risks wherever possible.

International Operations

As an international organisation with people in mission and property across the globe, critical incidents are an inherent risk in our work. To mitigate this, robust security procedures have been put in place, security training has been rolled out to relevant high-risk personnel and the Crisis Management Team is in place, with clear contingency plans for emergencies.

Reputation

Damage to reputation is a risk for any organisation and particularly important for a charity. One key area in this regard is safeguarding. The Board reviews and approves the CMS safeguarding policy every year and significant work continues to ensure both our policy and practice continue to comply with the charity commission guidance on safeguarding.

Financial Review

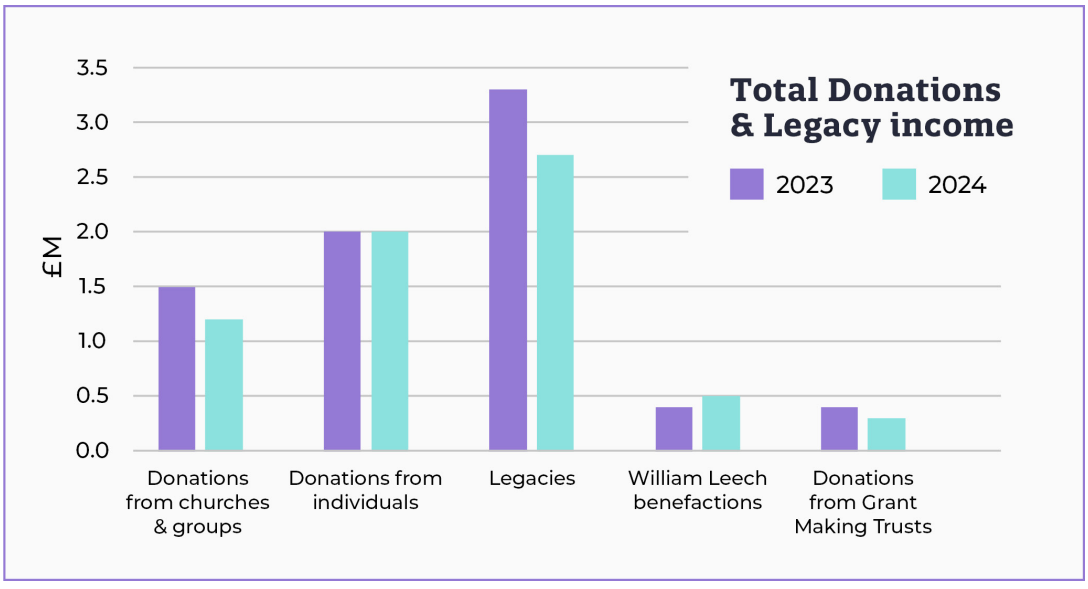
The report and financial statements of Church Mission Society Group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

Income

Total income for the year was £8.3m (2023: £9.0m), a decrease of £0.7m from the previous year.

Donations and legacy income (shown in the chart below) has decreased by £0.8m to £6.8m (see Note 3 for breakdown), as while legacy income was strong in the year, the prior year results included an exceptional legacy. The results clearly show the importance of legacy income to CMS, representing 33 per cent (2023: 36 per cent) of the overall income during this financial year. The Trustees are extremely thankful for the generosity of those who make legacy gifts. Such gifts are important for sustaining our efforts to follow Jesus to the edges. The Trustees are also grateful for the donations received from trusts during the year including from two William Leech charitable trusts.

Other income increased by £0.1m from a variety of smaller areas. Investment income at £0.8m was in line with prior year, similarly income from charitable activities and other trading activities are in line with prior year.



Charitable Activity Expenditure

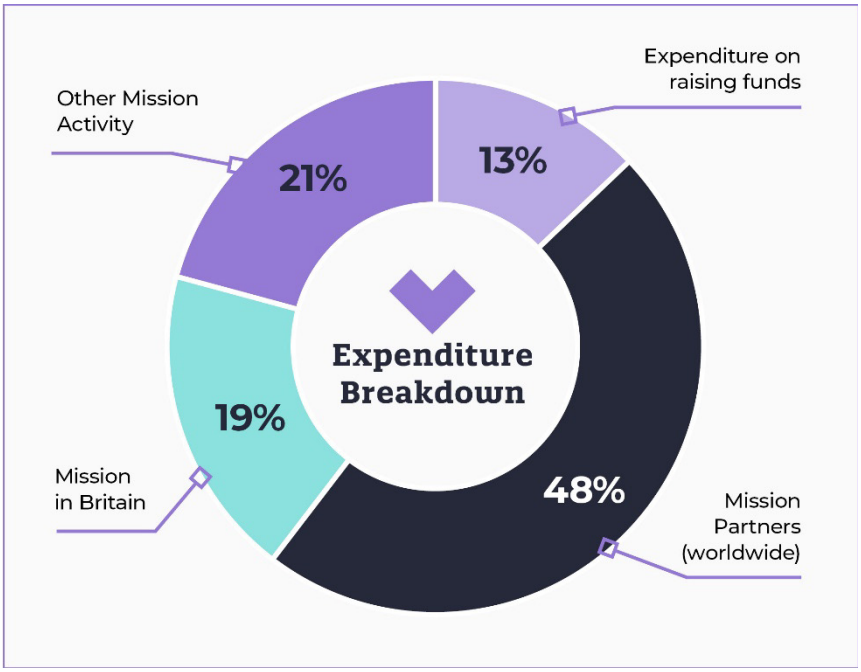
Total expenditure amounted to £7.9m (2023: £7.4m). Overall there has been an increase of £0.5m in total expenditure, arising from increased grants and an expansion in fundraising activities. The chart below shows how this is spent across our areas of work.

The recruitment, training and support of mission partners outside the UK is CMS's largest area of spending, comprising 48 per cent of total expenditure (2023: 51 per cent). The majority of this expenditure supports 81 long term mission partners working in a range of activities in 32 different countries.

The other main areas of expenditure are Mission in Britain and Other Mission Activity. Expenditure within the Mission in Britain category relates to the teaching and support of our students on the Pioneer Mission Training programme and 10 mission partners in Great Britain. Pioneer spending has involved both running the programme in Oxford and work being undertaken by CMS pioneer hubs.

Other Mission Activity includes grants totalling £0.4m (2023: £0.4m) paid to CMS-Africa and Asia-CMS as part of CMS's Enabling Mission Network, and a local partner programme, supporting 82 local mission leaders around the world.

The breakdown below shows the proportions spent on each activity.



CMS Defined Benefit Pension Scheme

At the year-end the net liability recognised in the balance sheet relating to the CMS Pension Scheme (Defined Benefit Scheme) was £nil (2023: £nil) as measured in accordance with FRS 102. The FRS102 valuation initially resulted in a surplus of £2.6m (2023: £5.75m) which has been restricted to £nil as it is unlikely that CMS would be able to benefit from this.

The last triennial valuation of the Scheme took place as at 31 March 2022, with the Scheme in surplus by £152k as at the triennial date. Cost to buy out as at the triennial date was £18.9m. As part of that valuation, CMS and the Pension Trustee agreed and paid contributions totalling £2.2m into the Scheme, and the Scheme remains in surplus on a triennial basis as at the 31 January 2024 balance sheet date.

Church of England Defined Benefit Scheme

CMS Group has active members in the Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see Note 25B). The Group is grateful for the contributions paid by the Archbishops' Council, which amounts to some £135k for 18 active members of the Clergy Scheme.

Investment policy and review of investment performance

CMS manages its investments according to the CMS Statement of Investment Principles and the Trustees have authority to invest the monies of the Group, not immediately required, in such investments as they think fit. The Statement of Investment Principles includes details of CMS's socially responsible investment policy.

The Trustees have delegated the day-to-day management of the CMS investment portfolio to Cazenove Capital. The investment manager's delegated authority is operated in accordance with the CMS Statement of Investment Principles.

As at 31 January 2024, CMS had £4.2m (2023: £4.2m) of listed investments, £10.0m (2023: £9.5m) of unlisted investments and £13,000 (2023: £12,000) of cash held within the investment portfolio. This total of £14.2m of investments includes £9.2m of endowed funds where the capital is not available to be spent. Further details of investments can be found in Note 17 of the financial statements. Income from the investment portfolio of CMS contributed to a total investment income of £0.8m in the Statement of Financial Activities (2023: £0.8m). Further details of the makeup of this investment income can be found in Note 6 of the financial statements. The net gain on investments in 2023–24 was £0.2m (2022–23 loss of £1.6m). This gain arose from a rise in the market value of investments held by William Leech (Investments) Ltd.

During the year Cazenove Capital, who manage listed holdings, attended the Finance Committee to discuss the performance of CMS's listed investment portfolios, and the CMS Trustee representative on the Board of Directors of William Leech Investments participates in the review of performance of the investments managed by that entity.

Movement in funds

Taking CMS's funds in total, after investment gains of £237k, income exceeded expenditure by £580k during the year ended 31 January 2024. A £5k loss in revaluation of fixed assets gives an overall position of a net increase in total reserves of £575k.

Reserves Policy and Financial Position Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2023–24 CMS holds unrestricted general funds (free reserves) for the following reasons:

- To fund future pension deficits and contribute towards future costs of buy-out of the CMS Pension Scheme
- To fund capital expenditure in 2024–25, primarily on CMS properties
- To allow for any unbudgeted costs, in particular relating to a mission partner emergency situation
- To provide working capital for cashflow purposes

A separate calculation has been made against each of the above factors. The calculation assesses the specific risks and details the reserve required by working out the impact of reduced income or required increase in expenditure. For example, the capital expenditure reserve simply reflects the required expenditure on CMS properties and equipment for the upcoming year. These risks are specific to CMS and will change each year. As such the overall target is reviewed, adjusted and approved annually by the Trustees.

Based on these calculations, the 2024–25 overall free reserve target for CMS is £3.0m. The free reserves at 31 January 2024 were £3.1m (2023: £3.4m).

Endowment Funds

Included in the balance sheet are Endowment Funds totalling £9.2m, the capital of which is not available to be spent. Income from endowments is spent according to the restriction.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this was the case as at 31 January 2024.

Designated Funds

The Trustees have set aside funds from the General Fund for unrestricted tangible fixed assets to ensure the general reserves policy is not skewed by holding these funds (see Note 24).

In addition, the Trustees have set aside £0.9m from a previous exceptional legacy as a strategic project fund.

Shares in William Leech (Investments) Limited purchased before 15 October 1996 are also included within the designated fund following receipt of legal advice confirming their status in June 2016.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the company's auditor is unaware
- each of the Trustees has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, including the strategic report on pages 3 to 19, was approved by the Board of Trustees on 26 June 2024 and signed on their behalf by:

Charles Clayton – Chair of Trustees

Independent Auditor's Report to the Members and the Trustees of Church Mission Society

The report and financial statements of Church Mission Society group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

Opinion

We have audited the financial statements of Church Mission Society ("the charitable company") and its subsidiaries ("the group") for the year ended 31 January 2024 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2024 and of the group's income and receipts of endowments 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the

trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, taxation legislation and General Data Protection Regulation.

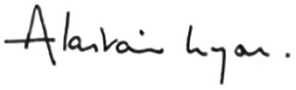
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, agreeing a sample of income to supporting documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

Date: 28 June 2024

Consolidated Statement of Financial Activities

For the year ended 31 January 2024 (Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Income and endowments from:									
Donations and legacies	3	2,609	3,890	271	**6,770**	4,390	2,956	251	**7,597**
Charitable activities	4	246	6	-	**252**	263	14	-	**277**
Other trading activities	5	186	-	-	**186**	180	-	-	**180**
Investments	6	687	88	-	**775**	722	69	-	**791**
Other	7	148	143	-	**291**	67	132	-	**199**
Total income		**3,876**	**4,127**	**271**	**8,274**	**5,622**	**3,171**	**251**	**9,044**
Expenditure on:									
Raising funds	9	978	21	14	**1,013**	715	39	14	**768**
Charitable activities									
Mission Partners (worldwide)	10	1,172	2,623	-	**3,795**	940	2,829	-	**3,769**
Mission in Britain	10	1,133	343	-	**1,476**	1,019	418	-	**1,437**
Other Mission Activity	10	1,199	448	-	**1,647**	891	530	-	**1,421**
Total charitable expenditure		**3,504**	**3,414**	**-**	**6,918**	**2,850**	**3,777**	**-**	**6,627**
Total Expenditure	10,11	**4,482**	**3,435**	**14**	**7,931**	**3,565**	**3,816**	**14**	**7,395**
Net gains/(losses) on investments		**74**	**-**	**163**	**237**	**(583)**	**-**	**(1,011)**	**(1,594)**
Net income/ (expenditure)		**(532)**	**692**	**420**	**580**	**1,474**	**(645)**	**(774)**	**55**
Transfers between funds	24	(60)	60	-	-	(5)	5	-	-
(Losses)/gains on revaluation of fixed assets		(5)	**-**	**-**	**(5)**	(50)	**-**	**-**	**(50)**
Actuarial (losses)/gains on defined benefit pension scheme	25	-	-	**-**	**-**	(2,258)	-	**-**	**(2,258)**
Other gains on pension scheme deficit reduction provision	25	-	-	-	**-**	-	1,066	-	**1,066**
Net movement in funds		**(597)**	**752**	**420**	**575**	**(839)**	**426**	**(774)**	**(1,187)**
Total funds brought forward		**16,150**	**3,255**	**8,765**	**28,170**	**16,989**	**2,829**	**9,539**	**29,357**
Total funds carried forward		**15,553**	**4,007**	**9,185**	**28,745**	**16,150**	**3,255**	**8,765**	**28,170**

The accompanying notes are an integral part of this Statement of Financial Activities (SOFA). All gains and losses arising in the year relate to continuing activities.

Consolidated and Charity Balance Sheet

As at 31 January 2024

	Note	Group 2024 £'000	Group 2023 £'000	Charity 2024 £'000	Charity 2023 £'000
Fixed assets					
Tangible fixed assets	16a	6,644	6,566	6,644	6,566
Investments: Unrestricted		5,090	5,025	5,090	5,025
Investments: Restricted and Endowment		9,139	8,728	9,139	8,728
	17	14,229	13,753	14,229	13,753
		20,873	**20,319**	**20,873**	**20,319**
Current assets					
Property held for sale	16b	-	1,170	-	1,170
Debtors	19	1,592	2,288	880	2,329
Cash at bank and in hand		7,423	7,110	6,727	6,498
		9,015	**10,568**	**7,607**	**9,997**
Current liabilities					
Creditors: amounts falling due within one year	20	(1,143)	(2,717)	(1,154)	(2,673)
Net current assets		**7,872**	**7,851**	**6,453**	**7,324**
Total assets less current liabilities		**28,745**	**28,170**	**27,326**	**27,643**
Net assets excluding pension assets or liability		**28,745**	**28,170**	**27,326**	**27,643**
Defined benefit pension scheme (liability)	25	-	-	-	-
Net assets		**28,745**	**28,170**	**27,326**	**27,643**
The funds of the charity:					
Unrestricted: General fund	24	3,098	3,429	3,098	3,429
Unrestricted: Designated funds	24	12,455	12,721	12,455	12,721
Unrestricted funds		**15,553**	**16,150**	**15,553**	**16,150**
Restricted funds		**4,007**	**3,255**	**2,588**	**2,728**
Endowment funds	**24**	**9,185**	**8,765**	**9,185**	**8,765**
	24	**28,745**	**28,170**	**27,326**	**27,643**

The accompanying notes are an integral part of this Balance Sheet. The financial statements on pages 25 to 58 were approved by the Board of Trustees and authorised for issue on 26 June 2024 and signed on their behalf by:

Charles Clayton – Chair of Trustees

Consolidated Cash Flow Statement

As at 31 January 2024

Reconciliation of net income to the net cash flow from operating activities

	2024	2023
	£'000	£'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	575	55
Adjustments for:		
Investment income	(775)	(791)
Net losses/(gains) on investments	(237)	1,594
Depreciation charge	234	258
Decrease/ (increase) in debtors	696	(1,800)
Decrease/ (increase) in assets held for sale	1,170	
-(Decrease)/increase in creditors	(1,574)	1,345
Net charge for defined benefit pension scheme	-	(2,258)
Loss on disposal of computer equipment	2	-
Profit on disposal of motor vehicles	-	(1)
Net cash used in the Group's operating activities	**91**	**(1,598)**

Statement of cash flows

	Note	2024	2023
		£'000	£'000
Cash flows from operating activities:			
Net cash used in operating activities		**91**	**(1,598)**
Cash flows from investing activities:			
Dividends, interest and other income from investments		775	771
Purchase of tangible fixed assets		(314)	(91)
Proceeds from sale of freehold fixed assets and assets held for sale		-	1
Purchase of investments		(371)	(538)
Proceeds from sale of investments		132	324
Net cash provided by investing activities		**222**	**467**
Change in cash and cash equivalents in the year		**313**	**(1,131)**
Cash and cash equivalents at the beginning of the year	29	**7,110**	**8,241**
Cash and cash equivalents at the end of the year	29	**7,423**	**7,110**

Cash and cash equivalents comprise the amounts shown in the Balance Sheet as "Cash at bank and in hand", and includes £134,000 as at 31 January 2024 relating to cash held in an endowment fund (2023: £126,000).

Notes to the Financial Statements

As at 31 January 2024

1. Charity information

Church Mission Society is a registered charity in England and Wales (registered charity number 1131655), a registered company in England and Wales (registered number 6985330) limited by guarantee and is registered as a charity in Scotland (charity number SC047163). CMS does not have share capital and has approval to omit the word “Limited” from its name. The members of the company are the Trustees and others as defined in CMS’s Articles of Association. In the event of CMS being wound up the liability in respect of the guarantee is limited to £1 per member.

Church Mission Society was incorporated on 8 August 2009 and registered as a charity on 16 September 2009. CMS was incorporated to effect the merger between The Church Mission Society Trust (registered charity number 1131655-1 England and Wales) and The South American Mission Society (registered charity number 221328 England and Wales).

The Church Mission Society Trust became a subsidiary of CMS under a scheme, agreed with the Charity Commission in 2010, enabling this to take place. The scheme involved a replacement of The Church Mission Society Trust’s objects to mirror those of CMS, and all Trustees of The Church Mission Society Trust resigned and were replaced by CMS as corporate Trustee. As part of the scheme, the name of that charity was changed to The Church Mission Society Trust (formerly Church Mission Society) and a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for “the Charity” include CMS and The Church Mission Society Trust.

CMS is the sole corporate member of The South American Mission Society with the same group of Trustees common to both societies and accordingly The South American Mission Society (SAMS) is considered to be a subsidiary undertaking of CMS. Further information about CMS’s subsidiary undertakings, including SAMS and CMS House Enterprises Ltd, is included in Note 27.

2. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments that are included at a current market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with the Statement of Recommended Practice “Accounting and Reporting by Charities applicable to charities preparing accounts in accordance with FRS 102” (effective 1 January 2015) and with the Companies Act 2006.

Church Mission Society constitutes a public benefit entity as defined by FRS 102.

2. Accounting policies (continued)

Assessment of going concern

The Trustees have reviewed the financial position and forecasts of the charity and conclude they have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions and estimates were significant to the financial statements, are disclosed in Note 28.

Basis of consolidation

The consolidated financial statements of the CMS Group incorporate the financial statements of the Charity (CMS and The Church Mission Society Trust) and its subsidiary undertakings.

The Trustees have taken advantage of the exemption conferred by S408(3) of the Companies Act 2006 and accordingly present a consolidated Statement of Financial Activities only. In order to comply with the Charities SORP, the gross income and net incoming resources for the Charity are disclosed in Note 24.

Donations, legacies and other income

Income is recognised in the period in which the Charity has entitlement to the income, when it is probable that the income will be received and the amount of the income can also be measured reliably. Where income is received in advance of providing goods and services the income is deferred until CMS becomes entitled to the income.

Legacy gifts are recognised on a case by case basis following the grant of probate and when the entitlement to the legacy has been established, receipt is probable and amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Charity is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably quantified. Where legacies have been notified to the charity, or the charity is awaiting the grant of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. No value is included where the legacy is subject to a life interest held by another party.

2. Accounting policies (continued)

Financial instruments

Church Mission Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value (including any transaction costs) and subsequently measured at their settlement value (which is also the amortised cost). Financial assets held at amortised cost include cash at bank and in hand and the group's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the group's long and short term creditors, excluding deferred income.

Investments and investment income

Investments are initially measured at cost. Listed investments are included at their open market value at the balance sheet date. All gains and losses on investments are taken to the Statement of Financial Activities, including the net gains and losses arising from disposals and revaluations in the year. The income from investments and short-term deposits is accounted for on an accruals basis.

The unlisted investment in William Leech (Investments) Limited is included in the financial statements as the Charity's share of the net asset value at 31 January 2024 (unaudited). The year-end of William Leech (Investments) Limited is 31 March.

The social investment (mixed purpose) in Clean for Good Ltd is included in the financial statements as the Charity's share of the net asset value shown in that company's accounts at 31 January 2024. The year-end of Clean for Good Ltd is 31 March 2024. The investment is not justified wholly by either the financial return or by the contribution it makes to the charity's aims but by the combination of the two.

Fund accounting and the allocation of income and expenditure by fund

Income and Expenditure are allocated to three categories of funds: Unrestricted Funds, Restricted Funds and Endowment Funds.

Unrestricted funds are available for use to further the Charity's general purposes and objectives. All income and expenditure associated with the general operation of the Charity has been accounted for within the unrestricted funds, including donations and legacies where the donor attaches no specific conditions. Designated funds are a portion of unrestricted funds that have been set aside by the Trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area. Income and expenditure related to CMS's work in South America is shown within restricted funds.

The endowment funds represent assets which have the restriction that the revenue generated by holding the asset is available to spend but the capital itself cannot be spent. Income generated from endowment funds is applied to unrestricted or restricted Funds as appropriate.

2. Accounting policies (continued)

Expenditure

All expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. A liability is recognised when a legal or constructive commitment is entered into by the Charity and so a liability exists.

All expenses, including support costs and governance costs, are classified to the applicable expenditure headings in the Statement of Financial Activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Cost of raising funds comprises those costs incurred in seeking voluntary contributions and in the management of CMS investments.

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are costs associated with the strategic as opposed to the day-to-day management of the Charity's activities.

Support and governance costs are allocated across the categories of expenditure on charitable activities and the cost of raising funds. When it is necessary to apportion certain expenses between the different categories of resources expended, this is undertaken on bases which are considered appropriate. For example, in the case of salaries and pensions, these are apportioned on the basis of estimated time spent on these activities. The allocation model is reviewed and updated annually to ensure that the apportionments properly reflect the activities of the Charity.

Grants payable are recognised during the year in which the Charity enters into a binding commitment to make a grant and this is communicated to the recipient.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of financial activities with the relevant charitable activity expenditure for the period in which they occurred.

2. Accounting policies (continued)

Tangible fixed assets, depreciation and property held for sale

Tangible fixed assets are shown at their current net book value on an historical cost basis. Assets are capitalised where the value of the asset is greater than £500. The carrying values of tangible fixed assets are reviewed for impairment in the period in which events or changes in circumstances indicate that the carrying values may not be recoverable. Tangible fixed assets are grouped by category and depreciated on a straight-line basis as detailed in the table below.

Freehold property	30–50 years	Furniture and office equipment	3–10 years
Leasehold property	shorter of 50 years and the period of the lease	Motor vehicles	4 years
Computer equipment	3–5 years	Plant and machinery	10–20 years

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Pensions

The Charity (CMS) has members in a defined benefit pension scheme, both employees and mission partners. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes).

Defined contribution schemes

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit scheme – CMS Pension Scheme

The CMS defined benefit pension scheme is funded, with the assets of the Scheme held separately from those of the Charity, in Trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the Scheme's liabilities. The resulting defined benefit asset or liability is presented after other net assets on the face of the balance sheet, unless a surplus is not recognised in accordance with

2. Accounting policies (continued)

FRS 102. The current service cost and net interest cost are allocated to relevant expenditure headings within the Statement of Financial Activities, unless the net interest is a credit in which case it is included in "Other income". The change in the value of assets and liabilities arising from asset valuation, actuarial assumptions and any surplus that is not considered recoverable is recognised within the "gains and losses" categories of the Statement of Financial Activities as "Actuarial gains and losses on defined benefit pension scheme".

Defined benefit schemes – multi-employer schemes

The Charity and SAMS participate in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board, also known as the Clergy Pension Scheme, which provides pensions for clergy. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Charity and SAMS are unable to identify their share of the underlying assets and liabilities. No funding liability currently arises for the Charity and SAMS in respect of them.

3. Donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Donations from churches and groups	149	1,075	-	**1,224**	170	1,328	-	**1,498**
Donations from individuals	751	1,271	-	**2,022**	675	1,293	-	**1,968**
Legacies	1,308	1,410	-	**2,718**	3,158	130	-	**3,288**
William Leech benefactions	205	-	271	**476**	189	-	251	**440**
Donations from grant making trusts	196	134	-	**330**	198	205	-	**403**
	2,609	**3,890**	**271**	**6,770**	**4,390**	**2,956**	**251**	**7,597**

Legacies of which CMS has been notified, but not recognised as income, are estimated at £870,000 (2023: £999,000).

William Leech Benefactions

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust). The income from the Foundation Trust is distributed in equal portions to CMS and four other charities. The income from the Charity Trust is distributed for charitable purposes at the discretion of the Trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. The Charity Trust reviews this policy each year.

4. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Pioneer Mission Education training	246	4	-	**250**	263	-	-	**263**
Partnership for Missional Church training	-	-	-	**-**	-	2	-	**2**
Events	-	2	-	**2**	-	12	-	**12**
	246	**6**	**-**	**252**	**263**	**14**	**-**	**277**

5. Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Income from property	165	-	-	**165**	164	-	-	**164**
Use of conference facilities	21	-	-	**21**	16	-	-	**16**
	186	**-**	**-**	**186**	**180**	**-**	**-**	**180**

6. Income from investments

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Income from William Leech (Investments) Limited	372	-	-	**372**	582	-	-	**582**
Investments listed on a recognised stock exchange	49	69	-	**118**	42	59	-	**101**
Unlisted investments	1	-	-	**1**	-	-	-	**-**
Interest on cash balances	265	19	-	284	98	10	-	**108**
	687	**88**	**-**	**775**	**722**	**69**	**-**	**791**

7. Other income

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000
Other income	148	143	-	**291**	66	132	-	**198**
Gain on disposal of motor vehicles	-	-	-	**-**	1	-	-	**1**
	148	**143**	**-**	**291**	**67**	**132**	**-**	**199**

8. Operating leases as a lessor

The charity receives rental income from leasing certain residential properties to tenants under non-cancellable operating leases and tenancy agreements. Income received under operating leases is included in the SOFA on a straight-line basis over the period of the lease. At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2024 £'000	2023 £'000
Not later than one year	74	51
Later than one year and not later than five years	63	9
Later than five years	11	13
	148	**73**

There are no contingent rents recognised as income.

9. Expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Total 2023 £'000
Cost of generating voluntary income	939	21	-	**960**	**718**
Cost of activities for generating funds	29	-	-	**29**	**25**
Investment management costs	10	-	14	**24**	**25**
	978	**21**	**14**	**1,013**	**768**

10. Analysis of expenditure

	Direct	Grants	Support Costs	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Costs of generating voluntary income	648	-	312	**960**	**718**
Cost of activities for generating funds	29	-	-	**29**	**25**
Investment management costs	24	-	-	**24**	**25**
	701	**-**	**312**	**1,013**	**768**
Charitable activities					
Mission Partners (worldwide)	3,056	56	683	**3,795**	**3,769**
Mission in Britain	1,091	-	385	**1,476**	**1,437**
Other Mission Activity	429	780	438	**1,647**	**1,421**
	4,576	**836**	**1,506**	**6,918**	**6,627**
Total Expenditure	**5,277**	**836**	**1,818**	**7,931**	**7,395**

11. Support costs by activity

	Finance and ICT	Personnel and Development	Facilities and Premises	Governance	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Costs of generating voluntary income	244	-	58	10	**312**	**281**
Charitable activities						
Mission Partners (worldwide)	391	93	175	24	**683**	**615**
Mission in Britain	141	69	175	-	**385**	**349**
Other Mission Activity	184	65	175	14	**438**	**396**
Total Support Costs	**960**	**227**	**583**	**48**	**1,818**	**1,641**

The support costs are allocated on the basis of an estimate of staff time spent, by each team, on each of the activities.

Governance costs relate to the audit fee of £48,000 (2023: £41,000) and included in Finance and ICT are non-audit fees of £2,000 (2023: £2,000). All fees are shown gross of VAT.

Depreciation of £234,000 (2023: £258,000) is included in Facilities and Premises support costs.

12. Obligations under operating leases

The group's future minimum lease payments on operating leases are as follows:

	2024	2023
	£'000	£'000
Within one year	3	3
In two to five years	-	3
After five years	-	-
	3	**6**

Operating lease charges in the year to 31 January 2024 were £3,000 (2023: £3,000).

13. Analysis of grants

By category of charitable expenditure	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2024	Total grants in year to 31 January 2023
	£'000	£'000	£'000	£'000
Mission Partners (worldwide)	14	26	**40**	**53**
Mission in Britain	-	-	**-**	**1**
Other Mission Activity	736	60	**796**	**657**
	750	**86**	**836**	**711**

By geographical area	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2024	Total grants in year to 31 January 2023
	£'000	£'000	£'000	£'000
Africa	345	4	**349**	**238**
Asia	203	9	**212**	**198**
Europe, the Middle East and North Africa	91	26	**117**	**92**
Latin America	111	47	**158**	**183**
	750	**86**	**836**	**711**

Analysis of Grants to Institutions	Nature of grant	Country	Grants to Institutions
			£'000
Africa			
CMS-Africa	Mission Grant	Africa	205
Other Institutions grants under £100k			140
Total			**345**

			£'000
Asia			
Asia-CMS	Mission Grant	Asia	201
Other Institutions grants under £100K		Asia	2
Total			**203**

13. Analysis of grants (continued)

Europe, the Middle East and North Africa	
Other Institutions grants under £100k	91
Total	**91**
Latin America	
Other Institutions grants under £100k	111
Total	**111**
Total Institutional Grants	**750**

14. Staff costs and other employee benefits

Staff costs	**2024 UK Staff**	**2024 Mission Partners**	**2024 Total**	**2023 Total**
	£'000	**£'000**	**£'000**	**£'000**
Salaries and allowances	2,317	1,528	**3,845**	**3,471**
Social security cost	224	29	**253**	**226**
Employer's pension contributions (Defined contribution)	438	318	**756**	**654**
Employer's pension contributions (Defined benefit)	-	-	**-**	**76**
Redundancy and relocation costs	6	4	**10**	**31**
	2,985	**1,879**	**4,864**	**4,458**

Two employees received emoluments of between £70,000 and £80,000 (2023: two employees).

The total amount of employee benefits received by key management personnel for their services during the year is £433,000 (2023: £413,000). The number of volunteers working for Church Mission Society is 30 (2023: 30). During the year total redundancy and other termination payments were £10,000 (2023: £31,000).

Employees: The average monthly number of employees in the year is analysed by function below:

UK Staff	**2024 Number**	**2023 Number**
Raising funds	12	12
Charitable activities	62	54
Governance of the charity	1	1
UK Staff	**75**	**67**
Mission Partners	90	94
	165	**161**

15. Trustees' expenses

	2024	2023
	£'000	£'000
Expenses incurred by Trustees and reimbursed by Church Mission Society	2	1
Expenses incurred by Church Mission Society on behalf of the Trustees	4	1
Trustees' indemnity insurance cover cost	11	11
	17	**13**

The Trustees receive no remuneration for their services, but are reimbursed expenses in respect of travel and accommodation expenses for attending meetings. In 2024 six Trustees received expenses (2023: three). The aggregate value of donations made to Church Mission Society by Trustees and key management personnel who served during year to the general fund was £8,000 (2023: £5,000) and to restricted funds £1,000 (2023: £2,000).

16. Tangible fixed assets and property held for sale

Tangible fixed assets

The Group and Charity

	Freehold Property	Long Leasehold Property	Motor Vehicles	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 February 2023	8,302	267	2	1,529	**10,100**
Additions	-	-	13	301	**314**
Disposals	-	-	-	(16)	**(16)**
At 31 January 2024	**8,302**	**267**	**15**	**1,814**	**10,398**
Depreciation:					
At 1 February 2023	2,183	43	-	1,308	**3,534**
Charge for the year	137	5	-	92	**234**
Disposals	-	-	-	(14)	**(14)**
At 31 January 2024	**2,320**	**48**	**-**	**1,386**	**3,754**
Net Book Value:					
At 31 January 2023	**6,119**	**224**	**2**	**221**	**6,566**
At 31 January 2024	**5,982**	**219**	**15**	**428**	**6,644**

(a) Capital expenditure authorised and contracted but not yet incurred was £nil (2023: £nil).

(b) The net book value of long leasehold properties at 31 January 2024 includes two leasehold UK properties (2023: 2).

16. Tangible fixed assets and property held for sale (continued)

(c) The net book value of fixtures, fittings and office equipment comprises:

	2024	2023
	£'000	£'000
Fixtures and fittings	323	142
Office furniture	1	2
Computer hardware/software	104	77
	428	**221**

17. Investments

The Group and Charity
Analysis of Movement in Investments

	Listed	Unlisted	Social	Held as cash	2024	2023
Market Value:	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 February 2023	4,229	9,471	41	12	**13,753**	**15,133**
Additions to investments	110	261	-	-	**371**	**538**
Proceeds from disposals	(133)	-	-	-	**(133)**	**(311)**
Net movement in cash held by investment manager	-	-	-	1	**1**	**(13)**
Net gain/(loss) on investments	(12)	225	24	-	**237**	**(1,594)**
At 31 January 2024	**4,194**	**9,957**	**65**	**13**	**14,229**	**13,753**

Unlisted Investments (shown at market value)

	2024	2023
	£'000	£'000
Unrestricted Funds		
Ordinary shares – William Leech (Investments) Ltd	3,284	3,233
	3,284	3,233
Endowment Funds		
Ordinary shares – William Leech (Investments) Ltd	6,673	6,238
	9,957	**9,471**

17. Investments (continued)

Investments – William Leech (Investments) Limited

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust, Note 3).

During the year CMS subscribed to additional share capital amounting to £261,000 in William Leech (Investments) Limited, 57 per cent of the voluntary income received in 2023–24. The historical cost of the investment and the reinvestment in respect of the year to 31 January 2024 was as follows:

	2024	2023
	£'000	£'000
At historical cost:		
Balance at 1 February	7,462	7,222
Shares purchased at £1 each	261	240
Balance at 31 January	**7,723**	**7,462**

The Total Net Assets of William Leech (Investments) Limited at 31 January (unaudited) was £49.8m (2023: £47.3m) comprised of listed securities £45.4m, property £0.1m, other net assets £4.3m. The Charity is one of five charities which each hold 20 per cent of the issued share capital of the company. CMS's share of the net assets is therefore £10.0m (2023: £9.4m). The Charity has a representative on the board of William Leech (Investments) Limited but this does not give the Charity the ability to control or exert significant influence over the company's day-to-day management or financial policies.

Church Mission Society received legal advice in June 2016 from Winckworth Sherwood that considered whether the shares in William Leech (Investments) Limited should be treated as part of unrestricted funds or endowment funds in the accounts of Church Mission Society. The legal advice received in June 2016 confirmed that the shares purchased after 15 October 1996 should be treated as an addition to capital (endowment funds) and also advised that shares purchased prior to 15 October 1996 could be treated as part of unrestricted funds. The Trustees of Church Mission Society accepted this legal advice in June 2016 and the financial statements continue to be prepared on this basis.

Social Investment (unlisted shown at market value)

	2024	2023
	£'000	£'000
Unrestricted Funds		
Ordinary shares – Clean for Good Ltd at historical cost	30	30
Add gains	35	11
	65	**41**

CMS's current share is 33 per cent of the issued share capital of the company. The Charity has a representative on the board of Clean for Good Ltd.

17. Investments (continued)

Custodian funds

The Group also acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:

	2024	2023
	£'000	£'000
Value at 31 January	5	5
	5	**5**

These funds are not part of the Group's net assets and are not included in the Group's financial statements. At the request of the Diocese of Uruguay they are deposited with CCLA who manage the Central Board of Finance of the Church of England Investment Funds.

18. Financial instruments

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity has the following financial instruments:

	2024 Group	2023 Group	2024 Charity	2023 Charity
	£'000	£'000	£'000	£'000
Financial assets measured at fair value, through profit and loss				
Unlisted investments	10,022	9,512	10,022	9,512
Other investments	4,207	4,241	4,207	4,241
Financial assets measured at amortised cost				
Cash at bank and in hand	7,423	7,110	6,727	6,498
Amounts due from subsidiaries	-	-	97	54
Other receivables (excluding prepayments)	1,386	2,128	674	2,115
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	-	-	(45)	-
Other creditors due within one year (excluding tax and deferred income)	(905)	(2,456)	(925)	(2,435)

19. Debtors

	2024 Group £'000	2023 Group £'000	2024 Charity £'000	2023 Charity £'000
Trade debtors	105	107	64	96
Taxation recoverable	67	30	67	30
Amounts owed by group entities	-	-	97	54
Prepayments	206	160	206	160
Accrued income	1,089	1,926	364	1,924
Other debtors	125	65	82	65
	1,592	**2,288**	**880**	**2,329**

20. Creditors

Amounts falling due within one year

	2024 Group £'000	2023 Group £'000	2024 Charity £'000	2023 Charity £'000
Trade creditors	343	180	333	173
Amounts owed to group entities	-	-	45	-
Accruals for grants payable	215	244	215	244
Other accruals	171	161	163	151
Taxes and social security costs	140	172	131	149
Deferred income	98	89	98	89
Other creditors	176	1,871	169	1,867
	1,143	**2,717**	**1,154**	**2,673**

Included in "Other creditors" are pension contributions due to the CMS Defined Benefit Pension Scheme of £NIL (2023: £1,867,000). In addition, there are pension contributions to the Group's other defined contributions pension schemes of £84,000 (2023: £42,000). All deferred income as at 31 January 2023 was recognised during the year ended 31 January 2024. Deferred income relates to amounts received in advance of entitlement.

21. Registered holder

The properties and investments of The Church Mission Society Trust are held in trust in the name of Church Missionary Trust Association Ltd.

22. Related party transactions

Andy Roberts, a member of CMS key management personnel, is a trustee of ReVive International. During the year CMS sent two mission partners to work with ReVive International.

Transactions with the subsidiary companies, The South American Mission Society and CMS House Enterprises Limited, are set out below:

South American Mission Society (SAMS)

In 2023–24, SAMS charged the Charity (gift from parent entity) with £550,000 (2023: £414,000). This calculation pertains to the amount of restricted funds received by the Charity (Church Mission Society), but relating to mission partners employed by SAMS. Each year, the Charity transfers a gift to SAMS of restricted funds relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity. SAMS made a gift of £200,000 (2023 nil) to CMS to support work in Latin America.

CMS House Enterprises Ltd

In 2023–24 the Charity charged CMS House Enterprises Limited management fees totalling £4,000 (2023: £4,000). These are calculated as a percentage of external conference and catering services income. In 2023–4 the Charity charged CMS House Enterprises Limited licence fees totalling £1,000 (2023: £1,000). These are calculated as a percentage of total conference and catering services room hire income.

In 2023–24 CMS House Enterprises Limited charged the Charity room hire fees totalling £12,500 (2023: £15,000). These fees are based on usage of rooms hired relating to courses run by the Pioneer Mission Education team.

23. Net assets by fund

The Group – 2024	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,432	212	-	**6,644**
Investments	5,090	89	9,050	**14,229**
Current assets	4,933	3,947	135	**9,015**
Less: Current liabilities	(902)	(241)	-	**(1,143)**
Net Assets 2024	**15,553**	**4,007**	**9,185**	**28,745**

The Charity – 2024	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,432	212	-	**6,644**
Investments	5,090	89	9,050	**14,229**
Current assets	4,972	2,500	135	**7,607**
Less: Current liabilities	(941)	(213)	-	**(1,154)**
Net Assets 2024	**15,553**	**2,588**	**9,185**	**27,326**

The Group – 2023	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,360	206	-	**6,566**
Investments	5025	89	8,639	**13,753**
Current assets	7,245	3,197	126	**10,568**
Less: Current liabilities	(2,480)	(237)	-	**(2,717)**
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2023	**16,150**	**3,255**	**8,765**	**28,170**

The Charity – 2023	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,360	206	-	**6,566**
Investments	5,025	89	8,639	**13,753**
Current asset	7,242	2,629	126	**9,997**
Less: Current liabilities	(2,477)	(196)	-	**(2,673)**
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2023	**16,150**	**2,728**	**8,765**	**27,643**

24. Funds

Unrestricted Funds: Group and Charity

	At 1 February 2023	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,429	3,876	(4,222)	23	(8)	-	-	3,098
Tangible Fixed Asset fund (Designated)	7,530	-	(230)	-	(863)	(5)	-	6,432
William Leech Fund (Designated)	3,233	-	-	51	-	-	-	3,284
Strategic Project Fund	750	-	-	-	150	-	-	900
Pension Fund	1,208	-	(30)	-	661	-	-	1,839
Pension reserve	-	-	-	-	-	-	-	-
Unrestricted Funds	**16,150**	**3,876**	**(4,482)**	**74**	**(60)**	**(5)**	**-**	**15,553**

The Tangible Fixed Asset Fund represents the net book amount invested in tangible fixed assets (including property held for sale) other than those covered by restricted funds. The William Leech Fund reflects the element of the grants received from William Leech Foundation Limited prior to 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The Pension Fund relates to additional funds received from William Leech (Investments) Ltd, which will be utilised to reduce CMS group pension liabilities. The pension reserve relates to the movement in the defined benefit pension scheme (see Note 25). The trustees have set aside in a designated fund £0.9m for strategic project from proceeds of a previous exceptional legacy.

24. Funds (continued)

Endowment Funds
The Group and Charity

	At 1 February 2023	Income	Expenditure	Net Gain/(Loss) on Investments	Transfers	At 31 January 2024
	£'000	£'000	£'000	£'000	£'000	£'000
William Leech Capital Fund	6,365	271	-	174	-	6,810
P Fund	1,236	-	(7)	(9)	-	1,220
H B Aserappa Fund	635	-	(3)	(1)	-	631
R H Aserappa Fund	418	-	(3)	-	-	415
Christava Mahilalayam Fund	86	-	(1)	-	-	85
Bell Trust Fund	24	-	-	-	-	24
Total Endowment funds	**8,764**	**271**	**(14)**	**164**	**-**	**9,185**

The William Leech Capital Fund reflects the capital element of the grants received from William Leech Foundation Limited after 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The P Fund is a permanently endowed fund. The capital of the fund was amalgamated from a large number of small trust funds with Charity Commission approval in 1998. The total value of the P Fund is broken down into the following areas, defined by the restrictions placed on the income generated:

China	£163,000
India	£410,000
Medical work	£334,000
Palestine	£44,000
General reserves	£269,000
	£1,220,000

The H B Aserappa Fund is for evangelistic work in East Asia or other parts of the world at the Trustees' discretion. The R H Aserappa Fund is for salaries and disbursements to lay evangelists in Sri Lanka.

The Christava Mahilalayam Fund is held for the benefit of the Christava Mahilalayam School in South India.

The Bell Trust Fund is for the in-service training of Religious Education teachers in Africa.

24. Funds (continued)

Restricted Funds
The Group and Charity

	At 1 February 2023	Income	Expenditure	Net Gain on Investments	Transfers	At 31 January 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Mission Personnel Funds	679	1,249	(1,642)	-	274	560
South America Funds – Charity	1	217	(201)	-	(17)	-
Latin America Projects	1,032	83	(68)	-	(52)	995
Africa Projects	319	55	(216)	-	(3)	155
Asia Projects	176	8	(30)	-	14	168
Europe & Middle East Projects	29	25	(18)	-	(5)	31
Multi Region Projects	71	465	(128)	-	(147)	261
St Julian's Fund	206	-	(5)	-	-	201
Tanzania Education Fund	26	5	(30)	-	-	1
H B Aserappa Income Fund	-	17	-	-	-	17
R H Aserappa Income Fund	42	12	-	-	-	54
Christava Mahilalayam Income	20	2	-	-	-	22
Partnership for Missional Church	1	4	(4)	-	-	1
Mid-Africa Fund	2	41	(43)	-	-	-
Local Partner Fund	1	47	(60)	-	31	19
Other restricted funds	123	139	(124)	-	(35)	103
Total restricted funds – Charity	**2,728**	**2,369**	**(2,569)**	**-**	**60**	**2,588**
South America Funds – Group	527	1,758	(866)	-	-	1,419
Total restricted funds – Group	**3,255**	**4,127**	**(3,435)**	**-**	**60**	**4,007**

Mission Personnel Funds are held as individual restricted funds for the support of CMS mission partners.

The South America Funds – Charity funds include reserves held by Church Mission Society which are used to support work in South America.

The regional project funds represent various small projects where the beneficiaries of the grants are based in a specific region or cover multiple regions. Donations and other income are received with a restriction to support these projects.

The St Julian's Fund represents the property held by CMS for the former residents of the St Julian's Community. This fund is restricted for the time that the properties are required by the residents, after which time the properties will revert to the general fund.

The Tanzania Education Fund is for the Buigiri School for the Blind, Diocese of Tanganyika, Tanzania.

24. Funds (continued)

The accumulated income from the H B Aserappa Fund, the R H Aserappa Fund, the Christava Mahilalayam Fund is held for the same beneficial objects as for their corresponding endowments.

Partnership for Missional Church relates to a partnership to deliver training for dioceses in the UK.

The Mid-Africa Fund is held by CMS for work in the Mid-Africa region.

The Local Partner Fund is to support a new generation of gifted and dedicated leaders who are passionate about serving their church in some of the world's financially poorest nations.

Other restricted funds represent a wide variety of small restricted funds, held and separately accounted for, for some of the current projects that CMS is involved in. Some fund transfers in the year relate to transfers from unrestricted funds to finance deficits on restricted funds, in particular mission personnel restricted funds. Other transfers relate to the movement from programme funds to help support individual mission partners and projects.

The South America Funds – Group funds include reserves held by The South American Mission Society which are used to support mission partners in Latin America.

25. Retirement benefits

The Charity (CMS) has members in the CMS defined benefit pension schemes. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes), as explained in Note 25C below.

A. Defined Benefit Schemes – CMS Pension Scheme (Group and Charity)

The Charity contributes to the CMS Pension Scheme, a defined benefit pension scheme, to secure present and future pensions for certain current and former mission partners and staff. CMS Ireland, an independent charity, also funds pensions for its current and former mission partners and staff, but these amount to only some 3 per cent of the scheme's total liabilities.

Nature of the Scheme

The Church Mission Society Pension Scheme operated by the Society is a funded defined benefit arrangement which provides retirement benefits based on final pensionable salary. The Scheme closed to the future accrual of benefits with effect from 30 June 2011. Accrued benefits of active members continue to be linked to pensionable salaries.

The Scheme is a UK registered scheme in accordance with Section 153 of the Finance Act 2004. The Scheme must comply with UK pensions legislation and is regulated by the UK Pensions Regulator. The Scheme is governed by a corporate Trustee, CMS Pension Trust Limited, which has six directors including two member-nominated directors, elected by the membership, and two independent directors, appointed by CMS. The remaining two directors are also appointed by CMS but represent the employer's interests. The Trustee is responsible for the administration of the Scheme and for the Scheme's investment policy. The Trustee, with the advice of the Scheme Actuary and with the agreement of the Employers, determines the contributions that are paid to the Scheme.

The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 31 January 2024.

Funding Policy

Following the cessation of accrual of benefits with effect from 30 June 2011, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation. The funding method employed to calculate the value of previously accrued benefits is the Attained Age Method.

The triennial valuation of 31 March 2022 resulted in a Scheme surplus of £152k as at the triennial date. As part of that valuation, the Society and the Pension Trustee agreed that contributions totalling £2.2m would be paid into the Scheme by 31 March 2023, inclusive of the contributions already paid/due from CMS and CMS Ireland in accordance with the previous funding agreement. No regular payments are due with the exception of administration expenses.

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

25. Retirement benefits (continued)

Scheme Amendments

There have been no amendments to the Scheme during the year and no special events have occurred.

Amounts recognised in the balance sheet	**2024 £'000**	**2023 £'000**
Fair value of scheme assets	56,611	61,188
Present value of funded obligations	(53,981)	(55,436)
Surplus/(deficit) in scheme	**2,630**	**5,752**
Unrecognised asset – restriction of Scheme surplus (in accordance with FRS 102)	(2,630)	(5,752)
Net defined benefit (liability) recognised in the balance sheet	-	-

Amounts charged to the Statement of Financial Activities	**2024 £'000**	**2023 £'000**
Interest on scheme assets	2,688	1,862
Interest effect of asset ceiling	(259)	(35)
Interest cost on obligation	(2,433)	(1,802)
Net interest on net defined benefit asset or liability	**(4)**	**25**
Past service costs	-	-
Pension scheme administration expenses	(521)	(284)
Included in net income/(expenditure)	**(525)**	**(259)**
Return on scheme assets (not included in interest)	(4,312)	(23,230)
Experience (loss)/gain on liabilities	(1,705)	(1,699)
Actuarial gain on scheme obligation	2,811	26,809
Loss/(gain) from change in effect of asset ceiling	3,381	(4,166)
Recognised in "Actuarial (losses)/gains on defined benefit pension scheme"	**175**	**(2,286)**
Total amounts recognised in the SOFA	**175**	**(2,286)**

There are no current service costs of the Scheme included within the SOFA (2023: £nil).

25. Retirement benefits (continued)

Changes in fair value of scheme assets	2024 £'000	2023 £'000
Scheme assets at the beginning of the year	61,188	82,968
Interest on assets	2,688	1,862
Return on scheme assets (not included in interest)	(4,312)	(23,230)
Contributions by CMS	336	2,517
Contributions by CMS Ireland	14	28
Administration expenses	(521)	(284)
Benefits paid	(2,782)	(2,673)
Scheme assets at the end of the year	**56,611**	**61,188**
Actual return on scheme assets	**(1,624)**	**(21,368)**

Scheme Assets

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	2024 %	2023 %
Bonds	19	18
Synthetic global market exposure	-	20
Private market funds	11	13
Cash and NCA	1	4
Liability driven investments	69	45

Changes in present value of the Scheme's defined benefit obligation	2024 £'000	2023 £'000
Obligation at the beginning of the year	55,436	81,417
Interest cost on obligation	2,433	1,802
Actuarial (gain)	(2,811)	(26,809)
Past service cost	-	-
Experience loss on liabilities	1,705	1,699
Benefits paid	(2,782)	(2,673)
Defined benefit obligation at the end of the year	**53,981**	**55,436**

The weighted average duration of the liabilities of the Scheme was 12 years as at 31 January 2024 and 13 years at 31 January 2023.

25. Retirement benefits (continued)

Principal Actuarial Assumptions at the balance sheet date used for the FRS 102 disclosures

The principal assumptions used by the actuary to calculate the employee benefit obligation for Church Mission Society in respect for the CMS Pension Scheme were as follows:

	2024 %pa	2023 %pa
Discount Rate at end of year	4.90	4.50
Discount Rate at start of year	4.50	2.25
Inflation – CPI	2.65	2.60
Inflation – RPI	3.10	2.60
Rate of increase in pensionable salaries	2.65	2.60
Rate of increase in pensions in respect of service:		
- pre 10 January 1994	3.65	3.65
- between 10 January 1994 and 5 April 2005	3.00	3.00
- after 5 April 2005	2.10	2.05
Rate of increase in deferred pensions in respect of service:		
- before 1 April 1994	5.00	5.00
- between 1 April 1994 and 5 April 2009	2.65	2.60
- after 5 April 2009	2.50	2.50

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 87 if they are male and on average until age 89 if female. For a member currently aged 55 the assumptions are that if they attain an age of 65 they will live on average until age 87 if they are male and on average until 90 if female.

B. Defined Benefit Schemes – Church of England Funded Pensions Scheme (Group and Charity)

In addition to the CMS Pension scheme the Group has 18 active members of the Church of England Funded Pension Scheme (also known as the Clergy Scheme), which has approximately 8,000 active members. Contributions for these members of the Scheme are paid for by the Archbishops' Council on behalf of the Group, so the expense recognised in the SOFA is £nil (2023: £nil). Employer's contributions to this scheme amounting to some £135,000 are funded by the Archbishops' Council in accordance with the Pensions Measure 1997, under a grant which the national church undertook to make to meet the pension costs of clergy employed by qualifying mission agencies belonging then to the Partnership in World Mission.

25. Retirement benefits (continued)

C. Defined Contribution Schemes (Group and Charity)

The Charity contributes to personal money purchase pension schemes (defined contribution schemes) for certain employees and mission partners.

	2024 £'000	2023 £'000
Staff and Mission Partners	757	655
	757	**655**

26. Secured assets

CMS House, the Mission and Community House in Oxford and one other residential property have been pledged as security to the CMS Defined Benefit Pension Scheme. These properties are being used as security to guarantee the Charity's funding shortfall to the CMS Defined Benefit Pension Scheme.

27. Subsidiary undertakings

Charity

As outlined in Note 1, The Church Mission Society Trust became a subsidiary of CMS under a scheme agreed with the Charity Commission in 2010. CMS is a corporate trustee of The Church Mission Society Trust. As part of the scheme, a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

Principal Subsidiaries at 31 January 2024

a) The South American Mission Society

Name	Principal Activities	Ownership
The South American Mission Society (RCN: 221328 and Co. No.:00065048)	To be a community of people in mission obeying the call of God, to proclaim the gospel in all places with particular emphasis on Latin America and to draw all people into fellowship with the Lord Jesus Christ.	100%

b) CMS House Enterprises Ltd

Name	Principal Activities	Ownership
CMS House Enterprises Ltd (Co. No.: 09376700)	Income from room hire of CMS House, archive services and consultancy.	100% – £1 share capital

27. Subsidiary undertakings (continued)

Summary of results for the 12 months to 31 January

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Income	6,385	1,758	131	-	**8,274**	**9,044**
Expenditure	(7,020)	(866)	(45)	-	**(7,931)**	**(7,395)**
Gains on investments	237	-	-	-	**237**	**(1,594)**
Revaluation of fixed assets	(5)	-	-	-	**(5)**	**(50)**
Actuarial gains/(losses) on defined benefit scheme	-	-	-	-	**-**	**1,066**
Other gains/(losses) on pension scheme deficit reduction provision	-	-	-	-	**-**	**(2,258)**
Net movement in funds	**(403)**	**892**	**86**	**-**	**575**	**(1,187)**

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Total fixed assets	20,873	-	-	-	20,873	20,319
Current assets	7,607	1,447	102	(141)	9,015	10,568
Current liabilities	(1,154)	(28)	(102)	141	(1,143)	(2,717)
Net assets/(liabilities)	**27,326**	**1,419**	**-**	**-**	**28,745**	**28,170**

Consolidation adjustments

The SAMS adjustment in the funds movement relates to transfer of restricted funds relating to mission partners where the income is received by CMS (parent charity) (see Note 22) and the costs are paid out of SAMS (subsidiary charity) which is the legal employer. CMS bears all other SAMS overheads without charge, apart from the SAMS governance cost.

The registered office of The Church Mission Society Trust, The South American Mission Society and CMS House Enterprises Ltd is CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ.

27. Subsidiary undertakings (continued)

Other subsidiaries at 31 January 2024

In addition to the above principal subsidiaries, the following entities are also part of the CMS group but are not consolidated due to materiality.

Name	Percentage Holding	Registered Office
Church Missionary Trust Association Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
CMS Pension Trust Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ

28. Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations and financial position. Accounting policies are shown in Note 2 to the financial statements.

Pension liabilities – CMS Pension Scheme

CMS has recognised its liability to its defined benefit pension scheme which involves a number of estimations, as disclosed in Note 25.

Unlisted investments

As outlined in Note 2, the unlisted investments in William Leech (Investments) Limited and Clean for Good Ltd are valued as the share of the net assets at 31 January 2024 (unaudited accounts) based on the information provided by these entities.

Cost allocation

Costs not attributable to a single activity are allocated or apportioned to activities on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised relate to the proportion of time spent by staff across different activities and judgement is exercised in applying cost drivers to cost categories.

29. Change in movement in net funds

	At 1 February 2023	Cash flow	At 31 January 2024
	£'000	£'000	£'000
Cash at bank and in hand	7,110	313	7,423
Cash held with investment manager	12	1	13
Net Cash	**7,122**	**314**	**7,436**

Cash held with investment manager is included within Investments (see Note 17).

Reference details of the Charity and Advisers

Principal Address

Church Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Principal Professional Advisers

Bankers	*Auditors*	*Principal Solicitors*	*Investment Managers*
Barclays Bank PLC Public Sector – Charities Level 12 1 Churchill Place London E14 5HP	Crowe U.K. LLP Aquis House Reading Berkshire RG1 1PL	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES	Cazenove Capital 12 Moorgate London EC2R 6DA

CHURCH MISSION SOCIETY

England & Wales - Charity number 1131655

Accounts

With Jesus
With each other
To the edges

Annual Report and Financial Statements

for the year ended 31 January 2023

CHURCH MISSION SOCIETY

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Church Mission Society – Group
Registered company limited by guarantee in England and Wales (Company no. 6985330)
Registered charity no. 1131655 (England and Wales)
Registered charity no. SC047163 (Scotland)
Church Mission Society is a mission community acknowledged by the Church of England.

With Jesus
With each other
To the edges

Chair of Trustees' Report

Charles Clayton

What a privilege to see God at work and be reminded that his mission continues in a world full of challenges! I'm so very grateful to God and to all those supporting Church Mission Society through their prayers and gifts as we follow Jesus together. As you read the report from CEO Alastair Bateman in the following pages, I hope you will be as encouraged as I am to hear of real lives changed as faithful people in mission share the love of Jesus in ways that connect with those around them.

The year 2022 opened some new chapters at CMS, not least the launch of a new vision and purpose, along with a refreshed brand identity, in the spring. This includes the strapline: "With Jesus. With each other. To the edges." This encapsulates the heart of CMS's work and approach, as we follow Jesus together and connect with people at the edges: the edges of church, the edges of society, the edges of our comfort zones. This vision and purpose are outlined further on the following pages.

With Jesus
With each other
To the edges

We have been delighted to welcome new members of the senior team at CMS. These included Becky Morris joining as finance and corporate services director in March 2022, and Rev Virginia Luckett taking up the role of fundraising and communications director in June 2022. Becky and Virginia both have extensive experience in the charity sector. We said a fond farewell to Jim Barker as fundraising and communications director in June with gratitude for all he poured into his work during his time at CMS.

At the beginning of 2023 we also welcomed three new trustees to the Board: Catherine Morgan Hickey, Rev Richard Moy and Rev Sarah Jane Hewitt. Between them they bring a wealth of experience of mission and charitable work in the UK and internationally. I look forward to working with them in the months and years to come.

Excitement built towards the end of the year as the organisation prepared to launch a campaign in late January to raise awareness of CMS and to reach new financial supporters and potential participants in mission. At the centre of the campaign is a simple message: "Jesus never gives up. Neither should we." It has been a joy to watch and read the stories of those who have encountered Jesus thanks to the faithfulness of CMS partners. I hope that you have caught a glimpse of these stories in 2023, and I look forward to sharing more with you next year.

Yet in the last year we have also been reminded that the edges are not comfortable. This became alarmingly true for our people in mission in Ukraine last February. After an initial six weeks away from Kyiv as a result of the invasion, once areas around the capital were de-occupied they were able to return. In the months since, these three people in mission, along with their church community, have been responding to the physical, emotional and spiritual needs of those around them through clearing rubble and rebuilding, running children's activities, providing food, warmth and access to electricity, and offering counselling. These are practical expressions of the gospel itself. Other people in mission in the Czech Republic and Romania have also offered hospitality and care to refugees arriving in their communities.

As I reflect on the last year, I give thanks to God and to the faithful supporters of CMS, who are vital in this work because of their generous gifts and prayers. It is such an honour to be part of this global family following Jesus to the edges together.

The Strategic Report of the CMS Trustees

The Trustees of Church Mission Society, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 January 2023.

Objectives and Activities

Our Vision

To see our world made new through the love of God as we follow Jesus to the edges.

Our Goal

Communities and society are transformed as new disciples participate in the life and work of Jesus in our world.

Our Purpose

We exist to make disciples of Jesus at the edges.

Who we are

Jesus spent much of his time with people at the edges, and that's where we want to be too. Church Mission Society invites people at the edges of church, the edges of society and the edges of our comfort zones to follow Jesus and play a part in his story. Come with us to the edges and discover God at work in ways you might not have expected.

Our values

We are people who are:

- Pioneering: We are constantly seeking and moving to the edges of church, society and ourselves, and calling others to do the same: to try new things, ask questions, cross boundaries and not get too comfortable.
- Evangelistic: We share Jesus in word and action with people at the edges and invite them to be part of his story.
- Relational: We get alongside people, becoming a genuine part of the edge-based communities where we find ourselves, recognising that often we are guests not hosts.
- Faithful: We remain true to our calling and don't get discouraged easily. We recognise that mission at the edges takes time, that God is our leading partner in all we do and can be trusted to bring needed change.

Where we work

By working “at the edges” we mean that we encourage individuals and groups of people to follow Jesus:

- At the edges of existing church
- At the edges of society
- At the edges of our comfort zones

Within the UK and overseas, we are specifically called to mission at the margins and cultural fringes, where Jesus is not often followed and which are often overlooked or written off. We believe God is already at work in these spaces and our task is to join in.

What we do

We are called to make disciples of Jesus where you may not expect to find them. And to see those disciples make more disciples until communities of people committed to following the way of Jesus are formed.

This is how we see change happen: person by person, community by community.
To be more specific:

- We connect people with a heart for the edges so they can work together. Often this takes the form of cross-cultural hubs, or pockets of people from Western and non-Western backgrounds teaming up to bring change in a specific edge-based context.
- We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
- We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In CMS’s vast history, thousands of people have crossed geographical, cultural and societal boundaries to make disciples of Jesus. Through their efforts, missteps and all, we have seen the gospel of Jesus make itself at home in a variety of contexts all over the world. Sometimes in ways we could never have foreseen.

Public benefit

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. As “a community of people in mission obeying the call of God to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ”, CMS works out its Public Benefit in a number of ways.

CMS believes the Christian faith is of benefit to society, and individuals, bringing a vision of transformation for peace and social harmony which grows from what Christians believe is God’s ultimate purpose: to bring all things into unity and perfection in Jesus Christ. People are likely to become disciples of Jesus if Christians “live a Christ-like life amongst them, share the good news of Jesus, demonstrate God’s love and prayerfully expect the Spirit’s power to transform individuals, communities and whole nations”. CMS seeks to demonstrate this benefit through its wide range of mission activities both in the UK and internationally as detailed throughout the Strategic Report.

Achievements and Performance

CEO's report by Alastair Bateman

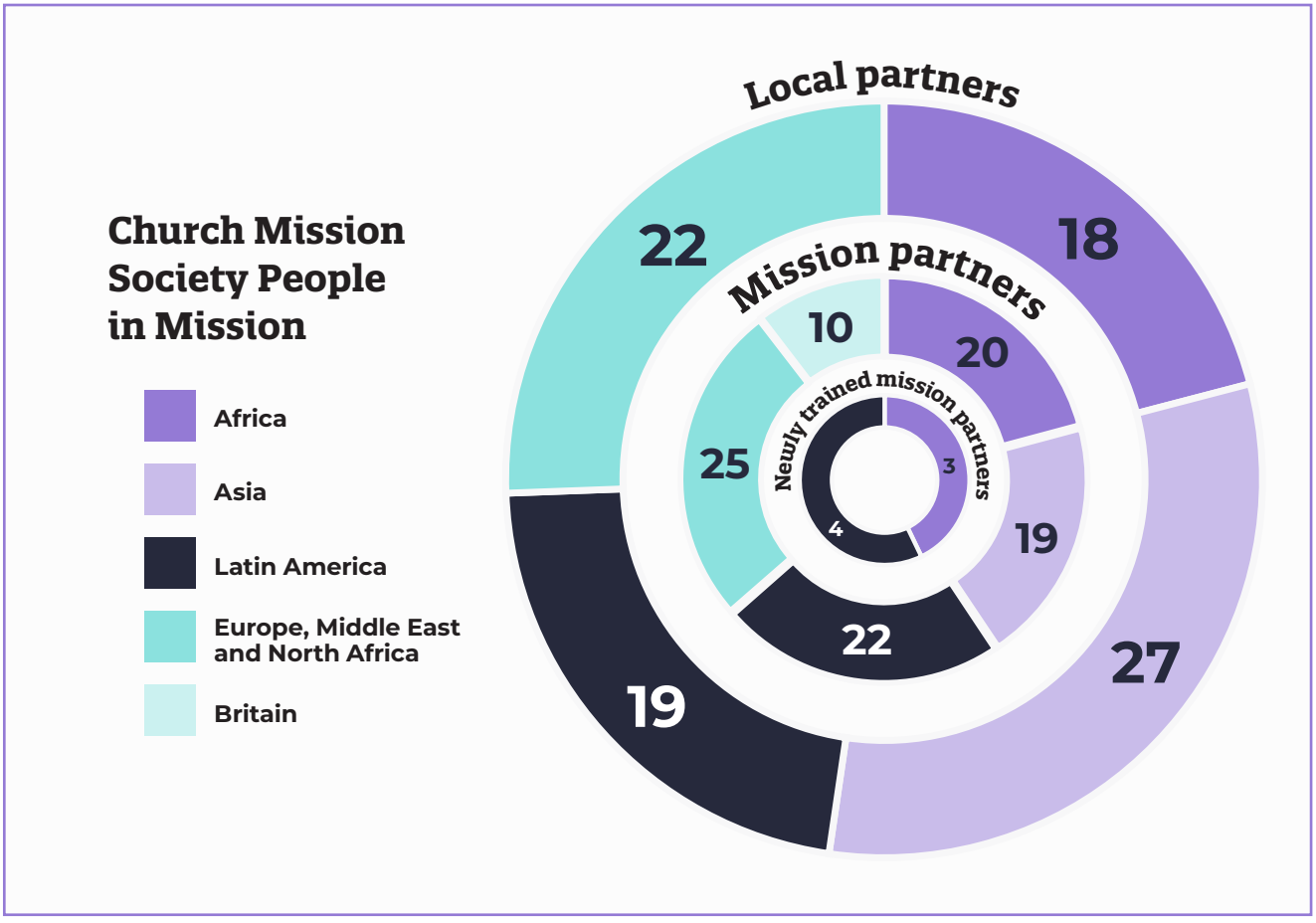
Jesus never gives up. Neither should we.

This message has been at the heart of our communications since January 2023, but as I reflect on all that took place in the 2022–23 financial year, I am struck by how it sums up the ways in which CMS people in mission followed Jesus to the edges. It is an honour to partner with so many inspired and inspiring people as we seek to see our world made new by the love of God.

And I want to thank our faithful supporters for being a part of that story, through giving, prayer or participation in God's mission with us.

I hope that in the following pages I can capture some snapshots of how CMS has seen God at work at the edges around the world.

This year, 103 CMS mission partners worked in 36 countries, going to the edges in a variety of contexts. Alongside our mission partners, I am delighted that we were able to partner with 86 local leaders passionately committed to sharing the good news of Jesus. Among these people in mission, some walk alongside believers in Jesus from Muslim backgrounds across the Middle East and North Africa, while others serve indigenous groups on the margins in Latin America. Still more equip church leaders through theological education and training or translating resources, or reach out to unreached people groups. And others share the love of God with those on the margins through practical help in community projects, education or medical support.



During the autumn, the CMS community house in Oxford was home to seven trainee mission partners as they came together to prepare to be sent out in mission. We joyfully commissioned them in December ahead of departures to Africa and Latin America in 2023.

We were pleased that three young people undertook gap year placements in Latin America and Africa, and we continue to support 83 mission associates and nine short-termers in a wide variety of locations.

In January 2023, it was an immense blessing to meet with some mission partners, local partners and mission associates in the remote Chaco region of northern Argentina, and to see how CMS's work in the area is developing to meet the needs of a new generation. Over the last year, consultations have taken place to establish some key issues that indigenous communities would like to address. These culminated in a landmark congress in October 2022 in Salta, Argentina, bringing together 80 Christians from multiple indigenous groups, alongside CMS and leaders in the Anglican church. They produced a declaration setting out intentions and charting a path forward for indigenous peoples to work together with a new generation of leaders.

Meeting Mirna

Mirna is a young woman from the Wichí people in northern Argentina and her grandfather was one of the earlier indigenous evangelists of the local Anglican Church. Throughout her life Mirna met people in mission connected to SAMS and CMS who supported leaders in the indigenous churches. She comments, "I always liked those teams of people who work daily to spread and defend the gospel. I never thought it was possible to be part of these organisations…."

After being confirmed, Mirna was part of a group brought together by a youth leader to learn about God's teaching, to pray and to have space to share their thoughts. Mirna stepped into leadership from a young age, helping to prepare Bible studies and being elected as youth president of the local church, and discovered a passion for supporting women and young people.

After finishing school, Mirna got a job as an indigenous teacher in the secondary school. Then, despite pressure to stay within the Wichí community, she travelled to share about its realities and to learn, working in the capital of the province.

Mirna always liked to listen to the older women in her community, "I consider them experienced in the path of faith. I learned a lot listening to women sharing." Mirna joined an Anglican women's committee. This group, supported by CMS mission partners, began to think about a new way of working among women in the diocese. The result was AMARE (Anglican Women's Group Renewed in the Spirit), affiliated with Mothers' Union. Mirna is now one of the leaders of AMARE in the Diocese of Northern Argentina, and is working to connect with other groups in dioceses across South America.

As a younger leader, an important element of Mirna's ministry is to be a bridge between young people and older members of the community. Mirna is also working with other CMS local partners, mission partners and Latin America regional manager Paul Tester to develop longstanding ministry with indigenous groups for new generations. On being part of the CMS team, Mirna comments, "They are part of my family in Christ. I have great hope that this ministry will continue to grow with the indigenous peoples for Christ."

On a very different edge, CMS partners in the Middle East and North Africa are addressing some of the challenges facing seekers and believers in Jesus from a Muslim background.

I was moved to hear from them that those challenges go beyond the systemic persecution that we might be expecting. Particularly for "secret believers", there are big questions around their identity and being free to be themselves, alongside the isolation of being cut off from family and friends if they share their faith. In addition, some churches across the Middle East and North Africa, as well as Europe and Britain, are hesitant to reach out to or welcome Muslim background believers (MBBs), out of suspicion of motives or fear of reprisal. These issues make it hugely difficult for MBBs to stick with following Jesus, and many turn either back to Islam or to atheism. CMS is partnering with an organisation that focuses on discipling groups of MBBs so they can in turn disciple others, recognising that if MBBs are going to continue growing in faith, there is a great need for people to journey alongside them.

I continue to be richly blessed by connections with the leaders of the other organisations in the CMS mission network: Asia-CMS, CMS-Africa, NZCMS, CMS Australia, CMS Ireland and SAMS-USA. We were able to gather in person in Kampala in October, hosted by CMS-Africa. It was inspiring to hear about CMS people in mission serving in Uganda over more than a century, as well as to visit current projects. And it is so encouraging to live out mission with each other across the world.

CMS-Africa have been developing work in order to make disciples in areas affected by conflict,

"I continue to be richly blessed by connections with the leaders of the other organisations in the CMS mission network"

"Send someone for me"

Adam (name changed) in Bahrain started searching for Jesus at age 18. He explains, "I went to the church and told the priest I wanted to be Christian and to know more about Jesus, but he said he could not help me because of their policy. I asked God, 'If Jesus is the truth, please let me know or send a sign or send someone for me.'"

One of Adam's friends told him about someone online who could help him learn about Jesus. Adam contacted this woman, who lives in Egypt.

"She arranged for me to meet someone where I live.... The first time I met Mr M, he explained lots of things but I didn't understand; I just thought he was crazy. But something inside me told me that Jesus, that Christianity, there is something there."

Adam began to read the Bible. "I read Matthew, and I found myself reading fast because it was so interesting. I learned about Jesus from reading the Bible and from talking about my questions with Mr M and the woman online. It was very easy to accept Jesus, because it was very logical when I read and understood what he did."

But following Jesus hasn't always been straightforward. One day, Adam was arrested after reading the Bible in public and discussing it with two men who turned out to be security officers. He spent a month in prison, which has made it hard to get a job, yet he still remains eager to share his faith with others: "I have walked with two new believers. I hope I will get to journey with others because I feel very happy when people come to know God and know the truth."

Adam was able to participate in training with a CMS partner organisation and shared, "I'm doing the training because the thing I love the most is to help new people to know God.

"A year ago, I was thinking about emigrating, but after trying many times, I think God...wants me to stay and to share the good news here, so that is what I want to do. I want to do God's work."

Making disciples in a context of conflict

Following the first mission consultation CMS took part in, together with CMS-Africa, in DR Congo back in late 2021, the consensus had been that despite logistical challenges, it was good to bring people together around this pressing issue.

A further consultation was held in May 2022, this time in person in Wau, South Sudan, another area where conflict and violence are a major concern. The consultation process is an important part of CMS's engagement in mission – although consultation might give the impression of "all talk and no action", the consultations CMS has been part of have been less about us talking and much more about us listening to voices from the edges. As CMS manager in Africa Joan Busolo comments, "When I listen, I understand better and communicate better," Joan reflected. "I hear the silence, the unsaid words, the emotions and this is crucial to my partnerships...."

seeing this as central to working for peace in conflict zones, particularly in DR Congo and South Sudan. It has been a real encouragement to hear about the consultations that have been taking place.

Another joy in the year was to celebrate the first 10 years of Asia-CMS. My colleague Andy Roberts, CMS mission director, was able to travel to Kuala Lumpur, Malaysia, to join in celebrations and was encouraged by meeting people in mission and hearing their stories.

Asia-CMS celebrates 10 years

In 2022, the Asian-led mission movement and sister organisation of CMS marked 10 years of connecting, collaborating and catalysing mission in Asia.

When they began in 2012, Asia-CMS initially focused on establishing missionary education hubs. Ten years later, the organisation has grown to a team of 28 mission partners across South East and South Asia, carrying out a range of ministries including church planting, pioneering mission to unreached people groups, theological education, and cross-cultural and leadership training.

Asia-CMS is committed to engaging the world's least-reached people groups – many of which are found in Asia – with the Christian message in ways that are culturally relevant and contextually appropriate.

A local partner working in Thailand comments: "Asia-CMS's vision matches my passion and heart for Asia and for the lost. It is a privilege to be a part of an organisation that aims to fulfil the commission to make disciples, spread the good news of Jesus, and more importantly, to walk alongside those who have a heart for God's mission – even those on the edge!"

Closer to home, this has been another significant year for CMS's work in Britain.

Alongside our 10 mission partners working with those on the margins (including in areas of high deprivation, among refugees and with those experiencing isolation), CMS's Pioneer Mission Training has continued to thrive this year.

In total, 75 students are participating in training based in Oxford in the 2022–23 academic year, across undergraduate and MA programmes. There are also 18 students engaged in doctoral studies with CMS and the University of Roehampton. 24 students celebrated their graduation in December 2022.

As courses continue to be accessible both online and on site, we have welcomed students from Ghana, Kenya, the Netherlands, Tanzania, Uganda and the USA, as well as across the UK – from Glasgow to Cornwall and Newcastle to Norfolk, and many places in between!

"We continue to be deeply grateful to God and to our supporters, without whom none of the activity described here would be possible."

CMS's Pioneer Mission Training

Students joined from around the world:
Tanzania, USA, Uganda, Kenya, Ghana and the Netherlands

Students joined training in Oxford either online or in person from:

- Bath
- Bradford
- Berkshire
- Buckinghamshire
- Cornwall
- Derby
- Glasgow
- Greater Manchester
- Hampshire
- Hertfordshire
- Leicestershire
- London
- Newcastle upon Tyne
- Norfolk
- Northamptonshire
- Oxford
- Somerset
- Staffordshire
- Surrey
- West Midlands
- Wiltshire

We were excited to welcome a second cohort of seven new students on the Africa diaspora-focused MA route, alongside a new lecturer working part time to support the development of this important stream.

Students continue to be trained at CMS pioneer hubs across the country, and this year two newly launched hubs welcomed their very first cohorts of students. The first of these is the South West Hub, launched in February 2022 as a collaboration between Truro, Salisbury and Bath & Wells dioceses, drawing in 26 students from across the region to train with CMS. (Expanding the work of the previous Bath & Wells hub, this partnership will deliver a mixture of in-person and online training.) The second is the Newbigin Pioneering Hub in Birmingham, which welcomed its first cohort of 20 students in September 2022, opening up training opportunities in the Midlands.

Both current students and pioneer graduates continue to put their training into practice in pioneering mission work in their local communities.

With many of the 2,661 CMS community members living across the UK, we continue to be committed to mission locally as well as in the rest of the world. Members of the Senior Leadership Team (SLT) and other staff have had the privilege of meeting with supporters at a range of conferences, including hybrid events focusing on CMS's work in Africa and Latin America.

We continue to be deeply grateful to God and to our supporters, without whom none of the activity described here would be possible.

Giving faith a fighting chance

A working-class boy from east London, Jay Lilley sparred with army life, wealth and homelessness, but left behind the church attendance of his childhood.

Yet when he lived across the road from the Good Shepherd church, David (a pioneer minister who trained at CMS) was one of his neighbours. Jay shares, "We used to say hello and have a chat. At that point, I was boxing and David said, 'We have this spiritual boxing community at the Good Shepherd. You should come along.'

"So I went to the Good Shepherd Boxing Community, which David had started. It wasn't to do with faith – I needed to be fit for a fight. But the boxing group was a community. It was completely different.

"After about four weeks, David invited me to church. I went and sat right at the back. Then I started going to church more. The people at the Good Shepherd were from the boxing community and lived in the same flats as me. They were my kind of people. I just didn't know my kind of people went to church.

The community is more than just boxing.

These guys, like me, have not been around church, probably ever. So to see them ready to be baptised and give their lives to Jesus was incredible.

Having been mixed up in bad things when I was younger, once I came to faith I wanted to give back to someone. And one Sunday the youth worker explained that they needed new people to do youth outreach. So I joined the team.

I became part of St Cedd's [pioneer ministry training hub] in partnership with CMS, but I wanted more depth. David suggested I get in touch with CMS. I was accepted, so I'm studying for the Certificate on the youth work pathway, and preparing to be a lay pioneer minister. It's helped me loads within my ministries.

CMS strategic priorities

At the core of all of the work I have described above was the overarching aim of implementing the renewed vision and strategy for CMS, as established in the previous financial year. Over the last year, the CMS organisational strategic priorities were:

Mission programme development:

Continue to increase collaboration between people in mission in particular contexts within "hubs". Having implemented two hubs, we seek to see these become established points of collaboration and to see further hubs in development and implementation

Many of the stories you have just read come from the work of these hubs, both those already implemented and those in development. As you have seen, mission partners, local partners and partner organisations have been collaborating to address specific missional challenges identified in various contexts.

Listening and consultations are ongoing in the development of further hub work in the UK and around the world. The mission team have been working alongside sister CMS organisations as well as local partners to bring additional hubs into being. A new CMS manager in Asia started in post during the autumn, and is working to develop hubs to implement in the coming year. We anticipate beginning implementation of several new hubs in the coming months.

Organisational development:

In 2022, as the People and Learning Group gets underway with some new staff roles in place, we will continue to develop and implement an agile, learning culture throughout CMS. We expect to see increased cohesion and collaboration within the Fundraising and Communications Group, having merged the two teams at the beginning of the financial year.

Across the organisation, teams have adopted a more consistent process of learning from existing and past projects, supported by the People and Learning Group. Each team has undertaken learning review workshops to consider relevant areas (including specific projects and wider culture) and consider potential improvements to practice. This continues into the current financial year, and is becoming an embedded part of CMS processes.

Fundraising and Communications:

Launch and embed the new CMS brand, including revamped website and flagship publications. As part of this, we aim to renew core communications and fundraising products to reflect the new brand and engagement strategy

The Fundraising and Communications Group saw these two teams merge at the beginning of the financial year. Over the course of 2022–23, this team delivered the launch of a new brand, expressing the renewed vision. The communications team produced a refreshed website, social media presences, printed publications and streamlined and revised our email communications. The teams also worked closely together to prepare for the launch of an integrated campaign at the end of the financial year, bringing together CMS's objectives around fundraising, engaging new donors and encouraging participation in mission.

"The CMS strategic priorities are designed to help fulfil CMS's vision 'to see our world made new through the love of God as we follow Jesus to the edges'."

Future Plans: Strategic Priorities for 2023–24

Mission programme development:

Continue development of work into "hubs" with specific focus, either geographical, thematic or methodological. In particular, implemented hubs will build on the foundations laid so far to work towards their respective goals. We are planning for more hubs to begin implementation during the year:

Organisational development:

In light of the new hub-based work in CMS's mission programme, we will develop relevant new ways of working, especially seeking to listen to voices from these edge contexts. We will work towards recruiting people in mission to the new hub areas along with recruiting for the needs of the wider team.

Fundraising and communications:

The fundraising and communications group will continue to embed the new brand and roll out the integrated campaign launched in January 2023. Through this we will tell compelling stories well, in order to engage new donors, raise awareness of CMS's work and encourage participation in mission. The team will continue to develop internal processes to enable these outcomes.

The CMS strategic priorities are designed to help fulfil CMS's vision "to see our world made new through the love of God as we follow Jesus to the edges". Specifically, we want to contribute to CMS's desired outcomes, to see:

- People come to encounter and follow Jesus Christ.
- New communities of disciples grow in their own cultures at the edges.
- Mission at the edges is multiplied as the passion for mission is imparted and mission movements grow.

Structure, Governance and Management

Legal Status

Church Mission Society is a registered charity (England and Wales (RCN: 1131655), and Scotland (RCN: SC047163)) and a company limited by guarantee in England and Wales (Company Number 6985330) established on 8 August 2009, although its history as a mission dates back to the 18th century. For details of other group charities/members see Note 1 to the financial statements.

Charitable Objects

Church Mission Society's object is as a community of people in mission obeying the call of God, to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ.

Patron

The Most Rev and Rt Hon Justin Welby, Archbishop of Canterbury

CMS Governance Arrangements

CMS is governed by its Memorandum and Articles of Association and by a Board of Trustees. The Trustees of CMS aim to have high standards of accountability as well as proper and ethical performance of their duties. The process for appointing the Board of Trustees is as follows:

- The Board of Trustees of CMS is made up of up to 15 CMS members elected by the CMS membership (including not more than three co-opted members) with a Chair appointed by the Board.
- The elected members of the Board of Trustees are subject to a fixed-term appointment of four years, with the opportunity to be elected for one further term. Elections take place every two years.
- Co-opted Trustees are subject to a fixed-term appointment of two years, renewable a maximum of twice.
- The Chair of Trustees is selected by the Board of Trustees following a public recruitment and selection process.

The Board of Trustees meets four times a year, including one meeting focusing on trustee development. This is part of the wider induction and training process that is in place for Trustees, which includes consideration of governance, Board operations, the role of Trustees, organisational strategy, the CMS ethos and risk management.

The Board has four sub-committees, each with specific terms of reference. These are:

- Finance Committee
- Fundraising Committee
- Governance Committee
- Mission Practice Committee

The purpose of the Finance Committee is to provide qualitative and quantitative input to Trustee decision making in relation to CMS's financial affairs. In this the committee is advisory, making recommendations to the whole Board. For the more technical areas of accounting, auditing, insurance, investment, pensions and property, the committee particularly helps the Board of Trustees to align decision making with expertise and knowledge.

The purpose of the Fundraising Committee is to advise the charity's fundraising team in the use of the most effective and efficient methods, and to ensure regulatory compliance, particularly in the use of data, public communications and fundraising methods. In this the committee is advisory, making recommendations to the whole Board.

The Governance Committee reviews the effectiveness of the governance system and the human resources (HR) function, and assists in the nomination and selection of Trustees and principal officers.

The purpose of the Mission Practice Committee is to help the trustees to understand the mission practice of CMS, and be connected with the people involved, in order that Board discussions and decisions are well informed.

The Board of Trustees

The Trustees of CMS are also its legal company directors. A list of the trustees who served during the year and up to the date of signing the financial statements is included below.

Trustee	Governance committee	Finance committee	Fundraising committee	Mission Practice committee
Mr Charles Clayton (Chair)	✓	✓	✓	✓
Rev Canon Andrew Bowerman			✓	
Dr Ian Bromilow (to 24 03 2022)	✓	✓	✓	
Mr Beauman Chong	✓			
Rev Sarah Jane Hewitt (from 01 01 2023)			✓	
Ms Catherine Morgan Hickey (from 01 01 2023)				✓
Mrs Rini Ingleby (to 24 03 2022)				
Rev Canon John Kafwanka (to 22 09 2022)				
Dr Anne Keene			✓ (Chair)	
Mrs Fiona Lambert			✓	
Mrs Chloe Louter				✓ (Chair)
Dr Kevin McKemey				✓
Rev Richard Moy (from 01 01 2023)		✓		
Mr John Stansfeld	✓ (Chair)	✓		
Mr Simon Upcott	✓	✓ (Chair)		

The Chair of Trustees is responsible for ensuring the members of the Board of Trustees collectively contribute the broad range of skills and experience necessary for its effectiveness. The Trustees are responsible for developing strategic vision, articulating policy, managing risk and ensuring effective governance. The Board is assisted in implementation of policies and strategies by the chief executive officer who is supported by the wider CMS Senior Leadership Team. In addition to Trustees, the other sub-committees have additional co-opted members in attendance. Andrew Clark and Anne Maxfield attended the Finance Committee. Andrew Barton attended the Fundraising Committee.

CMS Senior Leadership Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer & People and Learning Director	Mrs Debbie James
Mission Director	Canon Andy Roberts MBE
Britain Hub Mission Director	Mr Jonny Baker
Fundraising and Communications Director	Mr Jim Barker (to June 2022) Rev Virginia Luckett (from June 2022)
Finance and Corporate Services Director	Mrs Becky Morris

The Chief Executive Officer is responsible to the Board of Trustees for the management of CMS. He leads the Senior Leadership Team (SLT), which is shaped around the following responsibilities:

- International Mission – responsible for CMS engagement in international mission in partnership with churches and other agencies of mission worldwide, including members of the CMS Mission Network
- Britain Hub and Mission Education – overseeing the education and formation of pioneers, supporting UK churches in missional engagement and responsible for CMS's mission partners in Great Britain
- People and Learning – overseeing the selection, formation and ongoing support of people in mission, and supporting CMS with expertise in HR and safeguarding
- Fundraising and Communications – broad base fundraising from individuals, churches, trusts and major donors; embedding the CMS brand, telling the CMS story absorbingly and raising awareness and engagement with CMS and God's mission.
- Finance and Corporate Services – supporting CMS with expertise in finance, ICT, facilities and legal compliance

Key Management Personnel Remuneration Policy

The Board of Trustees and the SLT are the key management personnel of CMS, in charge of directing and operating the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 15 to the financial statements.

Salaries of all staff, including the SLT, are reviewed annually taking inflation and the overall financial position of CMS into consideration. Remuneration levels are also benchmarked with Croner's charity pay and benefits report every four to five years to ensure that the level of remuneration is in line with roles in similar size organisations.

Fundraising

CMS has three sources of donation income to sustain its mission, without which CMS could not carry out its work. These are: Churches, Individuals and Trusts. The income from these sources is split 39 per cent Churches (2022: 36 per cent), 51 per cent Individuals (2022: 58 per cent) and 10 per cent Trusts (2022: 6 per cent). The Trustees are grateful for the faithful and committed support from them making CMS's work possible. We thank, inform and engage with our donors regularly, which we see as a key factor in retaining supporters. There is also income from legacies, kindly left to Church Mission Society by supporters in their will. This equates to between 15 and 30 per cent of our total income in any one year. The balance is from other income such as education fees and trading income. During the year CMS spent £768,000 (8.5 per cent of total income) on fundraising activity (2022: £709,000, 8.5per cent) and the majority of this effort concentrated on raising support for CMS mission partners.

We are pleased to say that we are registered with the Fundraising Regulator and fully comply with the Fundraising Code of Practice. We have worked hard to ensure we protect and work in the interest of supporters who might be seen as vulnerable, through old age or illness, and have developed policy and procedures to ensure we continue to work in their best interest.

In 2022–23 we had a total of six complaints relating to our fundraising activity (2021–22: 5). We have appropriately resolved each one with the people raising the complaints and have made changes to our procedures where necessary.

Overall, given the schedule of fundraising activity in 2022–23, we consider this a very low level of complaint, as we have a mailing base of over 10,000 for our main publications and 6,000 for our fundraising appeals.

Use of Volunteers

Church Mission Society is a membership society and relies heavily on the voluntary support of its members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

Grants

As shown in the financial review and Note 13, grant expenditure makes up a significant amount of CMS expenditure. Project proposals received from partner organisations are subject to a formal approval process, which looks at issues such as the alignment, capacity and structure of the partner organisation. An agreed monitoring process is undertaken during the course of the partner spending the funds, and this includes reviews and evaluation of financial and narrative reports.

Risk Management Policy and Internal Control

The Trustees regularly review the internal and external risks facing CMS. A formal risk management process has been developed and the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have also considered the controls in place for these risks and have identified any necessary areas for action. This includes the regular review of CMS's financial position and internal control environment. CMS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of senior management and Trustees. The financial reporting system compares results with these plans on a monthly basis.

Current risks and the corresponding mitigating controls are set out below, in no order of priority:

Economic Turmoil

Events of the past year have shown how world events impact the UK and the uncertainty and effects of inflation present risks to CMS in its cost base, investment values and capacity of donors to give.

Communication with supporters, launch of an integrated campaign and other new fundraising initiatives, plus investment strategies and cost control are helping to mitigate this risk.

Pensions

CMS's defined benefit scheme is open to risks on their liabilities and assets as a result of changes in life expectancy, inflation, discount rates, future salary increases and the value of investments.

The impact of any negative movements in the pension scheme deficit is likely to result in increased payments from CMS. The scheme is now closed to new members and closed to future accrual. CMS works with the pension scheme Trustees, its investment managers and its own actuarial consultants to understand and mitigate these risks wherever possible.

Reputation

Damage to reputation is a risk for any organisation and particularly important for a charity. One key area in this regard is safeguarding. The Board reviews and approves the CMS safeguarding policy every year and significant work has been undertaken on this during the year to ensure both our policy and practice continue to comply with the charity commission guidance on safeguarding.

Critical Incidents

In response to the increasing awareness of the security issues faced by CMS, robust security procedures have been put in place, security training has been rolled out to relevant high-risk personnel and the Crisis Management Team, with clear contingency plans for emergencies, has been put in place. The Crisis Management Team undertook training during the year including new staff members as relevant.

Financial Review

The report and financial statements of Church Mission Society Group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

The financial results this year include three significant items relating to legacies and pensions. CMS has been blessed by its largest legacy to date at £1.8m. Pensions have been another area of significant blessings – through the movement of the CMS Pension Fund triennial results from deficit to surplus, and the opportunity taken on 30 November 2022 to settle SAMS's remaining liabilities in respect of the Church Workers Pension Fund for nil cost, thus ending future liabilities and deficit payments. We are very thankful to the Lord for his goodness.

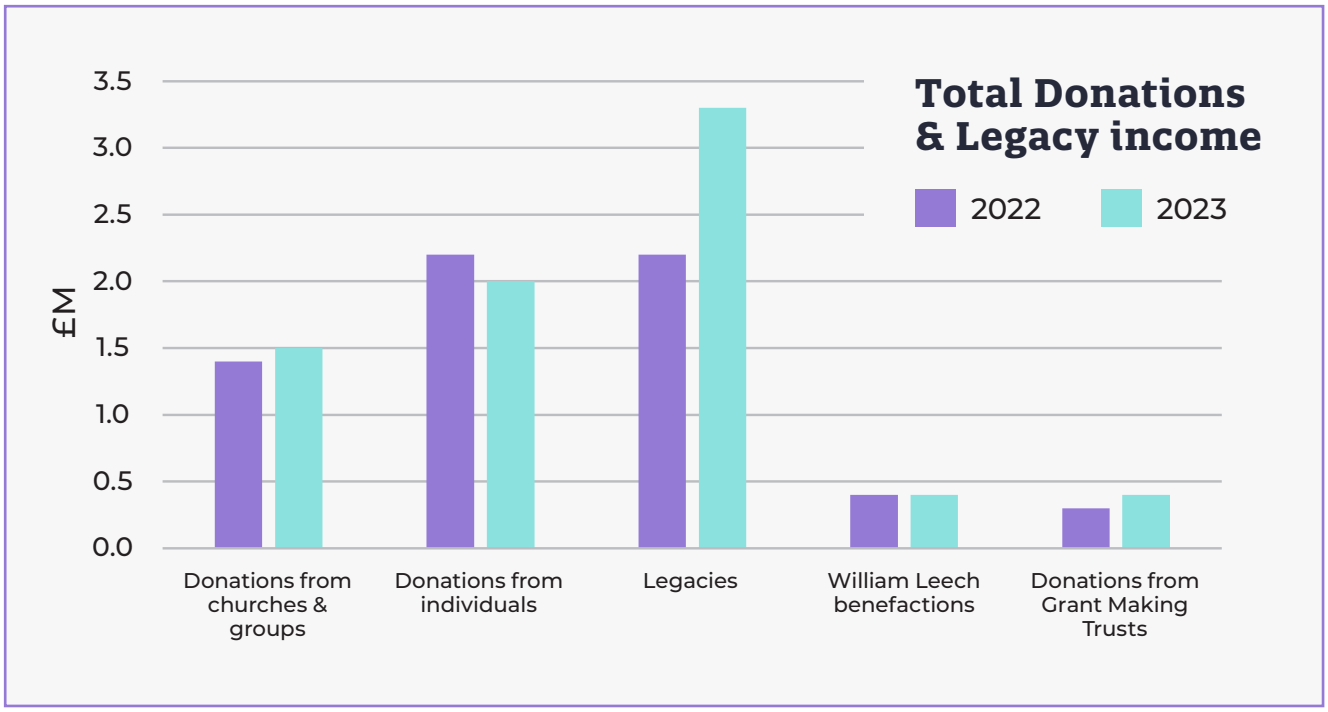
The review below provides some more detailed analysis.

Income

Total income for the year was £9.0m (2022: £9.4m), a decrease of £0.4m from the previous year. The decrease is primarily because the prior year financial results included additional income from one-off property sales and exceptional investment income.

Donations and legacy income (shown in the chart below) has increased by £1.1m to £7.6m (see Note 3 for breakdown), resulting from a £1.1m increase in legacy income. The results clearly show the importance of legacy income to CMS, representing 36 per cent (2022: 24 per cent) of the overall income during this financial year. Legacy income this year includes an exceptionally large legacy of £1.8m. The Trustees are extremely thankful for the generosity of those who make legacy gifts – often following a lifetime of faithful, prayerful service to God including support of CMS's work. Such gifts are important for sustaining our efforts to follow Jesus to the edges. The Trustees are also grateful for the donations received from trusts during the year including from two William Leech charitable trusts. Income from trusts grew by £162k from prior year, primarily due to two large donations.

Investment income reduced by £0.9m as the prior year figures included an exceptional distribution. Other income fell by £0.5m to £0.2m as the previous year's income had included gains from property sales.



Charitable Activity Expenditure

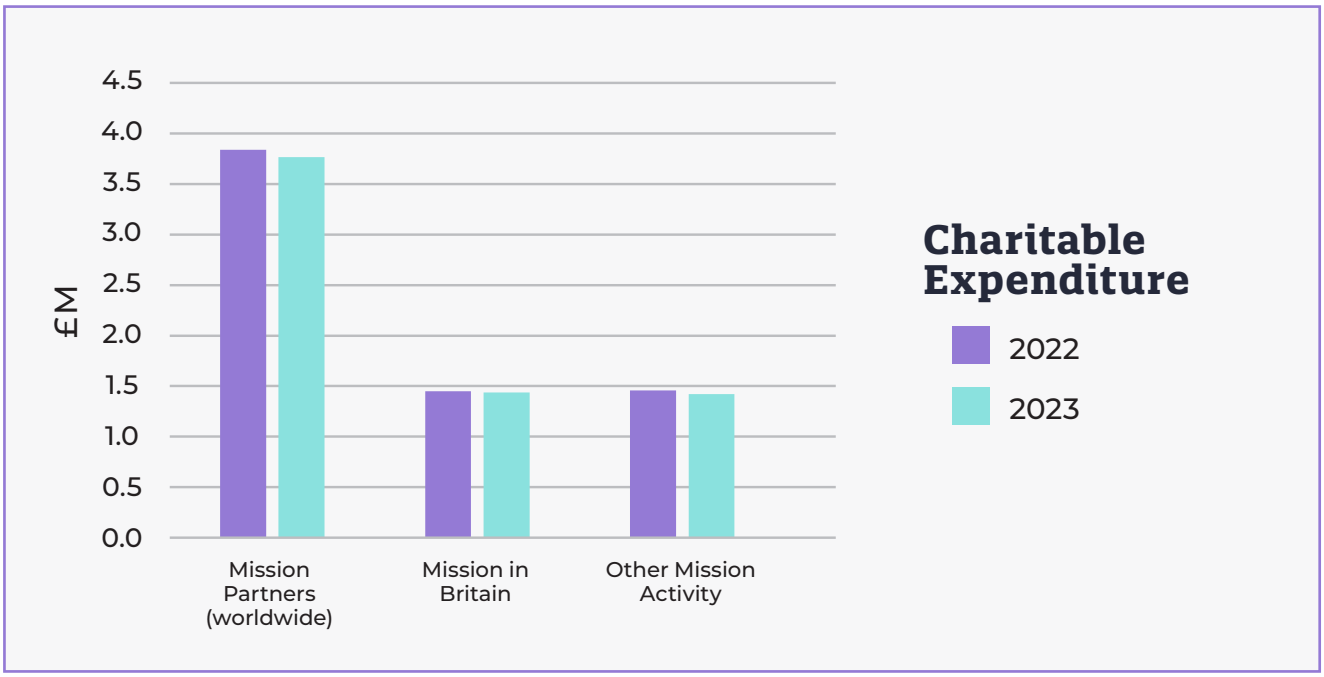
Total expenditure amounted to £7.4m (2022: £7.5m). Overall there has been a small decrease of £61,000 in total expenditure. The chart below shows how this is spent across our areas of work.

The recruitment, training and support of mission partners outside the UK is CMS's largest area of spending comprising 51 per cent of total expenditure (2022: 51 per cent). The majority of this expenditure supports 93 long term mission partners working in a range of activities in 35 different countries.

The other main areas of expenditure are Mission in Britain and Other Mission Activity . Expenditure within the Mission in Britain category relates to 10 mission partners in Great Britain and the teaching and support of our students on the Pioneer Mission Training programme. Pioneer spending has primarily involved running the programme in Oxford and also work being undertaken by CMS pioneer hubs.

Other Mission Activity includes grants totalling £0.4m (2022: £0.4m) paid to CMS-Africa and Asia-CMS as part of CMS's Enabling Mission Network, and a local partner programme, supporting 86 local mission leaders around the world.

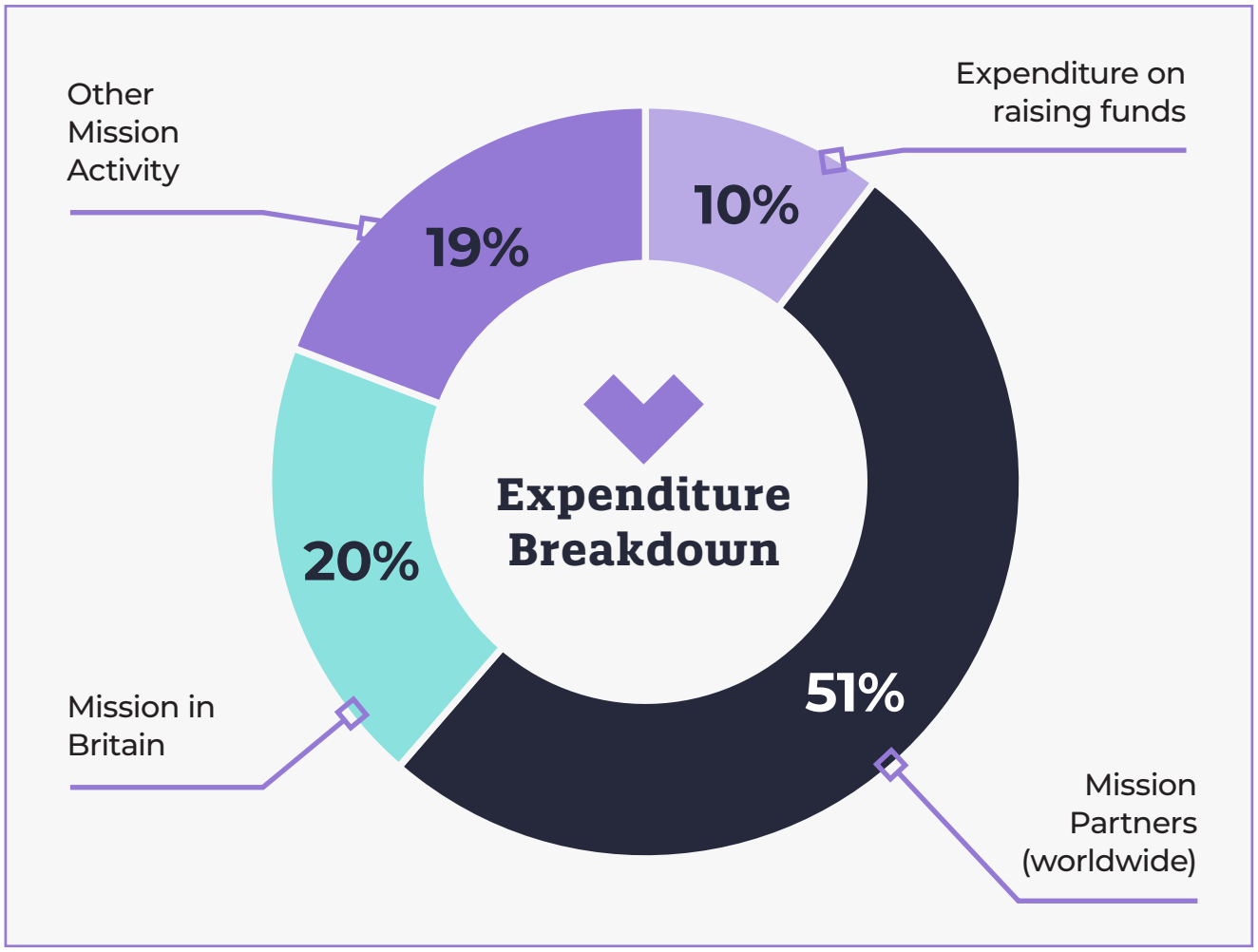
The breakdown below shows the proportions spent on each activity.



CMS Defined Benefit Pension Scheme

At the year-end the net liability recognised in the balance sheet relating to the CMS Pension Scheme (Defined Benefit Scheme) was £nil (2022: £nil) as measured in accordance with FRS 102. The FRS102 valuation initially resulted in a surplus of £5.75m (2022: £1.55m) which has been restricted to £nil as it is unlikely that CMS would be able to benefit from this.

During this financial year the next triennial valuation of the Scheme took place as at 31 March 2022, and this was finalised by financial year end. At the previous triennial the Scheme had shown a deficit of £8.1m, and a recovery plan was put in place to pay off the deficit. This triennial the position greatly improved, with the Scheme in surplus by £152k as at the triennial date. The triennial and FRS102 valuations are calculated on different bases, so show different results. Cost to buy out as at the triennial date was £18.9m. As part of that valuation, CMS and the Pension Trustee agreed that contributions totalling £2.2m would be paid into the Scheme by 31 March 2023, inclusive



of the contributions already payable in accordance with the previous funding agreement from CMS. This level of additional funding was due under the existing schedule of contributions including the sale of a property charged as security to the pension scheme. The contributions are shown on the SOFA within the pension adjustments before net movement in funds.

The principal reasons for the changed triennial position was the deficit contributions paid, decrease in liability due to changes in the financial and demographic assumptions, increase in the discount rate due to a rise in corporate bond yields and reduced mortality assumptions. Full details of pension position and recovery plan applicable during the year can be found in Note 25.

Church of England Defined Benefit Scheme

CMS Group has active members in the Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see Note 25B) and until 30 November 2022 had deferred members and pensioners previously employed by SAMS in the Church of England Defined Benefit Scheme (DBS) within the Church Workers Pension Fund (CWPF) (see Note 25C) which are both multi-employer schemes. On 30 November 2022 SAMS took advantage of the opportunity presented by improved market conditions to pay off in full its pension liabilities due to the CWPF with nil cost, preventing the need for future deficit contributions. The liabilities will continue to be met by the CWPF going forward for those relevant pension members.

The Group is grateful for the contributions paid by the Archbishops' Council, which amounts to some £190k for 19 active members of the Clergy Scheme.

Investment policy and review of investment performance

CMS manages its investments according to the CMS Statement of Investment Principles and the Trustees have authority to invest the monies of the Group, not immediately required, in such investments as they think fit. The Statement of Investment Principles includes details of CMS's socially responsible investment policy.

The Trustees have delegated the day-to-day management of the CMS investment portfolio to Cazenove Capital. The investment manager's delegated authority is operated in accordance with the CMS Statement of Investment Principles.

As at 31 January 2023, CMS had £4.2m (2022: £4.3m) of listed investments, £9.5m (2022: £10.8m) of unlisted investments and £12,000 (2022: £25,000) of cash held within the investment portfolio. This total of £13.7m of investments includes £8.8m of endowed funds where the capital is not available to be spent. Further details of investments can be found in Note 17 of the financial statements. Income from the investment portfolio of CMS contributed to a total investment income of £0.8m in the Statement of Financial Activities (2022: £1.7m). Further details of the make up of this investment income can be found in Note 6 of the financial statements. The net loss on investments in 2022–23 was £1.6m (2022 loss of £1.1m). This was dominated by a decrease in market value of investments held by William Leech (Investments) Ltd. During the year Cazenove Capital, who manage listed holdings, attended the Finance Committee to discuss the performance of CMS's listed investment portfolios, and the CMS Trustee representative on the Board of Directors of William Leech Investments participates in the review of performance of the investments managed by that entity.

Movement in funds

Taking CMS's funds in total, after investment losses, income exceeded expenditure by £55k during the year ended 31 January 2023. A £50k loss in revaluation of fixed assets and net losses on the two Pension Schemes of £1.2m gives an overall position of a net decrease in total reserves of £1.2m.

Reserves Policy and Financial Position Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2023–24 CMS holds unrestricted general funds (free reserves) for the following reasons:

- To fund future pension deficits and contribute towards future costs of buy-out of the CMS Pension Scheme
- To fund capital expenditure in 2023–24, primarily on CMS properties
- To allow for any unbudgeted costs, in particular relating to a mission partner emergency situation
- To fund any one-off costs or investments required to implement the strategic review outcomes
- To provide working capital for cashflow purposes

A separate calculation has been made against each of the above factors. The calculation assesses the specific risks and details the reserve required by working out the impact of reduced income or required increase in expenditure. For example, the capital expenditure reserve simply reflects the required expenditure on CMS properties and equipment for the upcoming year. These risks are specific to CMS and will change each year. As such the overall target is reviewed, adjusted and approved annually by the Trustees.

Based on these calculations, the 2023–24 overall free reserve target for CMS is £3.4m (2022-23: £3.5m). The free reserves at 31 January 2023 are £3.4m.

Endowment Funds

Included in the balance sheet are Endowment Funds totalling £8.8m, the capital of which is not available to be spent.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2023.

Designated Funds

During the year the Trustees have set aside funds from the General Fund for unrestricted tangible fixed assets to ensure the general reserves policy is not skewed by holding these funds (see Note 24).

In addition the Trustees have set aside £0.75m from the exceptional legacy for a new strategic project fund.

Shares in William Leech (Investments) Limited purchased before 15 October 1996 are also included within the designated fund following receipt of legal advice confirming their status in June 2016.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

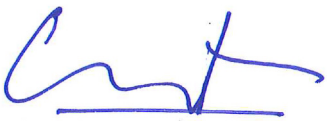
In so far as each of the Trustees is aware:

- there is no relevant audit information of which the company's auditor is unaware
- each of the Trustees has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, including the strategic report on pages 3 to 24, was approved by the Board of Trustees on 22 June 2023 and signed on their behalf by:



Charles Clayton – Chair of Trustees

Independent Auditor's Report to the Members and the Trustees of Church Mission Society

The report and financial statements of Church Mission Society group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

Opinion

We have audited the financial statements of Church Mission Society ("the charitable company") and its subsidiaries ("the group") for the year ended 31 January 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2023 and of the group's income and receipts of endowments 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, taxation legislation and General Data Protection Regulation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, agreeing a sample of income to supporting documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery,

intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alastair Lyon

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 6 July 2023

Consolidated Statement of Financial Activities

For the year ended 31 January 2023 (Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income and endowments from:									
Donations and legacies	3	4,390	2,956	251	**7,597**	2,289	3,999	231	**6,519**
Charitable activities	4	263	14	-	**277**	237	73	-	**310**
Other trading activities	5	180	-	-	**180**	172	-	-	**172**
Investments	6	722	69	-	**791**	1,677	50	-	**1,727**
Other	7	67	132	-	**199**	600	115	-	**715**
Total income		**5,622**	**3,171**	**251**	**9,044**	**4,975**	**4,237**	**231**	**9,443**
Expenditure on:									
Raising funds	9	715	39	14	**768**	622	69	16	**707**
Charitable activities									
Mission Partners (worldwide)	10	940	2,829	-	**3,769**	1,126	2,714	-	**3,840**
Mission in Britain	10	1,019	418	-	**1,437**	1,022	429	-	**1,451**
Other Mission Activity	10	891	530	-	**1,421**	790	668	-	**1,458**
Total charitable expenditure		**2,850**	**3,777**	**-**	**6,635**	**2,938**	**3,811**	**-**	**6,747**
Total Expenditure	**10,11**	**3,565**	**3,816**	**14**	**7,395**	**3,560**	**3,880**	**16**	**7,456**
Net gains/(losses) on investments		**(583)**	**-**	**(1,011)**	**(1,594)**	**(440)**	**-**	**(705)**	**(1,145)**
Net income/ (expenditure)		**1,474**	**(645)**	**(774)**	**55**	**975**	**357**	**(490)**	**842**
Transfers between funds	24	(5)	5	-	-	6	(6)	-	**-**
(Losses)/gains on revaluation of fixed assets		(50)	**-**	**-**	**(50)**	827	**-**	**-**	**827**
Actuarial (losses)/gains on defined benefit pension scheme	25	(2,258)	-	**-**	**(2,258)**	6,035	-	**-**	**6,035**
Other gains on pension scheme deficit reduction provision	25	-	1,066	-	**1,066**	-	257	-	**257**
Net movement in funds		**(839)**	**426**	**(774)**	**(1,187)**	**7,843**	**608**	**(490)**	**7,961**
Total funds brought forward		**16,989**	**2,829**	**9,539**	**29,357**	**9,146**	**2,221**	**10,029**	**21,396**
Total funds carried forward		**16,150**	**3,255**	**8,765**	**28,170**	**16,989**	**2,829**	**9,539**	**29,357**

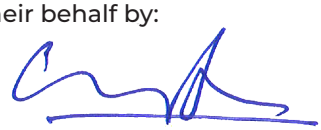
The accompanying notes are an integral part of this Statement of Financial Activities (SOFA). All gains and losses arising in the year relate to continuing activities.

Consolidated and Charity Balance Sheet

As at 31 January 2023

	Note	Group 2023 £'000	Group 2022 £'000	Charity 2023 £'000	Charity 2022 £'000
Fixed assets					
Tangible fixed assets	16a	6,566	6,733	6,566	6,733
Investments: Unrestricted		5,025	5,620	5,025	5,620
Investments: Restricted and Endowment		8,728	9,513	8,728	9,513
	17	13,753	15,133	13,753	15,133
		20,319	**21,866**	**20,319**	**21,866**
Current assets					
Property held for sale	16b	1,170	1,220	1,170	1,220
Debtors	19	2,288	468	2,329	450
Cash at bank and in hand		7,110	8,241	6,498	7,565
		10,568	**9,929**	**9,997**	**9,235**
Current liabilities					
Creditors: amounts falling due within one year	20	(2,717)	(1,372)	(2,673)	(1,334)
Net current assets		**7,851**	**8,557**	**7,324**	**7,901**
Total assets less current liabilities		**28,170**	**30,423**	**27,643**	**29,767**
Net assets excluding pension assets or liability		**28,170**	**30,423**	**27,643**	**29,767**
Defined benefit pension scheme (liability)	25	-	(1,066)	-	-
Net assets		**28,170**	**29,357**	**27,643**	**29,767**
The funds of the charity:					
Unrestricted: General fund	24	3,429	3,544	3,429	3,544
Unrestricted: Designated funds	24	12,721	13,445	12,721	13,445
Unrestricted: Pension deficit	24	-	-	-	-
Unrestricted funds		**16,150**	**16,989**	**16,150**	**16,989**
Restricted funds excluding pension deficit	24	3,255	3,895	2,728	3,239
Restricted pension deficit	24	-	(1,066)	-	-
Restricted funds		**3,255**	**2,829**	**2,728**	**3,239**
Endowment funds	**24**	**8,765**	**9,539**	**8,765**	**9,539**
	24	**28,170**	**29,357**	**27,643**	**29,767**

The accompanying notes are an integral part of this Balance Sheet. The financial statements on pages 30 to 64 were approved by the Board of Trustees and authorised for issue on 22 June 2023 and signed on their behalf by:



Charles Clayton – Chair of Trustees

Consolidated Cash Flow Statement

As at 31 January 2023

Reconciliation of net income to the net cash flow from operating activities

	2023 £'000	2022 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	55	842
Adjustments for:		
Investment income	(791)	(1,727)
Net losses/(gains) on investments	1,594	1,145
Depreciation charge	258	245
Decrease in stock	-	1
Decrease/ (increase) in debtors	(1,800)	257
(Decrease)/increase in creditors	1,345	(47)
Decrease in pension scheme deficit reduction provision	-	(181)
Net charge for defined benefit pension scheme	(2,258)	(594)
Profit on disposal of freehold property	-	(498)
Profit on disposal of motor vehicles	(1)	-
Gift of shares	-	(6)
Net cash used in the Group's operating activities	**(1,598)**	**(563)**

Statement of cash flows

	Note	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash used in operating activities		**(1,598)**	**(563)**
Cash flows from investing activities:			
Dividends, interest and other income from investments		771	1,796
Purchase of assets held for sale		-	(270)
Purchase of tangible fixed assets		(91)	(62)
Proceeds from sale of freehold fixed assets and assets held for sale		1	824
Purchase of investments		(538)	(1,320)
Proceeds from sale of investments		324	1,124
Net cash provided by investing activities		**467**	**2,092**
Change in cash and cash equivalents in the year		**(1,131)**	**1,529**
Cash and cash equivalents at the beginning of the year	29	**8,241**	**6,712**
Cash and cash equivalents at the end of the year	29	**7,110**	**8,241**

Cash and cash equivalents comprise the amounts shown in the Balance Sheet as "Cash at bank and in hand", and includes £126,000 as at 31 January 2023 relating to cash held in an endowment fund (2022: £115,000).

Notes to the Financial Statements

As at 31 January 2023

1. Charity information

Church Mission Society is a registered charity in England and Wales (registered charity number 1131655), a registered company in England and Wales (registered number 6985330) limited by guarantee and is registered as a charity in Scotland (charity number SC047163). CMS does not have share capital and has approval to omit the word "Limited" from its name. The members of the company are the Trustees and others as defined in CMS's Articles of Association. In the event of CMS being wound up the liability in respect of the guarantee is limited to £1 per member.

Church Mission Society was incorporated on 8 August 2009 and registered as a charity on 16 September 2009. CMS was incorporated to effect the merger between The Church Mission Society Trust (registered charity number 1131655-1 England and Wales) and The South American Mission Society (registered charity number 221328 England and Wales).

The Church Mission Society Trust became a subsidiary of CMS under a scheme, agreed with the Charity Commission in 2010, enabling this to take place. The scheme involved a replacement of The Church Mission Society Trust's objects to mirror those of CMS, and all Trustees of The Church Mission Society Trust resigned and were replaced by CMS as corporate Trustee. As part of the scheme, the name of that charity was changed to The Church Mission Society Trust (formerly Church Mission Society) and a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

CMS is the sole corporate member of The South American Mission Society with the same group of Trustees common to both societies and accordingly The South American Mission Society (SAMS) is considered to be a subsidiary undertaking of CMS. Further information about CMS's subsidiary undertakings, including SAMS and CMS House Enterprises Ltd, is included in Note 27.

2. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments that are included at a current market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with the Statement of Recommended Practice "Accounting and Reporting by Charities applicable to charities preparing accounts in accordance with FRS 102" (effective 1 January 2015) and with the Companies Act 2006.

Church Mission Society constitutes a public benefit entity as defined by FRS 102.

Assessment of going concern

The Trustees have reviewed the financial position and forecasts of the charity and conclude they have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions and estimates were significant to the financial statements, are disclosed in Note 28.

Basis of consolidation

The consolidated financial statements of the CMS Group incorporate the financial statements of the Charity (CMS and The Church Mission Society Trust) and its subsidiary undertakings.

The Trustees have taken advantage of the exemption conferred by S408(3) of the Companies Act 2006 and accordingly present a consolidated Statement of Financial Activities only. In order to comply with the Charities SORP, the gross income and net incoming resources for the Charity are disclosed in Note 24.

Donations, legacies and other income

Income is recognised in the period in which the Charity has entitlement to the income, when it is probable that the income will be received and the amount of the income can also be measured reliably. Where income is received in advance of providing goods and services the income is deferred until CMS becomes entitled to the income.

Legacy gifts are recognised on a case by case basis following the grant of probate and when the entitlement to the legacy has been established, receipt is probable and amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Charity is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably quantified. Where legacies have been notified to the charity, or the charity is awaiting the grant of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. No value is included where the legacy is subject to a life interest held by another party.

Financial instruments

Church Mission Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value (including any transaction costs) and subsequently measured at their settlement value (which is also the amortised cost). Financial assets held at amortised cost include cash at bank and in hand and the group's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the group's long and short term creditors, excluding deferred income.

Investments and investment income

Investments are initially measured at cost. Listed investments are included at their open market value at the balance sheet date. All gains and losses on investments are taken to the Statement of Financial Activities, including the net gains and losses arising from disposals and revaluations in the year. The income from investments and short-term deposits is accounted for on an accruals basis.

The unlisted investment in William Leech (Investments) Limited is included in the financial statements as the Charity's share of the net asset value at 31 January 2023 (unaudited). The year-end of William Leech (Investments) Limited is 31 March.

The social investment (mixed purpose) in Clean for Good Ltd is included in the financial statements as the Charity's share of the net asset value shown in that company's accounts at 31 January 2023. The year-end of Clean for Good Ltd is 31 March 2023. The investment is not justified wholly by either the financial return or by the contribution it makes to the charity's aims but by the combination of the two.

Fund accounting and the allocation of income and expenditure by fund

Income and Expenditure are allocated to three categories of funds: Unrestricted Funds, Restricted Funds and Endowment Funds.

Unrestricted funds are available for use to further the Charity's general purposes and objectives. All income and expenditure associated with the general operation of the Charity has been accounted for within the unrestricted funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve is included within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the Trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area. Income and expenditure related to CMS's work in South America is shown within restricted funds.

The endowment funds represent assets which have the restriction that the revenue generated

by holding the asset is available to spend but the capital itself cannot be spent. Income generated from endowment funds is applied to unrestricted or restricted Funds as appropriate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. A liability is recognised when a legal or constructive commitment is entered into by the Charity and so a liability exists.

All expenses, including support costs and governance costs, are classified to the applicable expenditure headings in the Statement of Financial Activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Cost of raising funds comprises those costs incurred in seeking voluntary contributions and in the management of CMS investments.

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are costs associated with the strategic as opposed to the day-to-day management of the Charity's activities.

Support and governance costs are allocated across the categories of expenditure on charitable activities and the cost of raising funds. When it is necessary to apportion certain expenses between the different categories of resources expended, this is undertaken on bases which are considered appropriate. For example, in the case of salaries and pensions, these are apportioned on the basis of estimated time spent on these activities. The allocation model is reviewed and updated annually to ensure that the apportionments properly reflect the activities of the Charity.

Grants payable are recognised during the year in which the Charity enters into a binding commitment to make a grant and this is communicated to the recipient.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of financial activities with the relevant charitable activity expenditure for the period in which they occurred.

Stock

Stock is valued at the lower of cost and net realisable value.

Tangible fixed assets, depreciation and property held for sale

Tangible fixed assets are shown at their current net book value on an historical cost basis. Assets are capitalised where the value of the asset is greater than £500. The carrying values of tangible fixed assets are reviewed for impairment in the period in which events or changes in circumstances indicate that the carrying values may not be recoverable. Tangible fixed assets are grouped by category and depreciated on a straight-line basis as detailed in the table below.

Included in Current Assets are two properties which the trustees are actively seeking to sell within the next 12 months. They are held at market value.

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Freehold property	30–50 years	Furniture and office equipment	3–10 years
Leasehold property	shorter of 50 years and the period of the lease	Motor vehicles	4 years
Computer equipment	3–5 years		

Pensions

The Charity (CMS) has members in a defined benefit pension scheme, both employees and mission partners. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes).

Defined contribution schemes

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit scheme – CMS Pension Scheme

The CMS defined benefit pension scheme is funded, with the assets of the Scheme held separately from those of the Charity, in Trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the Scheme's liabilities. The resulting defined benefit asset or liability is presented after other net assets on the face of the balance sheet, unless a surplus is not recognised in accordance with FRS 102. The current service cost and net interest cost are allocated to relevant expenditure headings within the Statement of Financial Activities, unless the net interest is a credit in which case it is included in "Other income". The change in the value of assets and liabilities arising from asset valuation, actuarial assumptions and any surplus that is not considered recoverable is recognised within the "gains and losses" categories of the Statement of Financial Activities as "Actuarial gains and losses on defined benefit pension scheme".

Defined benefit schemes – multi-employer schemes

Until 30 November 2022, when it settled its liabilities to the scheme in full, The South American Mission Society (SAMS) participated in the Church of England Defined Benefit Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF). The assets of the funds are held separately from those of the Society.

In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Charity and SAMS participate in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board, also known as the Clergy Pension Scheme, which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Charity and SAMS are unable to identify their share of the underlying assets and liabilities. No funding liability currently arises for the Charity and SAMS in respect of them.

Government Grants

Grants are accounted for under the performance model as permitted by the charity SORP. Coronavirus Job Retention Scheme (CJRS) grant income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

3. Donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Donations from churches and groups	170	1,328	-	**1,498**	158	1,255	-	**1,413**
Donations from individuals	675	1,293	-	**1,968**	762	1,461	-	**2,223**
Legacies	3,158	130	-	**3,288**	1,115	1,122	-	**2,237**
William Leech benefactions	189	-	251	**440**	174	-	231	**405**
Donations from grant making trusts	198	205	-	**403**	80	161	-	**241**
	4,390	**2,956**	**251**	**7,597**	**2,289**	**3,999**	**231**	**6,519**

Legacies of which CMS has been notified, but not recognised as income, are estimated at £999,000 (2022: £797,000).

William Leech Benefactions

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust). The income from the Foundation Trust is distributed in equal portions to CMS and four other charities. The income from the Charity Trust is distributed for charitable purposes at the discretion of the Trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. The Charity Trust reviews this policy each year.

4. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Pioneer Mission Education training	263	-	-	**263**	237	-	-	**237**
Partnership for Missional Church training	-	2	-	**2**	-	57	-	**57**
Events	-	12	-	**12**	-	16	-	**16**
	263	**14**	**-**	**277**	**237**	**73**	**-**	**310**

5. Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income from property	164	-	-	**164**	161	-	-	**161**
Use of conference facilities	16	-	-	**16**	11	-	-	**11**
	180	**-**	**-**	**180**	**172**	**-**	**-**	**172**

6. Income from investments

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income from William Leech (Investments) Limited	582	-	-	**582**	1,635	-	-	**1,635**
Investments listed on a recognised stock exchange	42	59	-	**101**	34	49	-	**83**
Interest on cash balances	98	10	-	**108**	8	1	-	**9**
	722	**69**	**-**	**791**	**1,677**	**50**	**-**	**1,727**

7. Other income

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Other income	66	132	-	**198**	93	110	-	**203**
Gain on disposal of freehold property	-	-	-	**-**	498	-	-	**498**
Gain on disposal of motor vehicles	1	-	-	**1**	-	-	-	**-**
Government grants	-	-	-	**-**	9	5	-	**14**
	67	**132**	**-**	**199**	**600**	**115**	**-**	**715**

The government grant income relates to the CJRS furlough scheme claimed from HMRC during 2021–22. This included both staff members and mission partners.

8. Operating leases as a lessor

The charity receives rental income from leasing certain residential properties to tenants under non-cancellable operating leases and tenancy agreements. Income received under operating leases is included in the SOFA on a straight-line basis over the period of the lease. At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2023 £'000	2022 £'000
Not later than one year	51	78
Later than one year and not later than five years	9	34
Later than five years	13	13
	73	**125**

There are no contingent rents recognised as income.

9. Expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Total 2022 £'000
Cost of generating voluntary income	679	39	-	718	661
Cost of activities for generating funds	25	-	-	25	17
Investment management costs	11	-	14	25	29
	715	**39**	**14**	**768**	**707**

10. Analysis of expenditure

	Direct	Grants	Support Costs	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Costs of generating voluntary income	437	-	281	718	661
Cost of activities for generating funds	25	-	-	25	17
Investment management costs	25	-	-	25	29
	487	**-**	**281**	**768**	**707**
Charitable activities					
Mission Partners (worldwide)	3,101	53	615	3,769	3,840
Mission in Britain	1,087	1	349	1,437	1,451
Other Mission Activity	368	657	396	1,421	1,458
	4,566	**711**	**1,360**	**6,635**	**6,749**
Total Expenditure	**5,044**	**711**	**1,640**	**7,395**	**7,456**

11. Support costs by activity

	Finance and ICT	Personnel and Development	Facilities and Premises	Governance	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Costs of generating voluntary income	218	-	55	8	281	260
Charitable activities						
Mission Partners (worldwide)	336	94	164	21	615	570
Mission in Britain	126	59	164	-	349	340
Other Mission Activity	164	56	164	-	396	378
Total Support Costs	**844**	**209**	**547**	**41**	**1,641**	**1,548**

The support costs are allocated on the basis of an estimate of staff time spent, by each team, on each of the activities.

Governance costs relate to the audit fee of £41,000 (2022: £36,000) and included in Finance and ICT are non-audit fees of £2,000 (2022: £1,000). All fees are shown gross of VAT.

Depreciation of £258,000 (2022: £245,000) is included in Facilities and Premises support costs.

12. Obligations under operating leases

The group's future minimum lease payments on operating leases are as follows:

	2023	2022
	£'000	£'000
Within one year	3	3
In two to five years	3	-
After five years	-	-
	6	**3**

Operating lease charges in the year to 31 January 2023 were £3,000 (2022: £3,000).

13. Analysis of grants

By category of charitable expenditure	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2023	Total grants in year to 31 January 2022
	£'000	£'000	£'000	£'000
Mission Partners (worldwide)	6	47	53	84
Mission in Britain	-	1	1	-
Other Mission Activity	616	41	657	713
	622	**89**	**711**	**797**

By geographical area	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2023	Total grants in year to 31 January 2022
	£'000	£'000	£'000	£'000
Africa	238	-	238	305
Asia	182	16	198	205
Europe, the Middle East and North Africa	85	7	92	135
Latin America	117	66	183	152
	622	**89**	**711**	**797**

Analysis of Grants to Institutions	Nature of grant	Country	Grants to Institutions
			£'000
Africa			
Buigiri School for the Blind	Mission grants for education and disability programmes	Tanzania	31
CMS-Africa	Local Partners	Africa	48
CMS-Africa	Other grants	Africa	4
CMS-Africa	Enabling Mission Network	Africa	172
CMS-Africa	Adjustments for grant accrual	Africa	(27)
Other Institutions grants under £10k			10
Total			**238**
			£'000
Asia			
Asia-CMS	Enabling Mission Network	Asia	160
Asia-CMS	Local Partners	Asia	40
Asia-CMS	Local Partners grant accrual adjustment	Asia	(18)
Total			**182**

Europe, the Middle East and North Africa			
Nasr City Evangelical Church	Capacity grant and local partners	Egypt	53
Local partner	Local partner grant accrual adjustment	EMENA	(13)
Other Institutions grants under £10k			45
Total			**85**
Latin America			
Diocese of Northern Argentina	Mission grants for community projects and local partners	Argentina	36
Diocese of Bolivia	Mission grants for community projects and local partners	Bolivia	12
Other Institutions grants under £10k			69
Total			**117**
Total Institutional Grants			**622**

14. Staff costs and other employee benefits

Staff costs	**2023 UK Staff**	**2023 Mission Partners**	**2023 Total**	**2022 Total**
	£'000	**£'000**	**£'000**	**£'000**
Salaries and allowances	1,982	1,489	3,471	3,522
Social security cost	195	31	226	223
Employer's pension contributions (Defined contribution)	392	262	654	661
Employer's pension contributions (Defined benefit)	-	76	76	85
Redundancy and relocation costs	25	6	31	37
	2,594	**1,864**	**4,458**	**4,528**

Two employees received emoluments of between £60,000 and £70,000 (2022: two employees).

The total amount of employee benefits received by key management personnel for their services during the year is £413,000 (2022: £393,000). The number of volunteers working for Church Mission Society is 30 (2022: 30). During the year total redundancy and other termination payments were £31,000 (2022: £37,000).

Employees: The average monthly number of employees in the year is analysed by function below:

UK Staff	2023 Number	2022 Number
Raising funds	12	12
Charitable activities	54	52
Governance of the charity	**1**	**1**
UK Staff	**67**	**65**
Mission Partners	94	100
	161	**165**

15. Trustees' expenses

	2023 £'000	2022 £'000
Expenses incurred by Trustees and reimbursed by Church Mission Society	1	-
Expenses incurred by Church Mission Society on behalf of the Trustees	1	-
Trustees' indemnity insurance cover cost	11	7
	13	**7**

The Trustees receive no remuneration for their services, but are reimbursed expenses in respect of travel and accommodation expenses for attending meetings. In 2023 three Trustees received expenses (2022: two). Charles Clayton (Chair of Trustees of CMS) also served as a Director of CMS-Africa (Registered in Kenya) up until 30 June 2022. For more details of transactions with CMS-Africa, see Note 22. The aggregate value of donations made to Church Mission Society by Trustees who served as trustees during year to the general fund was £4,000 (2022: £6,000) and to restricted funds £2,000 (2022: £2,000).

16. Tangible fixed assets and property held for sale

Part A: Tangible fixed assets

The Group and Charity

	Freehold Property	Long Leasehold Property	Motor Vehicles	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 February 2022	8,302	267	24	1,477	10,070
Additions	-	-	2	89	91
Disposals	-	-	(24)	(37)	(61)
At 31 January 2023	**8,302**	**267**	**2**	**1,529**	**10,100**
Depreciation:					
At 1 February 2022	2,083	38	24	1,192	3,337
Charge for the year	100	5	-	153	258
Disposals	-	-	(24)	(37)	(61)
At 31 January 2023	**2,183**	**43**	**-**	**1,308**	**3,534**
Net Book Value:					
At 31 January 2022	**6,219**	**229**	**-**	**285**	**6,733**
At 31 January 2023	**6,119**	**224**	**2**	**221**	**6,566**

(a) Capital expenditure authorised and contracted but not yet incurred was £nil (2022: £nil).

(b) The net book value of long leasehold properties at 31 January 2023 includes two leasehold UK properties (2022: 2).

(c) The net book value of fixtures, fittings and office equipment comprises:

	2023	2022
	£'000	£'000
Fixtures and fittings	142	159
Office furniture	2	5
Computer hardware/software	77	120
Audio and other equipment	-	1
	221	**285**

Part B: Property held for sale

Included in Current Asset investments are two properties which the trustees are actively seeking to sell with a net book value of £1,170,000 (2022: two properties £1,220,000) within the next 12 months. One of the properties held for sale at 31 January 2023 was sold in February for £306k (net proceeds). The amount recorded in the accounts is adjusted to the current market value as agreed by surveyors.

17. Investments

The Group and Charity
Analysis of Movement in Investments

	Listed	Unlisted	Social	Held as cash	2023	2022
Market Value:	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 February	4,280	10,795	33	25	15,133	16,076
Additions to investments	298	240	-	-	538	1,326
Proceeds from disposals	(311)	-	-	-	(311)	(986)
Net movement in cash held by investment manager	-	-	-	(13)	(13)	(138)
Net gain/(loss) on investments	(38)	(1,564)	8	-	(1,594)	(1,145)
At 31 January	**4,229**	**9,471**	**41**	**12**	**13,753**	**15,133**

Unlisted Investments (shown at market value)

	2023 £'000	2022 £'000
Unrestricted Funds		
Ordinary shares – William Leech (Investments) Ltd	3,233	3,807
	3,233	3,807
Endowment Funds		
Ordinary shares – William Leech (Investments) Ltd	6,238	6,988
	9,471	**10,795**

Investments – William Leech (Investments) Limited

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust, Note 3).

During the year CMS subscribed to additional share capital amounting to £240,000 in William Leech (Investments) Limited, 57 per cent of the voluntary income received in 2022–23. The historical cost of the investment and the reinvestment in respect of the year to 31 January 2023 was as follows:

	2023 £'000	2022 £'000
At historical cost:		
Balance at 1 February	7,222	6,994
Shares purchased at £1 each	240	228
Balance at 31 January	**7,462**	**7,222**

The Total Net Assets of William Leech (Investments) Limited at 31 January (unaudited) was £47.3m (2022: £53.9m) comprised of listed securities £41.9m, property £0.1m, other net assets £5.3m. The Charity is one of five charities which each hold 20 per cent of the issued share capital of the company. CMS's share of the net assets is therefore £9.4m (2022: £10.8m). The Charity has a representative on the board of William Leech (Investments) Limited but this does not give the Charity the ability to control or exert significant influence over the company's day-to-day management or financial policies.

Church Mission Society received legal advice in June 2016 from Winckworth Sherwood that considered whether the shares in William Leech (Investments) Limited should be treated as part of unrestricted funds or endowment funds in the accounts of Church Mission Society. The legal advice received in June 2016 confirmed that the shares purchased after 15 October 1996 should be treated as an addition to capital (endowment funds) and also advised that shares purchased prior to 15 October 1996 could be treated as part of unrestricted funds. The Trustees of Church Mission Society accepted this legal advice in June 2016 and the financial statements continue to be prepared on this basis.

Social Investment (unlisted shown at market value)

	2023 £'000	2022 £'000
Unrestricted Funds		
Ordinary shares – Clean for Good Ltd at historical cost	30	30
Less: gain/(loss)	11	3
	41	**33**

CMS's current share is 31 per cent of the issued share capital of the company. The Charity has a representative on the board of Clean for Good Ltd.

Custodian funds

The Group also acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:

	2023 £'000	2022 £'000
Value at 31 January	5	5
	5	**5**

These funds are not part of the Group's net assets and are not included in the Group's financial statements. At the request of the Diocese of Uruguay they are deposited with CCLA who manage the Central Board of Finance of the Church of England Investment Funds.

18. Financial instruments

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity has the following financial instruments:

	2023 Group £'000	2022 Group £'000	2023 Charity £'000	2022 Charity £'000
Financial assets measured at fair value, through profit and loss				
Unlisted investments	9,512	10,828	9,512	10,828
Other investments	4,241	4,305	4,241	4,305
Financial assets measured at amortised cost				
Cash at bank and in hand	7,110	8,241	6,498	7,565
Amounts due from subsidiaries	-	-	54	12
Other receivables (excluding prepayments)	2,128	279	2,115	249
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	-	-	-	(17)
Other creditors due within one year (excluding tax and deferred income)	(2,456)	(1,185)	(2,435)	(1,148)

19. Debtors

	2023 Group £'000	2022 Group £'000	2023 Charity £'000	2022 Charity £'000
Trade debtors	107	46	96	38
Taxation recoverable	30	29	30	28
Amounts owed by group entities	-	-	54	12
Prepayments	160	189	160	189
Accrued income	1,926	117	1,924	96
Other debtors	65	87	65	87
	2,288	**468**	**2,329**	**450**

20. Creditors

Amounts falling due within one year

	2023 Group £'000	2022 Group £'000	2023 Charity £'000	2022 Charity £'000
Trade creditors	180	195	173	194
Amounts owed to group entities	-	-	-	17
Accruals for grants payable	244	313	244	313
Other accruals	161	175	151	165
Taxes and social security costs	172	132	149	114
Deferred income	89	55	89	55
Other creditors	1,871	502	1,867	476
	2,717	**1,372**	**2,673**	**1,334**

Included in "Other creditors" are pension contributions due to the CMS Defined Benefit Pension Scheme of £1,867,000 (2022: £366,000), pension and administration expenses due to the CWPF Defined Benefit Pension Scheme of £nil (2022: £17,000) and pension contributions due to the CWPF Pension Builder 2014 Defined Benefit Pension Scheme of £nil (2022: £9,000). As outlined in Note 25.C, the Group has settled all liabilities of the CWPF Pension scheme as at 30 November 2022 and no further contributions are due. In addition, there are pension contributions to the Group's other defined contributions pension schemes of £42,000 (2022: £42,000). All deferred income as at 31 January 2022 was recognised during the year ended 31 January 2023. Deferred income relates to amounts received in advance of entitlement.

21. Registered holder

The properties and investments of The Church Mission Society Trust are held in trust in the name of Church Missionary Trust Association Ltd.

22. Related party transactions

There have been no related party transactions that require disclosure other than transactions with the subsidiary companies, The South American Mission Society and CMS House Enterprises Limited, as set out below:

South American Mission Society (SAMS)

In 2022–23, SAMS charged the Charity (gift from parent entity) with £414,000 (2022: £422,000). This calculation pertains to the amount of restricted funds received by the Charity (Church Mission Society), but relating to mission partners employed by SAMS. Each year, the Charity transfers a gift to SAMS of restricted funds relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

CMS House Enterprises Ltd

In 2022–23 the Charity charged CMS House Enterprises Limited management fees totalling £4,000 (2022: £2,000). These are calculated as a percentage of external conference and catering services income.

In 2022–23 the Charity charged CMS House Enterprises Limited licence fees totalling £1,000 (2022: £600). These are calculated as a percentage of total conference and catering services room hire income.

In 2022–23 CMS House Enterprises Limited charged the Charity room hire fees totalling £15,000 (2022: £5,000). These fees are based on usage of rooms hired relating to courses run by the Pioneer Mission Education team.

CMS-Africa

Charles Clayton (CMS Chair of Trustees) was appointed Director of CMS-Africa (an independent organisation based in Nairobi, Kenya) in October 2015 and he resigned in June 2022. During 2022–23 CMS paid CMS-Africa £229,000 (2021–22: £266,000). Included in the amounts paid is £176,000 (2021–22: £210,000) which relates to Mission Support funding, and the remainder is support for the local partner programme plus other grants. Mr Clayton was one of seven Directors.

23. Net assets by fund

The Group – 2023	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Fixed assets	6,360	206	-	6,566
Investments	5025	89	8,639	13,753
Current assets	7,245	3,197	126	10,568
Less: Current liabilities	(2,480)	(237)	-	(2,717)
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2023	**16,150**	**3,255**	**8,765**	**28,170**

The Charity – 2023	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Fixed assets	6,360	206	-	6,566
Investments	5,025	89	8,639	13,753
Current assets	7,242	2,629	126	9,997
Less: Current liabilities	(2,477)	(196)	-	(2,673)
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2023	**16,150**	**2,728**	**8,765**	**27,643**

The Group – 2022	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Fixed assets	6,522	211	-	6,733
Investments	5,620	89	9,424	15,133
Current assets	6,050	3,764	115	9,929
Less: Current liabilities	(1,203)	(169)	-	(1,372)
Less: Defined benefit pension liability	-	(1,066)	-	(1,066)
Net Assets 2022	**16,989**	**2,829**	**9,539**	**29,357**

The Charity – 2022	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Fixed assets	6,522	211	-	6,733
Investments	5,620	89	9,424	15,133
Current asset	6,030	3,090	115	9,235
Less: Current liabilities	(1,183)	(151)	-	(1,334)
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2022	**16,989**	**3,239**	**9,539**	**29,767**

24. Funds

Unrestricted Funds: Group

	At 1 February 2022	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,544	5,622	(3,025)	(9)	(2,703)	-	-	3,429
Tangible Fixed Asset fund (Designated)	7,742	-	(254)	-	92	(50)	-	7,530
William Leech Fund (Designated)	3,807	-	-	(574)	-	-	-	3,233
Strategic Project Fund	-	-	-	-	750	-	-	750
Pension Fund	1,896	-	(27)	-	(661)	-	-	1,208
Pension reserve	-	-	(259)	-	2,517	-	(2,258)	-
Unrestricted Funds	**16,989**	**5,622**	**(3,565)**	**(583)**	**(5)**	**(50)**	**(2,258)**	**16,150**

Unrestricted Funds: Charity

	At 1 February 2022	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
General fund	3,544	5,587	(2,990)	(9)	(2,703)	-	-	3,429
Tangible Fixed Asset fund (Designated)	7,742	-	(254)	-	92	(50)	-	7,530
William Leech Fund (Designated)	3,807	-	-	(574)	-	-	-	3,233
Strategic Project Fund	-	-	-	-	750	-	-	750
Pension Fund	1,896	-	(27)	-	(661)	-	-	1,208
Pension reserve	-	-	(259)	-	2,517	-	(2,258)	-
Unrestricted Funds	**16,989**	**5,587**	**(3,530)**	**(583)**	**(5)**	**(50)**	**(2,258)**	**16,150**

The Tangible Fixed Asset Fund represents the net book amount invested in tangible fixed assets (including property held for sale) other than those covered by restricted funds. The William Leech Fund reflects the element of the grants received from William Leech Foundation Limited prior to 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17). The Pension Fund relates to additional funds received from William Leech (Investments) Ltd, which will be utilised to reduce CMS group pension liabilities. The pension reserve relates to the movement in the defined benefit pension scheme (see Note 25). During the year, the trustees agreed to set aside some funds for strategic projects.

Endowment Funds
The Group and Charity

	At 1 February 2022	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	At 31 January 2023
	£'000	£'000	£'000	£'000	£'000	£'000
William Leech Capital Fund	7,104	251	-	(990)	-	6,365
P Fund	1,254	-	(7)	(11)	-	1,236
H B Aserappa Fund	644	-	(4)	(5)	-	635
R H Aserappa Fund	425	-	(2)	(5)	-	418
Christava Mahilalayam Fund	87	-	(1)	-	-	86
Bell Trust Fund	25	-	-	(1)	-	24
Total Endowment funds	**9,539**	**251**	**(14)**	**(1,012)**	**-**	**8,764**

The William Leech Capital Fund reflects the capital element of the grants received from William Leech Foundation Limited after 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The P Fund is a permanently endowed fund. The capital of the fund was amalgamated from a large number of small trust funds with Charity Commission approval in 1998. The total value of the P Fund is broken down into the following areas, defined by the restrictions placed on the income generated:

China	£165,000
India	£415,000
Medical work	£338,000
Palestine	£45,000
General reserves	£273,000
	£1,236,000

The H B Aserappa Fund is for evangelistic work in East Asia or other parts of the world at the Trustees' discretion. The R H Aserappa Fund is for salaries and disbursements to lay evangelists in Sri Lanka.

The Christava Mahilalayam Fund is held for the benefit of the Christava Mahilalayam School in South India.

The Bell Trust Fund is for the in-service training of Religious Education teachers in Africa.

Restricted Funds
The Group and Charity

	At 1 February 2022	Income	Expenditure	Net Gain on Investments	Transfers	Pension Deficit Provision	At 31 January 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mission Personnel Funds	778	1,615	(1,878)	-	164	-	679
South America Funds – Charity	2	57	(54)	-	(4)	-	1
Latin America Projects	1,064	66	(84)	-	(14)	-	1,032
Africa Projects	469	82	(230)	-	(2)	-	319
Asia Projects	181	10	(29)	-	14	-	176
Europe & Middle East Projects	24	26	(24)	-	3	-	29
Multi Region Projects	132	391	(265)	-	(187)	-	71
St Julian's Fund	211	-	(5)	-	-	-	206
Tanzania Education Fund	58	2	(34)	-	-	-	26
H B Aserappa Income Fund	-	15	(15)	-	-	-	-
R H Aserappa Income Fund	33	9	-	-	-	-	42
Christava Mahilalayam Income	18	2	-	-	-	-	20
Partnership for Missional Church	35	14	(54)	-	6	-	1
Mid-Africa Fund	29	62	(89)	-	-	-	2
Strategic Mission Fund	42	-	(9)	-	(33)	-	-
Local Partner Fund	-	60	(146)	-	87	-	1
Other restricted funds	163	135	(146)	-	(29)	-	123
Total restricted funds – Charity	**3,239**	**2,546**	**(3,062)**	**-**	**5**	**-**	**2,728**
South America Funds – Group	656	625	(754)	-	-	-	527
South America Funds – Pension reserve (see Note 25C)	(1,066)	-	-	-	-	1,066	-
South America Total	(410)	625	(754)	-	-	1,066	527
Total restricted funds – Group	**2,829**	**3,171**	**(3,816)**	**-**	**5**	**1,066**	**3,255**

Mission Personnel Funds are held as individual restricted funds for the support of CMS mission partners.

The South America Funds – Charity funds include reserves held by Church Mission Society which are used to support work in South America.

The regional project funds represent various small projects where the beneficiaries of the grants are based in a specific region or cover multiple regions. Donations and other income are received with a restriction to support these projects.

The St Julian's Fund represents the property held by CMS for the former residents of the St Julian's Community. This fund is restricted for the time that the properties are required by the residents, after which time the properties will revert to the general fund.

The Tanzania Education Fund is for the Buigiri School for the Blind, Diocese of Tanganyika, Tanzania.

The accumulated income from the H B Aserappa Fund, the R H Aserappa Fund, the Christava Mahilalayam Fund is held for the same beneficial objects as for their corresponding endowments.

Partnership for Missional Church relates to a partnership to deliver training for dioceses in the UK.

The Mid-Africa Fund is held by CMS for work in the Mid-Africa region.

The Strategic Mission Fund was set up following a restricted donation from a major donor for new strategic work to be carried out, this was fully used this year.

The Local Partner Fund is to support a new generation of gifted and dedicated leaders who are passionate about serving their church in some of the world's financially poorest nations.

Other restricted funds represent a wide variety of small restricted funds, held and separately accounted for, for some of the current projects that CMS is involved in. Some fund transfers in the year relate to transfers from unrestricted funds to finance deficits on restricted funds, in particular mission personnel restricted funds. Other transfers relate to the movement from programme funds to help support individual mission partners and projects.

The South America Funds – Group funds include reserves held by The South American Mission Society which are used to support mission partners in Latin America.

25. Retirement benefits

The Charity (CMS) and one of its subsidiaries (South American Mission Society) have members in the following defined benefit pension schemes:

A. CMS Pension Scheme (a defined benefit scheme)

B. Church of England Funded Pensions Scheme (a multi-employer defined benefit pension scheme)

C. Church Workers Pension Fund (CWPF) Defined Benefit section (a multi-employer defined benefit pension scheme) – at the year end, we had no members in this scheme.

D. Church Workers Pension Fund (CWPF) – Pension Builder Scheme section (a multi-employer defined benefit pension scheme) – at the year end, we had no members in this scheme.

The net defined benefit pension liability shown in the Group and Charity Balance Sheets comprises:

	2023 Group £'000	2022 Group £'000	2023 Charity £'000	2022 Charity £'000
CMS Pension Scheme (see Note 25A below)	-	-	-	-
Multi-Employer Defined Benefit Pension Scheme – CWPF Defined Benefit section – Pension Scheme Deficit Reduction Provision (see Note 25C)	-	(1,066)	-	-
	-	**(1,066)**	**-**	**-**

For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes), as explained in Note 25E below.

A. Defined Benefit Schemes – CMS Pension Scheme (Group and Charity)

The Charity contributes to the CMS Pension Scheme, a defined benefit pension scheme, to secure present and future pensions for certain current and former mission partners and staff. CMS Ireland, an independent charity, also funds pensions for its current and former mission partners and staff, but these amount to only some 3 per cent of the scheme's total liabilities.

Nature of the Scheme

The Church Mission Society Pension Scheme operated by the Society is a funded defined benefit arrangement which provides retirement benefits based on final pensionable salary. The Scheme closed to the future accrual of benefits with effect from 30 June 2011. Accrued benefits of active members continue to be linked to pensionable salaries.

The Scheme is a UK registered scheme in accordance with Section 153 of the Finance Act 2004. The Scheme must comply with UK pensions legislation and is regulated by the UK Pensions Regulator. The Scheme is governed by a corporate Trustee, CMS Pension Trust Limited, which has six directors including two member-nominated directors, elected by the membership, and two independent directors, appointed by CMS. The remaining two directors are also appointed by CMS but represent the employer's interests. The Trustee is responsible for the administration of the Scheme and for the Scheme's investment policy. The Trustee, with the advice of the Scheme Actuary and with the agreement of the Employers, determines the contributions that are paid to the Scheme.

The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 31 January 2023.

Funding Policy

Following the cessation of accrual of benefits with effect from 30 June 2011, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation. The funding method employed to calculate the value of previously accrued benefits is the Attained Age Method.

The triennial valuation of 31 March 2019 resulted in a deficit of £8.1m, and the Society and the Trustee of the Scheme put in place a Schedule of Contributions and a Recovery Plan which detailed the contributions to be made to fund this deficit. These contributions remained due during the financial year as follows:

- core deficit contributions of £42,500 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 February to 31 January) exceeds £1,032,000, 50 per cent of the excess will be paid to the Scheme.
- an additional amount dependent upon the amount of unrestricted windfall income received from William Leech (Investments) Ltd (WLI). Church Mission Society will pay to the Scheme 50 per cent of any windfall income received.
- if any of the six properties, which are owned by Church Mission Society but do not form part of the contingent asset arrangement, are sold, with the consent of the Trustee required for the sale to be made, an additional contribution equal to 50 per cent of the net proceeds of the sale would be paid to the Scheme.
- additional contributions of £19,300 per month from 1 April 2020 in respect of the Scheme's administration expenses.

By Church Mission Society Ireland:

- core deficit contributions of £1,650 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 November to 31 October) exceeds €160,000, 15 per cent of the excess will be paid to the Scheme, subject to a maximum additional contribution of €5,000 in any one year.
- additional contributions of £700 per month from 1 April 2020 in respect of the Scheme's administration expenses.

The Charity contributed £2,517,000 to the Scheme in respect of the year to 31 January 2023 (2022: £1,108,000).

The next triennial valuation of the Scheme took place as at 31 March 2022, and this was finalised by financial year end. This triennial the position greatly improved, with the Scheme in surplus by £152k as at the triennial date. As part of that valuation, the Society and the Pension Trustee agreed that contributions totalling £2.2m would be paid into the Scheme by 31 March 2023, inclusive of the contributions already paid/due from CMS and CMS Ireland in accordance with the previous funding agreement. The other payments above cease from 1 February 2023, with the exception of administration expenses.

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

Scheme Amendments

There have been no amendments to the Scheme during the year and no special events have occurred.

Amounts recognised in the balance sheet	2023 £'000	2022 £'000
Fair value of scheme assets	61,188	82,968
Present value of funded obligations	(55,436)	(81,417)
Surplus/(deficit) in scheme	**5,752**	**1,551**
Unrecognised asset – restriction of Scheme surplus (in accordance with FRS 102)	(5,752)	(1,551)
Net defined benefit (liability) recognised in the balance sheet	-	-

Amounts charged to the Statement of Financial Activities	2023 £'000	2022 £'000
Interest on scheme assets	1,862	1,138
Interest effect of asset ceiling	(35)	-
Interest cost on obligation	(1,802)	(1,226)
Net interest on net defined benefit asset or liability	**25**	**(88)**
Past service costs	-	-
Pension scheme administration expenses	(284)	(426)
Included in net income/(expenditure)	**(259)**	**(514)**
Return on scheme assets (not included in interest)	(23,230)	1,927
Experience (loss)/gain on liabilities	(1,699)	(175)
Actuarial gain on scheme obligation	26,809	5,834
Loss/(gain) from change in effect of asset ceiling	(4,166)	(1,551)
Recognised in "Actuarial (losses)/gains on defined benefit pension scheme"	**(2,286)**	**6,035**
Total amounts recognised in the SOFA	**(2,286)**	**6,035**

There are no current service costs of the Scheme included within the SOFA (2022: £nil).

Changes in fair value of scheme assets	2023 £'000	2022 £'000
Scheme assets at the beginning of the year	82,968	82,649
Interest on assets	1,862	1,138
Return on scheme assets (not included in interest)	(23,230)	1,927
Contributions by CMS	2,517	1,108
Contributions by CMS Ireland	28	26
Administration expenses	(284)	(426)
Benefits paid	(2,673)	(3,454)
Scheme assets at the end of the year	**61,188**	**82,968**
Actual return on scheme assets	**(21,368)**	**3,065**

Scheme Assets

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	2023 %	2022 %
Diversified growth funds	-	19
Bonds	18	14
Synthetic global market exposure	20	14
Private market funds	13	11
Cash and NCA	4	2
Liability driven investments	45	40

Changes in present value of the Scheme's defined benefit obligation	**2023 £'000**	**2022 £'000**
Obligation at the beginning of the year	81,417	89,278
Interest cost on obligation	1,802	1,226
Actuarial (gain)	(26,809)	(5,808)
Past service cost	-	-
Experience loss on liabilities	1,699	175
Contributions by scheme participants	-	-
Benefits paid	(2,673)	(3,454)
Defined benefit obligation at the end of the year	**55,436**	**81,417**

The weighted average duration of the liabilities of the Scheme was 13 years as at 31 January 2023 and 15 years at 31 January 2022.

Principal Actuarial Assumptions at the balance sheet date used for the FRS 102 disclosures

The principal assumptions used by the actuary to calculate the employee benefit obligation for Church Mission Society in respect for the CMS Pension Scheme were as follows:

	2023 %pa	2022 %pa
Discount Rate at end of year	4.50	2.25
Discount Rate at start of year	2.25	1.40
Inflation – CPI	2.60	2.85
Inflation – RPI	2.60	3.55
Rate of increase in pensionable salaries	2.60	2.85
Rate of increase in pensions in respect of service:		
- pre 10 January 1994	3.65	3.70
- between 10 January 1994 and 5 April 2005	3.00	3.40
- after 5 April 2005	2.05	2.35
Rate of increase in deferred pensions in respect of service:		
- before 1 April 1994	5.00	5.00
- between 1 April 1994 and 5 April 2009	2.60	2.85
- after 5 April 2009	2.50	2.50

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 87 if they are male and on average until age 90 if female. For a member currently aged 55 the assumptions are that if they attain an age of 65 they will live on average until age 87 if they are male and on average until 90 if female.

B. Defined Benefit Schemes – Church of England Funded Pensions Scheme (Group and Charity)

In addition to the CMS Pension scheme the Group has 19 active members of the Church of England Funded Pension Scheme (also known as the Clergy Scheme), which has approximately 8,000 active members. Contributions for these members of the Scheme are paid for by the Archbishops' Council on behalf of the Group, so the expense recognised in the SOFA is £nil (2022: £nil). Employer's contributions to this scheme amounting to some £190,000 are funded by the Archbishops' Council in accordance with the Pensions Measure 1997, under a grant which the national church undertook to make to meet the pension costs of clergy employed by qualifying mission agencies belonging then to the Partnership in World Mission.

C. Multi-Employer Defined Benefit Pension Scheme – Church Workers Pension Fund Defined Benefit section (Group)

Until all liabilities to the scheme were paid off on 30 November 2022 the Group through South American Mission Society participated in the Defined Benefit Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

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

It is not possible to attribute the Scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme.

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

A valuation of the DBS is carried out once every three years, and the most recent scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m.

Following the valuation, the Employer entered into an agreement with the CWPF to pay expenses of £17,500 per year.

From 1 April 2021 a new annual deficit payment of £182,533 has been agreed and is payable until 31 March 2028 in respect of the shortfall in the Employer sub-pool.

Both payments ended on 30 November 2022 when SAMS took advantage of improved market conditions and exited CWPF with nil cost.

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments were recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	2023 £'000	2022 £'000
Balance sheet liability at 1 February	1,066	1,504
Deficit contribution paid	-	(188)
Interest cost (recognised in SOFA)	-	7
Remaining change to the balance sheet liability (recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	(1,066)	(257)
Balance sheet liability at 31 January	**-**	**1,066**

During the year up to 30 November 2022 (date that the Society left the CWPF scheme), the deficit contributions paid to CWPF were £152,000 plus admin expenses of £14,000.

D. Multi-Employer Defined Benefit Scheme – Church Workers Pension Fund – Pension Builder Scheme section (Group)

Until exit on 30 November 2022 the Group through South American Mission Society also participated in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2023 are contributions payable of £77,000 (2022: £85,000).

E. Defined Contribution Schemes (Group and Charity)

The Charity contributes to personal money purchase pension schemes (defined contribution schemes) for certain employees and mission partners.

	2023 £'000	2022 £'000
Staff and Mission Partners	655	660
	655	**660**

26. Secured assets

CMS House, the Mission and Community House in Oxford and two other residential properties have been pledged as security to the CMS Defined Benefit Pension Scheme. These properties are being used as security to guarantee the Charity's funding shortfall to the CMS Defined Benefit Pension Scheme.

27. Subsidiary undertakings

Charity

As outlined in Note 1, The Church Mission Society Trust became a subsidiary of CMS under a scheme agreed with the Charity Commission in 2010. CMS is a corporate trustee of The Church Mission Society Trust. As part of the scheme, a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

Principal Subsidiaries at 31 January 2023

a) The South American Mission Society

Name	Principal Activities	Ownership
The South American Mission Society (RCN: 221328 and Co. No.:00065048)	To be a community of people in mission obeying the call of God, to proclaim the gospel in all places with particular emphasis on Latin America and to draw all people into fellowship with the Lord Jesus Christ.	100%

b) CMS House Enterprises Ltd

Name	Principal Activities	Ownership
CMS House Enterprises Ltd (Co. No.: 09376700)	Income from room hire of CMS House and book sales.	100% – £1 share capital

Summary of results for the 12 months to 31 January

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Total incoming resources	8,799	624	34	(413)	9,044	9,443
Total resources expended	(7,031)	(754)	(23)	413	(7,395)	(7,456)
(Losses) on investments	(1,594)	-	-	-	(1,594)	(1,145)
Revaluation of fixed assets	(50)	-	-	-	(50)	827
Actuarial gains/(losses) on defined benefit scheme	-	1,066	-	-	1,066	257
Other gains/(losses) on pension scheme deficit reduction provision	(2,258)	-	-	-	(2,258)	6,035
Net movement in funds	**(2,134)**	**936**	**11**	**-**	**(1,187)**	**7,961**

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Total fixed assets	20,319	-	-	-	20,319	21,866
Current assets	9,997	600	24	(53)	10,568	9,929
Current liabilities	(2,673)	(73)	(24)	53	(2,717)	(1,372)
Defined benefit pension scheme asset/(liability)	-	-	-	-	-	(1,066)
Net assets/(liabilities)	**27,643**	**527**	**-**	**-**	**28,170**	**29,357**

Consolidation adjustments

The SAMS adjustment in the funds movement relates to transfer of restricted funds relating to mission partners where the income is received by CMS (parent charity) (see Note 22) and the costs are paid out of SAMS (subsidiary charity) which is the legal employer. CMS bears all other SAMS overheads without charge, apart from the SAMS governance cost.

The registered office of The Church Mission Society Trust, The South American Mission Society and CMS House Enterprises Ltd is CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ.

Other subsidiaries at 31 January 2023

In addition to the above principal subsidiaries, the following entities are also part of the CMS group but are not consolidated due to materiality.

Name	Percentage Holding	Registered Office
Church Missionary Trust Association Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
CMS Pension Trust Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ

28. Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations and financial position. Accounting policies are shown in Note 2 to the financial statements.

Pension liabilities – CMS Pension Scheme

CMS has recognised its liability to its defined benefit pension scheme which involves a number of estimations, as disclosed in Note 25.

Unlisted investments

As outlined in Note 2, the unlisted investments in William Leech (Investments) Limited and Clean for Good Ltd are valued as the share of the net assets at 31 January 2023 (unaudited accounts) based on the information provided by these entities.

Cost allocation

Costs not attributable to a single activity are allocated or apportioned to activities on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised relate to the proportion of time spent by staff across different activities and judgement is exercised in applying cost drivers to cost categories.

Pension liabilities – multi-employer defined benefit pension schemes

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as the CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with Section 28 of FRS 102. The Trustees are satisfied that the CWPF met the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained in Note 25, there is no longer a deficit as all liabilities to the scheme were paid off up to 30 November 2022.

29. Change in movement in net funds

	At 1 February 2022	Cash flow	At 31 January 2023
	£'000	£'000	£'000
Cash at bank and in hand	8,241	(1,131)	7,110
Cash held with investment manager	25	(13)	12
Net Cash	**8,266**	**(1,144)**	**7,122**

Cash held with investment manager is included within Investments (see Note 17).

Reference details of the Charity and Advisers

Principal Address

Church Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Principal Professional Advisers

Bankers

Barclays Bank PLC
Public Sector – Charities
Level 12
1 Churchill Place
London
E14 5HP

Auditors

Crowe U.K. LLP
Aquis House
Reading
Berkshire
RG1 1PL

Principal Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment Managers

Cazenove Capital
12 Moorgate
London
EC2R 6DA

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CHURCH MISSION SOCIETY

Church Mission Society
Watlington Road,
Oxford, OX4 6BZ

+44 (0)1865 787400
info@churchmissionsociety.org
churchmissionsociety.org

Connect with us on

Church Mission Society is a mission community acknowledged by the Church of England, Registered Company No. 6985330 and Registered Charity No. 1131655 (England and Wales) and SC047163 (Scotland). Also part of CMS: The South American Mission Society, Registered Company No. 65048 and Registered Charity No. 221328 (England and Wales); The Church Mission Society Trust, Registered Charity No. 1131655-1 (previously 220297). Registered and principal offices of all above entities: Watlington Road, Oxford, OX4 6BZ.

CHURCH MISSION SOCIETY

England & Wales - Charity number 1131655

Accounts

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To the edges

Annual Report and Financial Statements

for the year ended 31 January 2022

CHURCH MISSION SOCIETY

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Church Mission Society – Group
Registered company limited by guarantee in England and Wales (Company no. 6985330)
Registered charity no. 1131655 (England and Wales)
Registered charity no. SC047163 (Scotland)
Church Mission Society is a mission community acknowledged by the Church of England.

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Chair of Trustees' Report

Charles Clayton

Did you experience more adjustment last year as a result of the pandemic and its impact? You are not alone! Many of the people we serve worldwide have continued to experience change. There have been new occasions for both joy and heartbreak, strong faith and deep questions.

Church Mission Society (CMS) also experienced this in 2021–22. New challenges, opportunities and problems to solve in every part of our work. Here in Oxford we learned the meaning of hybrid working in the office or at home, and saw a mix of hellos and goodbyes in our staff team. Most of all we took up the challenge of introducing a new vision and mission strategy while sustaining our ongoing work. As this report is written, we are on the verge of sharing our renewed vision and purpose, as well as a refreshed brand identity, more publicly. There is a mix of enthusiasm and humility about this, as we continue to trust God to guide us through the transitions.

"The biggest highlights for me are the stories of lives being changed."

The biggest highlights for me are the stories of lives being changed. They concern people like Chinda, who worked in the sex industry in Thailand before an encounter with a CMS local partner opened up a new path. Or Sadia, a South Sudanese refugee who found peace in Jesus while staying in a refugee camp thanks to the efforts of local partner Sam. We saw the green light given to a new foster care programme in northern Brazil – the first of its kind in the area and the result of years of advocacy by our partner project ReVive. These reports, of the power of the gospel and of lives changed by God himself, are at the very heart of our mission.

In the UK we were pleased to launch a new, unique Pioneer Mission Leadership MA pathway focusing on the African Christian diaspora with a pilot group of 10 students from around the world, led by an African missiologist. The pioneer team also hosted a fantastic online festival attended by hundreds of people. In September an intrepid group of fundraisers celebrated 222 years of God's mission through CMS by taking on a sponsored 222-mile walk, and a dear supporter called Clive undertook the challenge of painting 222 church railings over the summer. These events yielded thousands of pounds of generous giving to CMS and we are so thankful.

The year's adjustments included changes among our staff leaders. We were pleased to welcome our new international mission director Andy Roberts, yet also bid fond farewells to Charlie Walker, our finance and corporate services director, and Steve Burgess who, on retirement, had dedicated 40 years to mission in Africa.

I mentioned above that we have a renewed vision and focus. It is: We long to see our world made new through the love of God as we follow Jesus to the edges. I look forward to sharing with you a year from now how this has unfolded, how we have seen God at work particularly where the Church is minimal or marginal. Until then, as I look back over 2021 and forward into 2022, I want to thank you and all those who pray for CMS, give financially, advocate and take action for God's mission. It's a privilege and a blessing to be part of this organisation and to work alongside a global family of wonderful colleagues and supporters.

The Strategic Report of the CMS Trustees

The Trustees of Church Mission Society, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 January 2022.*

Objectives and Activities

What do we want to see?
Our Vision

Our vision is to see all God's people engaged in God's mission, bringing challenge, change, hope and freedom to the world.

As we join in God's mission, through Jesus and in the power of the Spirit we see that:

- The love of Christ renews people and places
- Pioneering leaders forge new paths of transformation
- People on the margins flourish
- The healing of creation begins

Who are we?
Our Identity

We are a community of people set free to follow God's call in mission.

As a community it is God's mission that is our passion. Our common commitment is:

- To participate in mission
- To learn from mission
- To pray for mission

* Strategy and vision outlined on these pages relates to the financial year 1 February 2021–31 January 2022, matching the figures in this report. New vision and strategy was launched in spring 2022 and will be reflected in next year's report.

What are our values?

We are people who are:

- Pioneering: we try new things, ask questions, cross boundaries
- Evangelistic: we share Jesus in word and action
- Relational: we get alongside people, becoming a genuine part of the communities where we find ourselves
- Faithful: where others have left or given up, we remain committed for the long haul

As a mission community God calls us to be such people. We commit ourselves to live by these values.

What do we do? Our Call

At Church Mission Society we believe that all God's people are called to join in God's mission, whether that means going overseas or over the road, and we work to set people free to put that call into action.

Put simply, we spend most of our time getting people into mission and mission into people.

Strategically we deliver our purpose in three ways:

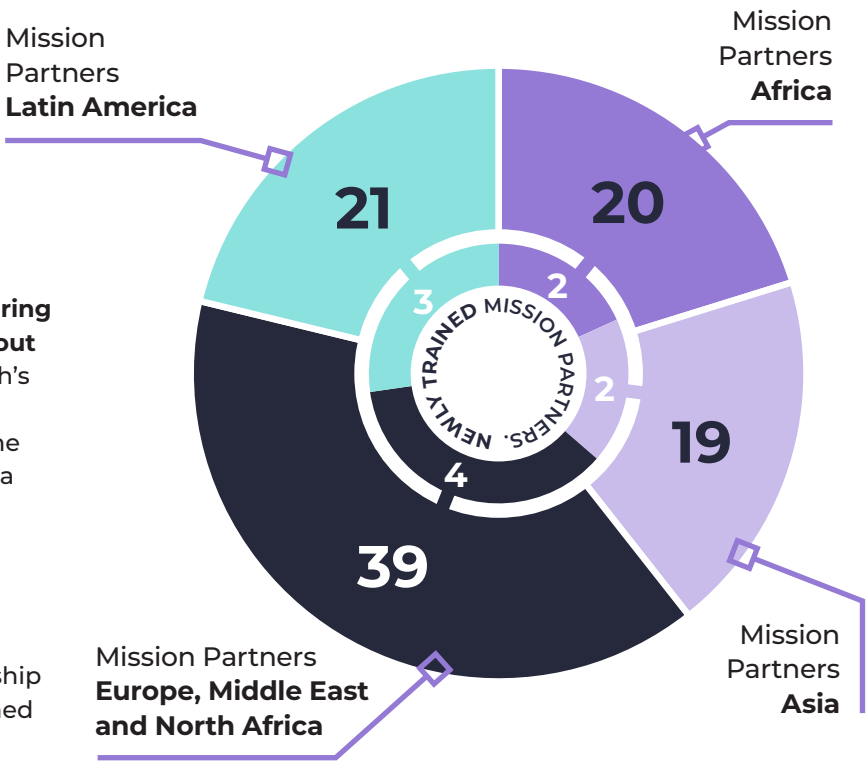
- Raising disciples in mission
- Partnering churches in mission
- Maximising our effectiveness in mission

Achievements and Performance

The following stories illustrate some of the achievements in each of CMS's areas of activity and celebrate both the impact for individual beneficiaries and the wider benefits for society as a whole. To achieve our mission, we work through the following six mission activities:

- **Mission Partners:** Our mission partners are members of the community who feel called to serve alongside local Christians in other cultures, wherever in the world that may take them.
- **Pioneer Mission Education:** Wherever in the world the mission of Jesus takes place, the church needs pioneer mission leaders to break new ground. This fresh and innovative training programme currently offers certification up to doctoral level and is particularly for those working in pioneering contexts.
- **Mission Transformation:** We believe in every member of the Church being involved in the mission of Jesus. With many of the 2,661 CMS community members living in the UK, we are concerned for mission locally, as well as in the rest of the world.
- **Mission Grants:** Grants provide seed money and ongoing financial support for key projects and ministries.
- **Local Partners:** Local partners are gifted, passionate Christian leaders in Asia, Africa, Latin America, Europe, North Africa and the Middle East. We give vital financial support towards the ministry of these leaders.
- **Enabling Mission Network:** CMS is committed to seeing indigenous CMS missions established globally – enabling local mission leaders to follow God's leading. This network includes CMS-Africa, Asia-CMS, New Zealand CMS, CMS Ireland, CMS Australia and SAMS-USA.

Mission Partners



Mission partners have been active in serving their communities and sharing the love of God in 37 countries throughout 2021–22. Many supported the local church's response to COVID-19: in Latin America advocating for clear information about the spread and treatment of the virus, in India raising funds for local hospital services.

In South Asia and across Africa CMS mission partners have equipped local Christians for gospel outreach into rural and marginal contexts. Mission partners involved in spiritual direction and leadership development have refreshed and sustained workers in places of minimal Christian presence across North Africa and the Middle East, as well as Central America, enabling fruitful ministry.

We continued to support 91 mission associates and 17 short-termers around the world. One family serving short-term in Goma, DR Congo, were present when Mount Nyiragongo erupted. They have actively supported the diocese's response, providing care to those whose homes were destroyed.

Gap year students could be recruited again after a year of travel restrictions – three completed training with us in January 2022, ready to immerse themselves into local mission in Latin America and Africa.

Joyfully, mission partner training recommenced in person; two couples completed training in spring 2021 and moved to their ministry contexts in Israel and the Czech Republic. Another four couples trained with us in the autumn, two of whom are now settling into their new contexts with the other two completing final preparations before departure to placements in South Asia and Tanzania.

Guiding young people to God in Guatemala

After her first three years in Guatemala, mission partner Azaria Spencer reflects on her work with street-connected children and young people, and the slow, transforming impact of God in their lives:

When I arrived in Guatemala I had all kinds of expectations of what I might "do" or "achieve". Even when I tried, it was hard to surrender my desire to "do". However, it is through that surrender that God can work more holistically. Relationship and transformation are not easily measurable, but they are central to who God is, and what he has been doing in me and through me in Guatemala.

With Street Kids Direct (SKD) I started working closely with a group of teenage boys. Through consistency and relationship, we started a weekly "family time", involving food, films and fun. From this has developed times of short Bible studies and now one-on-one mentoring-type sessions. In fulfilling a sisterly or even motherly role in their lives, I have had the absolute privilege of seeing these young men grow and transform.

Danilo, for example, a somewhat stroppy 13-year-old, intent on making everyone's lives difficult when we first met. Yet over time he softened and shared more of his story, giving context to his anger. Through support, guidance, educational support and, most importantly, love, I have seen him completely transform. Now Danilo volunteers and serves in our support centre, he is full of fun banter, is succeeding in school and exploring deeper his relationship with God.

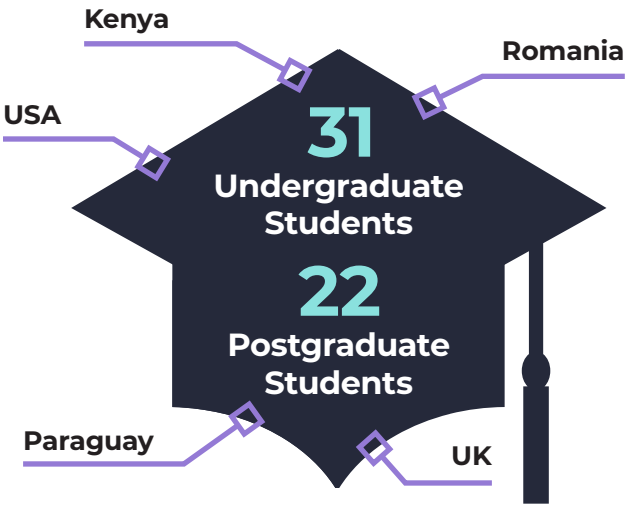
Danilo is one of many young people in whose journeys I have had the honour of playing a part. Their lives have been transformed by God, and they're heading to much brighter futures. Imagine how many more lives God will impact through them.

Pioneer Mission Education

This year we have been able to connect with more people than ever before with our Pioneer Mission Leadership Training through our ever-expanding range of training courses, our growing network of regional training hubs, and seeking new ways to connect with and train people online.

We began the year still under COVID-19 restrictions, but this didn't stop 50 people beginning their Pioneer training with CMS during this academic year. With the training taking place online, we were able to connect with people as far afield as Australia, something which would have seemed impossible just a few years ago.

In April 2021 we had the joy of running our annual Pioneer conversations day fully online for the first time. This event, named Gather, saw over 200 pioneers from around the world join us for a virtual festival on the Gather.town online platform. Participants were able to access a wide range of content including workshops on how to implement pioneer practice, and venues for worship and prayer.



With several modules and the Africa-focused MA available online, students have joined from four continents, and across England from Yorkshire to Cornwall. (Figures cover students starting to study at least one module in September 2021.)

We have continued to grow the range of courses we offer, most notably by offering a new route through our MA programme with a focus on the African Christian diaspora. As they explore subjects such as the history of Christianity in Africa and African theology, students will study Africa as a creative and vibrant centre of Christianity in the 21st century. To enable as many people as possible to benefit from this course, we have made it fully accessible online, meaning we now have students joining us from Kenya.

Our regional hubs offering Pioneer training in different locations also continued to see growth. In total 60 students graduated from across our five Pioneer hubs, including the very first cohort of 16 students from the Northern Mission Centre run in partnership with the Diocese of Carlisle. This year we also announced a new South West hub, which will be the first formed as a partnership between three dioceses: Salisbury, Truro and Bath & Wells.

Start of a new movement?

A first-of-its-kind Master's programme led by a renowned African academic is the first step towards a movement of post-colonial missionaries, where mutual learning across cultures is embedded from the start. "I grew up in Africa, so I know what an empowered African church can do," says Dr Harvey Kwiyani, who has been officially announced as programme lead for the MA in theology, mission and ministry with a focus on the African Christian diaspora at Church Mission Society.

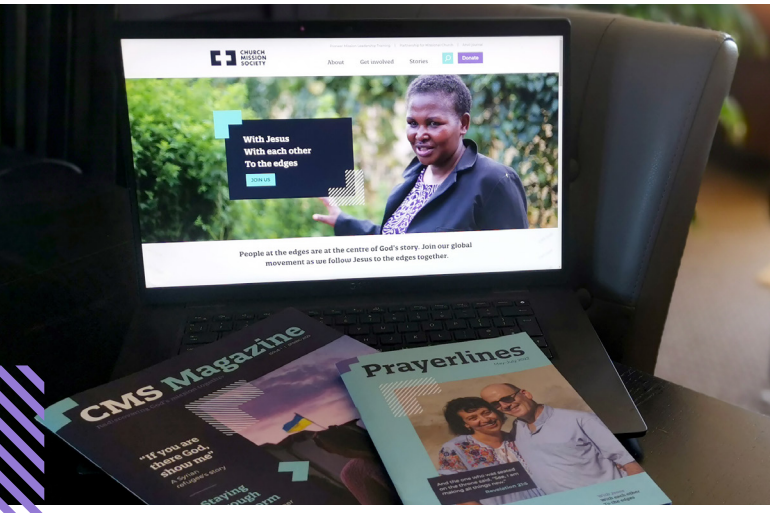
This new MA pathway brings together the unique mission focus of CMS training with the fastest growing part of the church in Britain – the African diaspora. Ten students have joined the new African MA pathway this year. Specialised modules will take these students on a journey through African church history, Pentecostalism and African traditional religions.

"I hope this Master's will help empower and equip the African church in Britain," says Dr Kwiyani, "and that will help in the re-evangelisation of Britain. But I'm also excited that we are creating an intentional space within CMS where African and British students can learn together and learn from each other."

Jonny Baker, director of mission education at CMS, said: "We're really excited about this new programme of study and the mix of students it will bring. We hope and expect that it will change us, as well as equip a wider range of students for pioneering mission."

Mission Transformation

As the coronavirus pandemic ebbed and flowed this year, we began to explore a new hybrid approach of connecting with people both online and in person. The CMS community were able to welcome many in person to the Africa conference in October, while those who were unable to attend in person could access all of the content online. Meanwhile, the Adelante (Latin America-themed) conference in September remained online, but was blessed by the attendance of many people from within Latin America.



For a second year we were unable to attend any Christian festivals, but our communications team have continued to explore new ways to connect with people and share our mission work. Most notably this year, the team have been hard at work preparing to launch our new brand, which will help us to communicate our new vision for mission in the UK and around the world.

Our incredible community members continued to find imaginative ways to support God's mission. In August, one former CMS mission partner embarked on a fundraising project to mark our 222nd anniversary by painting 222 railings around the perimeter of his church. His efforts raised over £4,000, which went to support a training centre for people with disabilities in Tanzania.

The Partnership for Missional Church (PMC) process has continued to help many churches reconnect with communities. After a year in which church services were almost entirely online, this year many were able to once again meet together and work alongside other churches to benefit their communities. It was a joy for the team at CMS to be able to visit churches in person again to provide encouragement and support through the PMC process.

We have begun developing a hybrid model of delivering PMC, whereby churches still have opportunities to meet together but with improved online connectivity throughout the process. We aim to pilot this new model among churches in areas with high levels of deprivation, as it is in these areas where the PMC process can have the most significant impact for the good of the community.

From burned out to fired up for mission

Phil Marsh, mission and ministry development officer in Ely diocese, shares his experiences of the Partnership for Missional Church (PMC) journey and the transformation it can bring:

I was looking for something different. I was burned out by ministry, by being the service provider, the events manager, the coordinator. I was figuring there had to be a different way of helping congregations to engage in ministry. PMC offered a framework that would enable me to lead the congregation in rethinking their missional culture.

People challenged their normal activities and thought about the impact beyond themselves. It transformed their decision-making – not just coming to decisions based on argument or persuasion, but having a sense of conviction because God is involved. People really began to have a sense of being involved in God's mission in the places where they lived and worked.

It's broadened my imagination on where and how and in whom God works. It's changed how I view Christian leadership. I've become convicted of the need for us to learn how to build capacity in congregations. I just haven't seen anything else that has had the same transformational impact on individuals and in congregations. This will help you discern how God is calling you as a church very specifically at this time in this place to act and engage with his mission in the world.

Mission Grants

Through the generosity of CMS supporters, we have again been able to make several grants this year to support a range of projects around the world. One such grant enabled three young men who had grown up on the streets in Honduras to enter the local police academy and have the opportunity to build a better future for themselves. Early in the year our mission partner Steve Poulson in Honduras shared the story of one of these young men:

For Ever, Amen!

Steve writes: I work with street children and help run a mentoring programme at Street Kids Direct in Honduras, with a vision to place a caring and consistent adult in the lives of every high-risk child.

The coronavirus pandemic and lockdowns weren't easy for anyone, especially the kids we work with – without access to a smartphone and regular internet, they couldn't do the homework schools send through WhatsApp. Yet God was still at work...

We've been working with Ever for a long time. Street Kids Direct has sponsored him through school from the age of 13 or 14. Ever and his brother are the first in their family to graduate not only from secondary school but from primary school.

Ever really wants to be a mechanic within the police, a role which requires basic police training. He was accepted into the police academy during lockdown.

I took him through more intense discipleship over few months prior to the start of his training, and about a month before going to the police academy, he decided he wanted to be baptised. The pastor, Dionilo, and I baptised him a day before he left for training.

He's the first person I've seen all the way through from early teens to adulthood, taking steps of faith and being successful. A police job means a regular income once he passes his training. The one problem is the corruption in the police, but Ever is determined that if he feels forced to start compromising on his Christian values, he will leave the police.

After six weeks of police training he had already been promoted to assistant to the head of the training programme and led prayer and devotions for his friends most evenings.

In summer 2021, Ever finished his training and began his first placement. I was able to visit him briefly, and he spoke about being offered bribes on a daily basis and the temptation to be dishonest. I continue to support him, particularly in this area of integrity.

It's so encouraging to see a young person who is really growing and taking concrete steps, and now loving it so much that he's naturally sharing it with the people around him.

Mission partner Steve Poulson and pastor Dionilo baptised Ever.

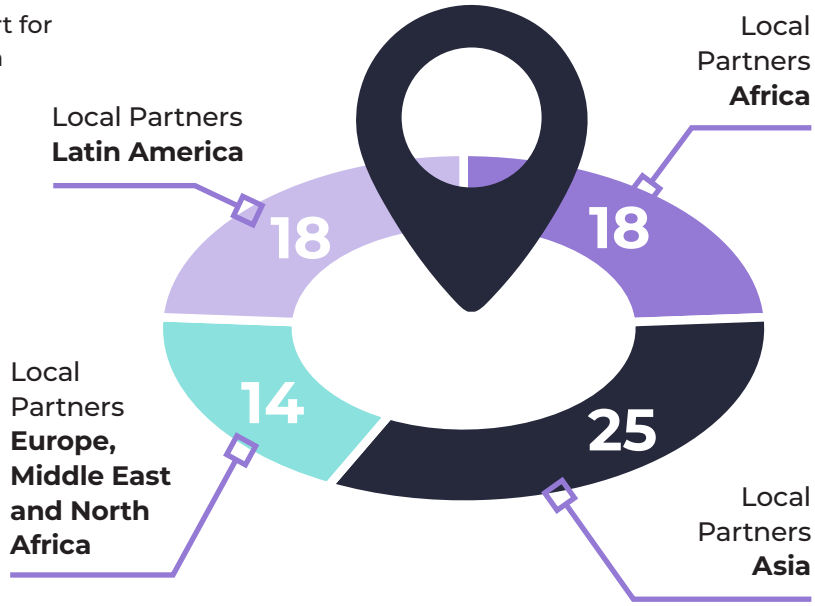
"He's the first person I've seen all the way through from early teens to adulthood, taking steps of faith and being successful."

Local Partners

We are privileged to work with 75 local partners around the world, committed to serving the mission of God in their different contexts. Local partners in Asia found themselves responding to the dramatic rise in cases of COVID-19 at the start of the year. Connected with on the ground realities, they were able to source and direct basic necessities and livelihood support for families in Nepal, India and other countries in the region. In light of the immense toll on mental health the pandemic has had, local partners produced resources to raise awareness about mental health and help address concerns.

In the Middle East local partners ministered to those at the margins, providing education for refugee children in Lebanon, supporting addicts on the road to recovery in Israel, and developing discipleship material and support networks for those looking to follow Jesus.

Individuals in South Sudan and DR Congo, whose lives have been marked by conflict and suffering, have found peace and hope in Christ, and developed new income-generating skills to support their families through the work of local partners in the region. And in Latin America, local partners have seen growth in newly planted urban churches, trained future leaders for the church in indigenous communities, and crossed racial and cultural divides as witness to Christ.



Freedom from sex work, new life in Jesus

Chinda, a single mother living in Thailand, was trapped in an abusive marriage. Fearing for her children's safety, one day she found the courage to leave. But money was tight, and, desperate to provide for her children's education and medical needs, Chinda was forced into sex work. She hated it but she could see no other way – until she met CMS local partner Helen.

As a trauma counsellor, Helen longs to see people free from oppression. God has given Helen a heart for women working in red light districts – she doesn't just see sex workers, she sees women Jesus loves, who need a friend.

Helen visits the bars, massage parlours and other places that employ women for sex work. She spends an hour or two in each place, getting to know the owners and the women who work there.

One evening, Helen noticed Chinda standing in a corner looking deeply unhappy. Helen started chatting with her and invited her to play pool. They played a few rounds. Helen asked questions. For once, someone was taking a genuine interest in Chinda as a person.

Helen started meeting Chinda regularly and building a genuine friendship. Soon, they were talking about God and praying together. Chinda eventually found the courage to leave the sex industry and start a new life. She chose to follow Jesus soon after. Chinda knew that Jesus played a big part in the changes in her life. She was talking to Jesus daily and was always moved to tears whenever Helen prayed for her.

Today Chinda continues to grow in her faith and she has found new confidence in herself. She now works with Helen, distributing food and starting conversations with women who just need someone to look at them, talk to them like people and let them know that they have a part to play in God's story too.

Enabling Mission Network

The CMS mission network is made up of CMS, New Zealand CMS, CMS Australia, CMS Ireland, Asia-CMS, CMS-Africa and SAMS USA. As a fellowship of mission societies, the network is committed to mutual prayer and support, learning from one another and partnering together to see communities around the world transformed by the gospel. Over the last year we have seen continued collaboration across the network, with close partnerships in particular with CMS-Africa and Asia-CMS. The network has been pleased to welcome Andy Roberts (former CMS mission partner in Brazil and founder of ReVive International) as new international mission director for CMS, and Joan Watsulu Busolo as regional manager in Africa. The appointment of Joan in Kenya reflects the transition to this role being based locally, which will be followed by a similar transition for the regional manager position in Asia in the next year.

In November CMS-Africa and CMS organised a conference bringing together over 100 participants to explore how best to move forward in peacemaking and discipleship in eastern DR Congo. Hosted by the peace centre started by CMS local partner Bisoke Balikenga, the conference welcomed bishops, youth departments and Mother's Union representatives from six dioceses, as well as representatives from a number of other organisations. With translation locally into French/Swahili and online into English, all participants were able to share experiences from their contexts, learn from one another and pray together for peace.

Andy Roberts (former CMS mission partner) took up the role of international mission director for CMS

Jesus brought me peace and hope

Last year CMS local partner Sam Malish had started giving South Sudanese refugees mini digital audio players pre-loaded with messages of peace and healing from Scripture. The impact proved to be profound for people like Sadia.

Sadia lost her home and most of her family to brutal conflict in South Sudan. Her trust in people was deeply shaken after her husband left her and their three children. Her brothers stepped in to help, but then war broke out and they fled with their families. Sadia and her children found themselves alone.

After walking to a refugee camp in Uganda, Sadia and her children were safer, but life in the camp is a daily struggle with food strictly rationed, and no money for clothes and medication. Sadia grew more and more depressed and anxious. Dark thoughts filled her mind, and she even considered leaving her children, just as she had been abandoned.

Then one day, one of Sam's audio players found its way into Sadia's hands. And when she pressed play, her life was changed forever...

Sadia heard the Bible story of Joseph being abandoned by his brothers. She said it was like listening to her own story. She says: "Joseph was betrayed by his own family but chose to forgive his brothers and because of his attitude, by allowing himself to go through the tough road, the situation changed. He was blessed and others were blessed too because of him."

Through engaging with Joseph's powerful story of forgiveness and the gospel message, Sadia encountered the Prince of Peace. As she forgave, her resentment melted away and she found peace in Jesus – the peace she had lost. Now, she is sharing her story to encourage and disciple others.

(Some names have been changed.)

CMS Strategic Priorities

2021–22 saw significant delivery on the Organisational Strategic Plan.

WHAT WE SAID WE WOULD DO	PROGRESS MADE ON 2021–22 PRIORITIES
Mission programme development: We have long been committed to working via mission partners and local partners within our regions of focus. The goal now is to see increased genuine collaboration between mission partners and local partners, who will work together towards more clearly defined shared goals within particular contexts.	We have implemented two "hubs" during the course of the year. Hubs are organised around a particular missional theme and will operate within a particular context or region. Two are now operational and four are in the development phase, with more to come. Hubs will be collaborative, bringing mission partners, local partners and further strategic global partners together around specific missional goals.
Organisational development: As we concentrate on increasing collaboration with our global network partners, we will be working to ensure we have the right structure, skills, roles and culture to enable this.	During the course of the year we have set in motion new staff teams, new roles and new structures to effectively implement the new organisational strategy. Specifically we have set up the People and Learning Group (operating from Feb 2022) whose focus is on the culture we want to embed within CMS, with particular attention being paid to learning and cross-team working.
Fundraising and Communications: Part of the Isaiah Project (CMS Strategic Review) has involved revisiting our branding, fundraising and communications strategies: rearticulating our vision and purpose as well as brand narrative in conjunction with the developing organisational strategy. Priorities now include implementing this refreshed narrative across our fundraising and communications and building an engagement plan that will increase awareness, interest, participation and support among our identified target audience(s) in order to achieve sustainability.	In 2021–22, the Branding and Fundraising Strategy group developed a new, cohesive brand narrative for CMS and a corresponding refreshed visual identity. (The communications team soft-launched this rebrand in April 2022.) Alongside this a new engagement strategy was written which has three key aims: maximising interaction with current audiences, reaching an identified new target audience and embedding the new brand narrative. The new vision of CMS is "to see our world made new through the love of God as we follow Jesus to the edges." The new purpose statement is "to make disciples of Jesus at the edges."

Strategic Priorities for 2022–23

Having launched the new vision, the strategy and the structures we believe will help implement that strategy in 2021–22, the following year will be about the outworking of that strategy on the ground. Specifically we are concentrating on:

2022–23 STRATEGIC PRIORITIES

1

Mission programme development:

Continue to increase collaboration between people in mission in particular contexts within "hubs". Having implemented two hubs, we seek to see these become established points of collaboration and to see further hubs in development and implementation.

2

Organisational development:

In 2022, as the People and Learning Group gets underway with some new staff roles in place, we will continue to develop and implement an agile, learning culture throughout CMS. We expect to see increased cohesion and collaboration within the Fundraising and Communications Group, having merged the two teams at the beginning of the financial year.

3

Fundraising and Communications:

Launch and embed the new CMS brand, including revamped website and flagship publications. As part of this, we aim to renew core communications and fundraising products to reflect the new brand and engagement strategy.

Structure, Governance and Management

Legal Status

Church Mission Society is a registered charity (England and Wales (RCN: 1131655), and Scotland (RCN: SC047163)) and a company limited by guarantee in England and Wales (Company Number 6985330) established on 8 August 2009, although its history as a mission dates back to the 18th century. For details of other group charities/members see Note 1 to the financial statements.

Charitable Objects

Church Mission Society's object is as a community of people in mission obeying the call of God, to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ.

Patron

The Most Rev and Rt Hon Justin Welby, Archbishop of Canterbury

CMS Governance Arrangements

CMS is governed by its Memorandum and Articles of Association and by a Board of Trustees. The Trustees of CMS aim to have high standards of accountability as well as proper and ethical performance of their duties. The process for appointing the Board of Trustees is as follows:

- The Board of Trustees of CMS is made up of up to 15 CMS members elected by the CMS membership (including not more than three co-opted members) with a Chair appointed by the Board.
- The elected members of the Board of Trustees are subject to a fixed-term appointment of four years, with the opportunity to be elected for one further term. Elections take place every two years.
- Co-opted Trustees are subject to a fixed-term appointment of two years, renewable a maximum of twice.
- The Chair of Trustees is selected by the Board of Trustees following a public recruitment and selection process.

The Board of Trustees meets four times a year, including one meeting focusing on trustee development. This is part of the wider induction and training process that is in place for Trustees, which includes consideration of governance, Board operations, the role of Trustees, organisational strategy, the CMS ethos and risk management.

During the year the Board had four sub-committees, each with specific terms of reference. These are:

- The Finance Committee
- The Fundraising Committee
- The Governance Committee
- Mission Awareness and Theology Group (from September 2021)

The Finance Committee reviews finance, facilities and information technology (IT). In this the committee is advisory, making recommendations to the whole Board. For the more technical areas of accounting, auditing, investment, pensions and property, the committee particularly helps the Board of Trustees to align decision making with expertise and knowledge.

The purpose of the Fundraising Committee is to advise the charity's fundraising team in the use of the most effective and efficient methods, and to ensure regulatory compliance, particularly in the use of data, public communications and fundraising methods. In this the committee is advisory, making recommendations to the whole Board.

The Governance Committee reviews the effectiveness of the governance system and the human resources (HR) function, and assists in the nomination and selection of Trustees and principal officers.

The purpose of the Mission Awareness and Theology Group is to ensure that trustees understand and are aware of the theology that forms the foundation of CMS strategy, and to inform the Board on developments and learnings in missiology and how these may impact our work.

The Board of Trustees

The Trustees of CMS are also its legal company directors. A list of the trustees who served during the year and up to the date of signing the financial statements is included below.

Trustee	Governance committee	Finance committee	Fundraising committee	Mission Awareness and Theology group
Mr Charles Clayton (Chair, re-elected for another term)	✓	✓	✓	
Rev Canon Andrew Bowerman	✓			✓ (Chair)
Dr Ian Bromilow (to 24 03 2022)	✓	✓	✓	
Mr Beauman Chong				✓
Mr Peter Hyatt (to 31 12 2021)		✓		
Mrs Rini Ingleby (to 24 03 2022)				✓
Rev Canon John Kafwanka (from 01 01 2022)				
Dr Anne Keene			✓ (Chair)	
Mrs Fiona Lambert			✓	
Mrs Chloe Louter (from 01 01 2022)				
Dr Kevin McKemey				✓
Dr Salim Munayer (to 31 12 2021)				✓
Rev Jane Shaw (to 31 12 2021)	✓			
Mr John Stansfeld	✓ (Chair)	✓		
Mr Simon Upcott		✓ (Chair)		
Rev Ian Wallace (to 31 12 2021)	✓			

The Chair of Trustees is responsible for ensuring the members of the Board of Trustees collectively contribute the broad range of skills and experience necessary for its effectiveness. The Trustees are responsible for developing strategic vision, articulating policy, managing risk and ensuring effective governance. The Board is assisted in implementation of policies and strategies by the chief executive officer who is supported by the wider CMS Senior Leadership Team. In addition to Trustees, the other sub-committees have additional co-opted members in attendance. Andrew Clark and Anne Maxfield attended the Finance Committee. Andrew Barton attended the Fundraising Committee.

CMS Senior Leadership Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer	Mrs Debbie James
Director of International Mission	Canon Andy Roberts (from September 2021)
Director of Mission Transformation	Mrs Debbie James
Director of Mission Education	Mr Jonny Baker
Director of Fundraising for Mission	Mr Jim Barker
Director of Finance and Corporate Services	Mr Charles Walker (to January 2022)
Director of Finance and Corporate Services	Mrs Becky Morris (from March 2022)

The Chief Executive Officer is responsible to the Board of Trustees for the management of CMS. He leads the Senior Leadership Team (SLT), which is shaped around the following responsibilities:

- International Mission – responsible for CMS engagement in international mission in partnership with churches and other agencies of mission worldwide, including members of the CMS Mission Network
- Mission Transformation – connecting with and supporting CMS members and churches enabling them, in a variety of ways, to engage in mission both globally and locally
- Mission Education – overseeing the selection and formation of people in mission, both as pioneers and as mission partners
- Fundraising – broad base fundraising from individuals, churches, trusts and major donors
- Finance and Corporate Services – supporting CMS with expertise in finance, ICT, HR, facilities and legal compliance

Key Management Personnel Remuneration Policy

The Board of Trustees and the SLT are the key management personnel of CMS, in charge of directing and operating the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 15 to the financial statements.

Salaries of all staff, including the SLT, are reviewed annually taking inflation and the overall financial position of CMS into consideration. Remuneration levels are also benchmarked with Croner's charity pay and benefits report every four to five years to ensure that the level of remuneration set for key management is in line with roles in similar size organisations. The next benchmarking exercise has been delayed because of the impact of COVID-19, and is now due to be finalised in 2022.

Fundraising

CMS has three sources of donation income to sustain its mission, without which CMS could not carry out its work. These are: Churches, Individuals and Trusts. The income from these sources is split 36 per cent Churches (2021: 36 per cent), 58 per cent Individuals (2021: 59 per cent) and 6 per cent Trusts (2021: 5 per cent). The Trustees are grateful for the faithful and committed support from them making CMS's work possible. We thank, inform and engage with our donors regularly, which we see as a key factor in retaining supporters. There is also income from legacies, kindly left to Church Mission Society by supporters in their will. This equates to between 15 and 30 per cent of our total income in any one year. The balance is from other income such as education fees and trading income. During the year CMS spent £709,000 (7.5 per cent of total income) on fundraising activity (2021: £733,000, 8.6 per cent) and the majority of this effort concentrated on raising support for CMS mission partners.

We are pleased to say that we are registered with the Fundraising Regulator and fully comply with the Fundraising Code of Practice. We have worked hard to ensure we protect and work in the interest of supporters who might be seen as vulnerable, through old age or illness, and have developed policy and procedures to ensure we continue to work in their best interest.

In 2021–22 we had a total of five complaints relating to our fundraising activity (2020–21: 6). We have appropriately resolved each one with the people raising the complaints and have made changes to our procedures where necessary.

Overall, given the schedule of fundraising activity in 2021–22, we consider this a very low level of complaint, as we have a mailing base of over 10,000 for our main publications and 6,000 for our fundraising appeals.

Use of Volunteers

Church Mission Society is a membership society and relies heavily on the voluntary support of its members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

Public Benefit

In compiling this report, Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. As "a community of people in mission obeying the call of God to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ", CMS works out its Public Benefit in a number of ways.

CMS believes the Christian faith is of benefit to society, and individuals, bringing a vision of transformation for peace and social harmony which grows from what Christians believe is God's ultimate purpose: to bring all things into unity and perfection in Jesus Christ. People are likely to become disciples of Jesus if Christians "live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love and prayerfully expect the Spirit's power to transform individuals, communities and whole nations". CMS seeks to demonstrate this benefit through its wide range of mission activities both in the UK and internationally as detailed throughout the Strategic Report.

Grants

As shown in the financial review and Note 13, grant expenditure makes up a significant amount of CMS expenditure. Project proposals received from partner organisations are subject to a formal approval process, which looks at issues such as the alignment, capacity and structure of the partner organisation. An agreed monitoring process is undertaken during the course of the partner spending the funds, and this includes reviews and evaluation of financial and narrative reports.

Risk Management Policy and Internal Control

The Trustees regularly review the internal and external risks facing CMS. A formal risk management process has been developed and the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have also considered the controls in place for these risks and have identified any necessary areas for action. This includes the regular review of CMS's financial position and internal control

environment. CMS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of senior management and Trustees. The financial reporting system compares results with these plans on a monthly basis.

Current risks and the corresponding mitigating controls are set out below, in no order of priority:

Income and costs

As a charity, CMS is dependent on the continuing financial support of its donors. Donation income was under budget in 2021–22, and the full impact of COVID-19 and the economic squeeze is still unknown and it may well have a significant impact on donation income in 2022–23. We have systems in place to be able to monitor income very closely throughout the year. Furthermore, we significantly reduced our cost base in 2021–22 where we could, in areas such as travel, conferences, festivals and more.

Pensions

CMS's defined benefit schemes are open to risks on their liabilities and assets as a result of changes in life expectancy, inflation, discount rates, future salary increases and the value of investments.

The impact of COVID-19 during 2020 did have a detrimental effect on the funding levels of the defined benefit schemes but this has since recovered in full. On the CMS scheme funding levels have remained consistent and above target during 2021–22 as a result of it being fully hedged to interest rate and inflation movements.

The impact of any negative movements in the pension scheme deficit is likely to result in increased payments from CMS. These schemes are now closed to new members and closed to future accrual. CMS works with the pension scheme Trustees, its investment managers and its own actuarial consultants to understand and mitigate these risks wherever possible.

COVID-19 Impact

The potential impact of COVID-19 on our operations, staff welfare and running CMS House was significant. The Crisis Management Team (CMT) was convened in 2020 and continued to meet regularly throughout 2021 to manage the crisis and respond to the rapidly changing government regulations. In 2021–22 the Health & Safety (HS) committee continued to meet weekly to monitor staff well-being (both in the UK and abroad), and to ensure CMS House was both safe for the reduced number of staff working there and compliant with government guidelines.

Reputation

Damage to reputation is a risk for any organisation and particularly important for a charity. One key area in this regard is safeguarding. The Board reviews and approves the CMS safeguarding policy every year and significant work has been undertaken on this during the year to ensure both our policy and practice continue to comply with the charity commission guidance on safeguarding. During 2021–22 CMS continued to increase the budget allocation to safeguarding given its strategic importance.

Critical Incidents

In response to the increasing awareness of the security issues faced by CMS, robust security procedures have been put in place, security training has been rolled out to relevant high-risk personnel and the CMT, with clear contingency plans for emergencies, has been put in place. During 2021–22 further training took place for both the SLT and Trustees.

Financial Review

The report and financial statements of Church Mission Society Group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

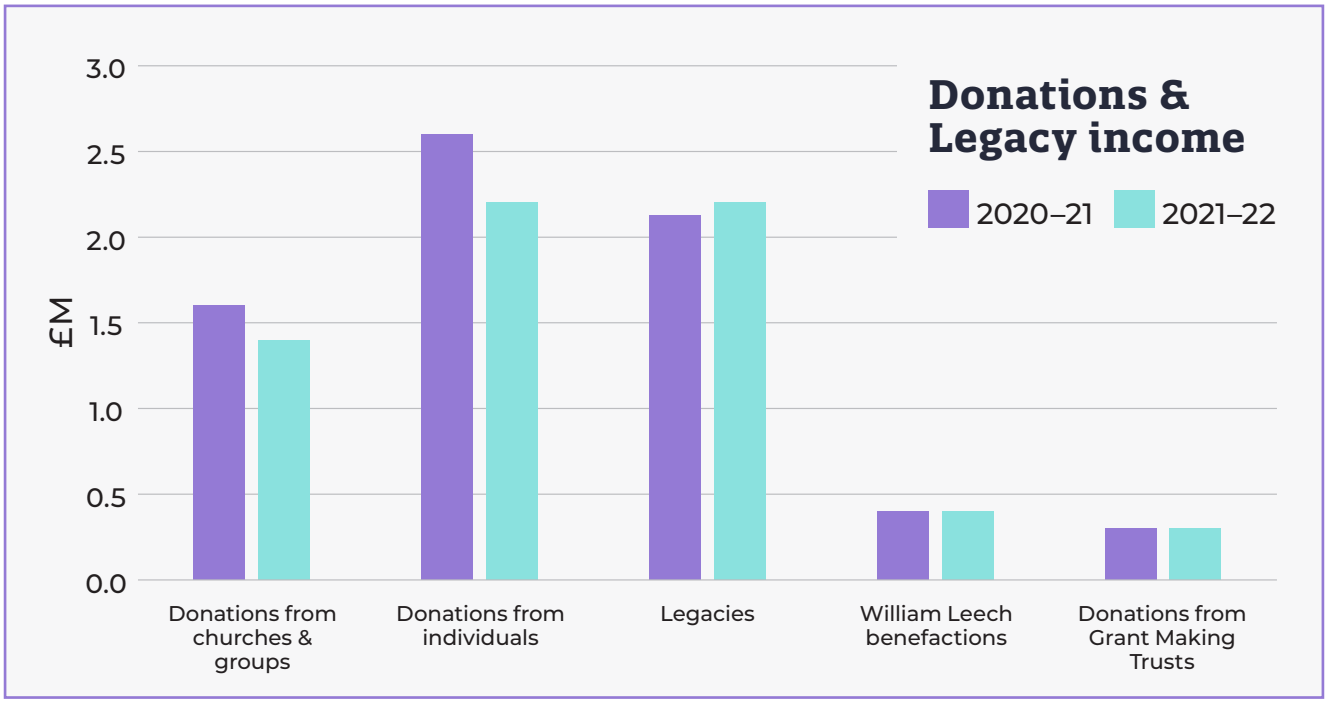
The financial context within which CMS operates continues to be challenging, and we are alert to the possible effect of rising inflation and a squeeze on household budgets on donors and their giving patterns. Fundraising in the charitable and mission agency sectors has been, and we suspect will continue to be, competitive. Although Group funds increased by £8m in the year from £21m to £29m, this is mostly the result of revaluations of pension schemes and fixed assets, plus property sales, with a decrease year on year in donations income.

The review below provides some more detailed analysis.

Income

Total income for the year was £9.4m (2021: £8.5m), an increase of £922,000 from the previous year. This is largely due to additional income from one-off property sales and increased investment income offsetting lower income from individuals.

Donations and legacy income (shown in the chart below) had included an exceptional urgent appeal for COVID-19 in 2020–21 – in 2021–22, without any urgent appeals, this income decreased by £435,000 to £6.5m (see Note 3). Donations from churches reduced by £159,000 in the year. This reduction in church income is partly as a result of a continued reduction in mission partner numbers during the year, but also reflects the negative impact of COVID-19 on the income of many churches supporting CMS, which reduced their ability to give to mission agencies such as CMS. Donations from trusts remain consistent with prior year. The results also clearly show the importance of legacy income within CMS, representing 24 per cent (2021: 25 per cent) of the overall income during this financial year. The Trustees are extremely thankful for the generosity of those who make legacy gifts – often following a lifetime of faithful, prayerful service to God including support of CMS's work. Such gifts are important for sustaining our efforts to follow Jesus to the edges. The Trustees are also grateful for the donations received from two William Leech charitable trusts.



Charitable Activity Expenditure

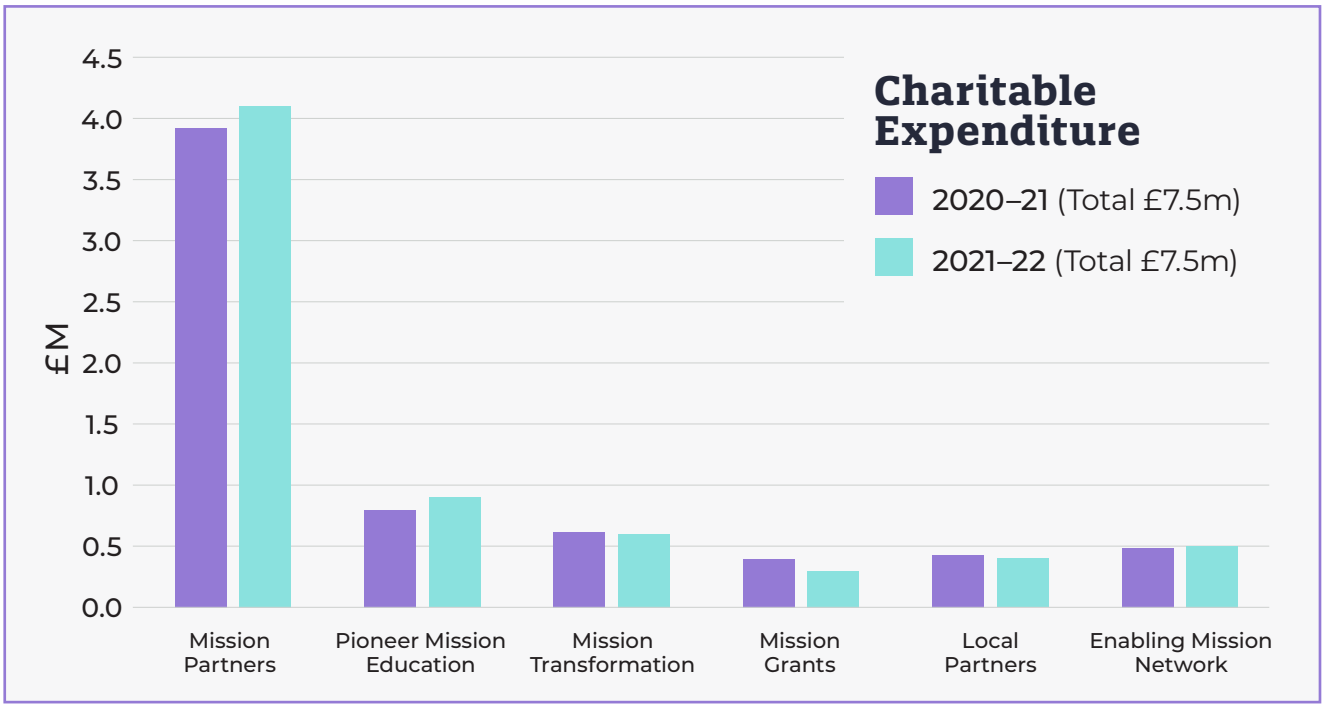
Total expenditure amounted to £7.5m (2021: £7.5m). Overall there has been a very small decrease of £19,000 in total expenditure. The chart below shows how this is spent across our areas of work.

The recruitment, training and support of mission partners is CMS's most significant area of operation comprising 55 per cent of total expenditure. The majority of this expenditure supports 110 long term mission partners working in a range of activities in 37 different countries. In addition CMS has a local partner programme, with total expenditure of £0.4m, which supports 75 local mission leaders around the world.

Mission grants expenditure totalled £0.2m on 32 projects that CMS supports around the world (see Note 13). Grants totalling £0.4m are also paid to CMS-Africa and Asia-CMS as part of CMS's Enabling Mission Network activity.

The other main areas of expenditure are the CMS Pioneer Mission Education work (£0.9m) and the Mission Transformation work (£0.6m). Expenditure within the pioneer mission education team relates to the recruitment and training of mission partners, and teaching and support of our students on the Pioneer Mission Leadership Training programme. This has primarily involved running the programme, online for most of this financial year, but it also includes the work being undertaken by CMS pioneer hubs. The Mission Transformation work involves resourcing and mobilising the church in the UK and the CMS community into mission. The work this year has included our communications team preparing to launch our new brand, which will help us to communicate our new vision for mission in the UK and around the world. The CMS community ran conferences in person and online, connecting supporters with people in mission. The Partnership for Missional Church process helped many churches reconnect with communities and the team have begun developing a hybrid model, whereby churches still have opportunities to meet together but with improved online connectivity.

The breakdown opposite shows the proportions spent on each activity.

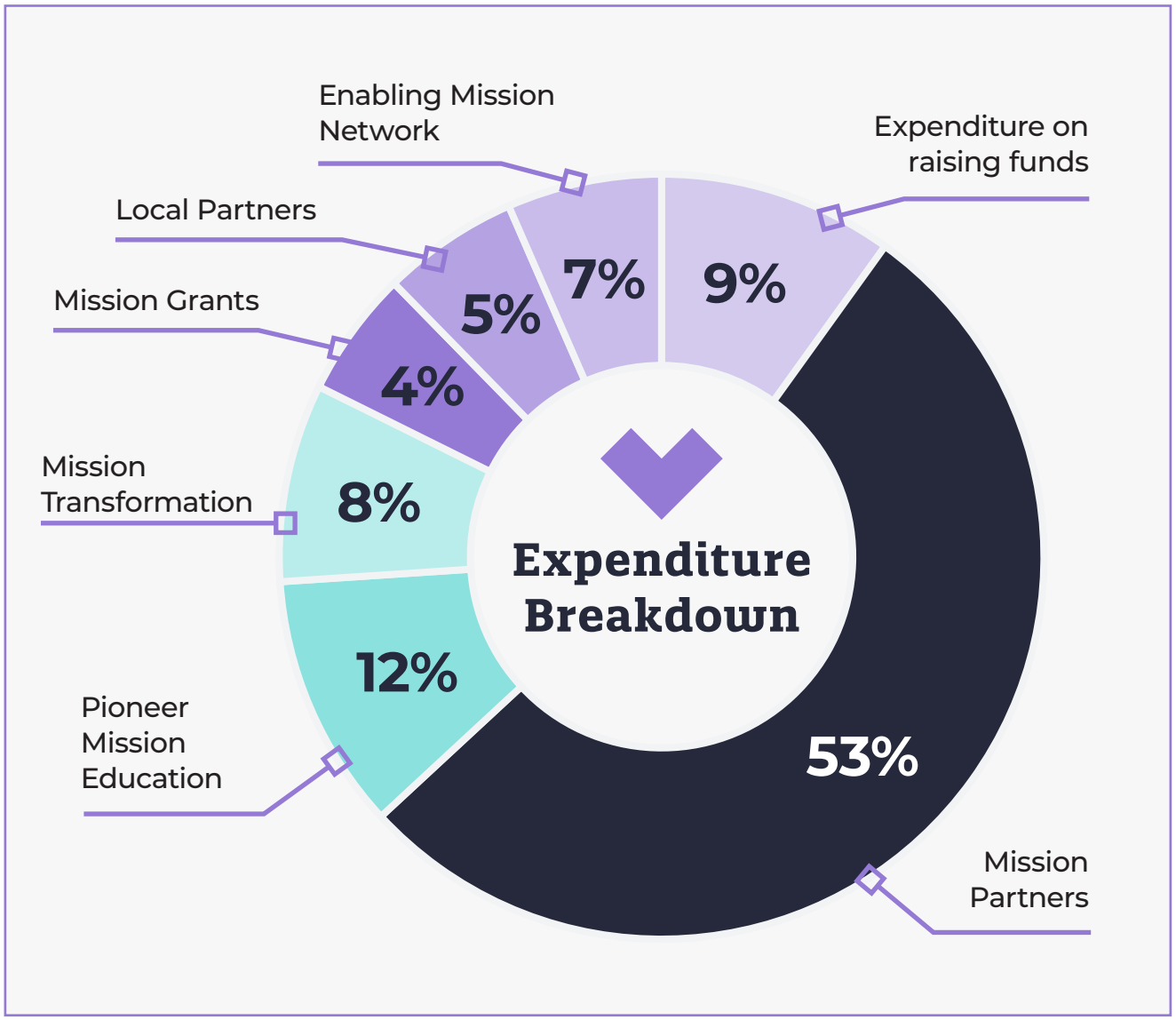


CMS Defined Benefit Pension Scheme

At the year-end the net liability recognised in the balance sheet relating to the CMS Pension Scheme (Defined Benefit Scheme) was £nil (2021: £6.6m net liability) as measured in accordance with FRS 102.

The FRS102 valuation initially resulted in a surplus of £1.55m which has been restricted to £nil as it is unlikely that CMS would be able to benefit from this.

The principal reasons for the improvement in the balance sheet position over the year was the decrease in liability due to changes in the financial and demographic assumptions. An increase in the discount rate due to a rise in corporate bond yields



and changes to mortality assumptions contributed to a £7.9m decrease in the present value of the Scheme's liabilities from £89.3m to £81.4m (see Note 25A). The value of the Scheme's assets rose by £0.3m from £82.7m to £83.0m as a result of market gains. The impact of this movement in net liability is shown as an actuarial gain of £6m in the charity's Statement of Financial Activities (SOFA).

The recovery plan is based on the triennial valuation of the Scheme as at 31 March 2019, which showed a deficit of £8.1m. This deficit is being paid off over a maximum of 14 years. Contributions in the year to 31 January 2022 totalled £1,108,000 (2021: £1,095,000) in accordance with the recovery plan. Full details of pension liabilities and the recovery plan can be found in Note 25. Core contributions made by CMS have increased to £519,000 this year and will increase by 2 per cent each year until 2035. In addition, CMS contributes £232,000 per year to the administration expenses of the scheme.

Church of England Defined Benefit Scheme

CMS Group has active members in the Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see Note 25B) and deferred members and pensioners previously employed by SAMS in the Church of England Defined Benefit Scheme (DBS) within the Church Workers Pension Fund (CWPF) (see Note 25C) which are both multi-employer schemes.

The Group is grateful for the contributions paid by the Archbishops' Council, which amounts to some £229,000 for 17 active members of the Clergy Scheme.

The latest actuarial valuation of the CWPF Scheme was that conducted in December 2019, and showed a deficit of £1.33m for the SAMS portion of the

Scheme. As a result a new recovery plan was agreed in December 2020, under which administration expenses of £17,500 will be paid per year and annual deficit payments of £182,533 will be paid for 7 years from 1 April 2021. The next actuarial valuation of the scheme is at 31 December 2022.

In accordance with FRS 102, SAMS includes a provision in the balance sheet for its obligations to make deficit payments as this is a multi-employer scheme. The provision for 2022 was £1.1m (2021: £1.5m).

Investment policy and review of investment performance

CMS manages its investments according to the CMS Statement of Investment Principles and the Trustees have authority to invest the monies of the Group, not immediately required, in such investments as they think fit. The Statement of Investment Principles includes details of CMS's socially responsible investment policy.

The Trustees have delegated the day-to-day management of the CMS investment portfolio to Cazenove Capital. The investment manager's delegated authority is operated in accordance with the CMS Statement of Investment Principles.

As at 31 January 2022, CMS had £4.3m (2021: £4.0m) of listed investments, £10.8m (2021: £11.9m) of unlisted investments and £25,000 (2021: £0.2m) of cash held within the investment portfolio. This total of £15.1m of investments includes £9.5m of endowed funds where the capital is not available to be spent. Further details of investments can be found in Note 17 of the financial statements. Income from the investment portfolio of CMS contributed to a total investment income of £1.7m in the Statement of Financial Activities (2021: £0.9m). Further details of the make up of this investment income can be found in Note 6 of the financial statements. The net loss on investments in 2021–22 was £1.1m (2021 gain of £1.8m). This was dominated by a decrease in market value of investments held by William Leech (Investments) Ltd alongside grants made in the year. During the year Cazenove Capital, who manage listed holdings, attended the Finance Committee to discuss the performance of CMS's listed investment portfolios, and the CMS Trustee representative on the Board of Directors of William Leech Investments participates in the review of performance of the investments managed by that entity.

Movement in funds

Taking CMS's funds in total, income exceeded expenditure by £0.84m during the year ended 31 January 2022. In addition there was an £0.83m gain on revaluation of fixed assets and an actuarial gain on the two Pension Schemes of £6.3m. The overall position was therefore a net increase in total reserves of £8m.

Reserves Policy and Financial Position Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2022–23 CMS holds unrestricted general funds (free reserves) for the following reasons:

- To contribute to the increase in pension repayments following the 31/3/2019 triennial valuation
- To allow for falls in our donation income as a result of the economic squeeze
- To act as a buffer while we move from a deficit operational budget to a break even one by 2024–5
- To allow for any unbudgeted costs, in particular relating to a mission partner emergency situation
- To fund any one-off costs or investments required from the Isaiah Project strategic work
- To fund capital expenditure in 2022–23, primarily on CMS properties

A separate calculation has been made against each of the above factors. The calculation assesses the specific risks and details the reserve required by working out the impact on reduced income or required increase in expenditure. For example, the capital expenditure reserve simply reflects the required expenditure on CMS properties and equipment for the upcoming year. These risks are specific to CMS and will change each year. As such the overall target is reviewed, adjusted and approved annually by the Trustees.

Based on these calculations, the 2022–23 overall free reserve target for CMS is £3.5m (2020–21: £3.6m). The free reserves at 31 January 2022 are £3.544m.

Endowment Funds

Included in the balance sheet are Endowment Funds totalling £9.5m, the capital of which is not available to be spent.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2022.

Designated Funds

During the year the Trustees have set aside funds from the General Fund for unrestricted tangible fixed assets to ensure the general reserves policy is not skewed by holding these funds (see Note 24).

Shares in William Leech (Investments) Limited purchased before 15 October 1996 are also included within the designated fund following receipt of legal advice confirming their status in June 2016.

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the Trustees is aware:

- there is no relevant audit information of which the company's auditor is unaware
- each of the Trustees has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

Auditors

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, including the strategic report on pages 3 to 24, was approved by the Board of Trustees on 23 June 2022 and signed on their behalf by:

Charles Clayton – Chair of Trustees

Independent Auditor's Report to the Members and the Trustees of Church Mission Society

The report and financial statements of Church Mission Society group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

Opinion

We have audited the financial statements of Church Mission Society ("the charitable company") and its subsidiaries ("the group") for the year ended 31 January 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2022 and of the group's income and receipts of endowments 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations, taxation legislation and General Data Protection Regulation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of legacy income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, agreeing a sample of income to supporting documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading
Date: 26 July 2022

Consolidated Statement of Financial Activities

FOR THE YEAR ENDED 31 JANUARY 2022

(Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds 2022 £'000	Restricted Funds 2022 £'000	Endowment Funds 2022 £'000	Total 2022 £'000	Unrestricted Funds 2021 £'000	Restricted Funds 2021 £'000	Endowment Funds 2021 £'000	Total 2021 £'000
Income and endowments from:									
Donations and legacies	3	2,289	3,999	231	**6,519**	2,998	3,731	225	**6,954**
Charitable activities	4	237	73	-	**310**	207	83	-	**290**
Other trading activities	5	172	-	-	**172**	150	-	-	**150**
Investments	6	1,677	50	-	**1,727**	861	52	-	**913**
Other	7	600	115	-	**715**	110	104	-	**214**
Total income		**4,975**	**4,237**	**231**	**9,443**	**4,326**	**3,970**	**225**	**8,521**
Expenditure on:									
Raising funds	9	624	69	16	**709**	670	46	17	**733**
Charitable activities									
Mission Partners	10	1,093	2,997	-	**4,090**	1,064	2,855	-	**3,919**
Pioneer Mission Education	10	798	66	-	**864**	720	120	-	**840**
Mission Transformation	10	465	97	-	**562**	501	142	-	**643**
Mission Grants	10	106	220	-	**326**	92	349	-	**441**
Local Partners	10	205	199	-	**404**	226	191	-	**417**
Enabling Mission Network	10	269	232	-	**501**	369	113	-	**482**
Total charitable expenditure		**2,936**	**3,811**	**-**	**6,747**	**2,972**	**3,770**	**-**	**6,742**
Total Expenditure	**10,11**	**3,560**	**3,880**	**16**	**7,456**	**3,642**	**3,816**	**-**	**7,475**
Net gains/(losses) on investments		**(440)**	**-**	**(705)**	**(1,145)**	**624**	**4**	**1,136**	**1,764**
Net income/ (expenditure)		**975**	**357**	**(490)**	**842**	**1,308**	**158**	**1,344**	**2,810**
Transfers between funds	24	6	(6)	-	**-**	(25)	25	-	**-**
Gains on revaluation of fixed assets		827	-	-	**827**	-	-	-	**-**
Actuarial gains/(losses) on defined benefit pension scheme	25	6,035	-	-	**6,035**	(3,330)	-	-	**(3,330)**
Other gains/(losses) on pension scheme deficit reduction provision	25	-	257	-	**257**	-	(56)	-	**(56)**
Net movement in funds		**7,843**	**608**	**(490)**	**7,961**	**(2,047)**	**127**	**1,344**	**(576)**
Total funds brought forward		**9,146**	**2,221**	**10,029**	**21,396**	**11,193**	**2,094**	**8,685**	**21,972**
Total funds carried forward		**16,989**	**2,829**	**9,539**	**29,357**	**9,146**	**2,221**	**10,029**	**21,396**

The accompanying notes are an integral part of this Statement of Financial Activities (SOFA). All gains and losses arising in the year relate to continuing activities.

Consolidated and Charity Balance Sheet

AS AT 31 JANUARY 2022

	Note	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed assets					
Tangible fixed assets	16a	6,733	6,920	6,733	6,920
Investments: Unrestricted		5,620	6,067	5,620	6,067
Investments: Restricted and Endowment		9,513	10,009	9,513	10,009
	17	15,133	16,076	15,133	16,076
		21,866	**22,996**	**21,866**	**22,996**
Current assets					
Property held for sale	16b	1,220	446	1,220	446
Stock		-	1	-	-
Debtors	19	468	793	450	799
Cash at bank and in hand		8,241	6,712	7,565	6,068
		9,929	7,952	9,235	7,313
Current liabilities					
Creditors: amounts falling due within one year	20	(1,372)	(1,419)	(1,334)	(1,447)
Net current assets		8,557	6,533	7,901	5,866
Total assets less current liabilities		30,423	29,529	29,767	28,862
Net assets excluding pension assets or liability		30,423	29,529	29,767	28,862
Defined benefit pension scheme (liability)	25	(1,066)	(8,133)	-	(6,629)
Net assets		29,357	21,396	29,767	22,233
The funds of the charity:					
Unrestricted: General fund	24	3,544	3,572	3,544	3,573
Unrestricted: Designated funds	24	13,445	12,203	13,445	12,203
Unrestricted: Pension deficit	24	-	(6,629)	-	(6,629)
Unrestricted funds		**16,989**	**9,146**	**16,989**	**9,147**
Restricted funds excluding pension deficit	24	3,895	3,725	3,239	3,057
Restricted pension deficit	24	(1,066)	(1,504)	-	-
Restricted funds		**2,829**	**2,221**	**3,239**	**3,057**
Endowment funds	**24**	**9,539**	**10,029**	**9,539**	**10,029**
	24	**29,357**	**21,396**	**29,767**	**22,233**

The accompanying notes are an integral part of this Balance Sheet. The financial statements on pages 29 to 64 were approved by the Board of Trustees and authorised for issue on 23 June 2022 and signed on their behalf by:

Charles Clayton – Chair of Trustees

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 JANUARY 2022

Reconciliation of net income to the net cash flow from operating activities

	2022 £'000	2021 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	842	2,810
Adjustments for:		
Investment income	(1,727)	(913)
Net losses/(gains) on investments	1,145	(1,764)
Depreciation charge	245	255
Decrease in stock	1	-
Decrease/(increase) in debtors	257	(67)
(Decrease)/increase in creditors	(47)	298
Decrease in pension scheme deficit reduction provision	(181)	(192)
Net charge for defined benefit pension scheme	(594)	(611)
Profit on disposal of freehold property	(498)	-
Profit on disposal of fixtures, fittings and equipment	-	(1)
Gift of shares	(6)	-
Net cash used in the Group's operating activities	**(563)**	**(185)**

Statement of cash flows

	Note	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash used in operating activities		**(563)**	**(185)**
Cash flows from investing activities:			
Dividends, interest and other income from investments		1,796	849
Purchase of assets held for sale		(270)	-
Purchase of tangible fixed assets		(62)	(44)
Proceeds from sale of freehold fixed assets and assets held for sale		824	-
Purchase of investments		(1,320)	(4,655)
Proceeds from sale of investments		1,124	4,459
Net cash provided by investing activities		**2,092**	**609**
Change in cash and cash equivalents in the year		**1,529**	**424**
Cash and cash equivalents at the beginning of the year	29	**6,712**	**6,288**
Cash and cash equivalents at the end of the year	29	**8,241**	**6,712**

Cash and cash equivalents comprises the amounts shown in the Balance Sheet as "Cash at bank and in hand", and includes £115,000 as at 31 January 2022 relating to cash held in an endowment fund (2021: £109,000).

Notes to the Financial Statements

AT 31 JANUARY 2022

1. Charity information

Church Mission Society is a registered charity in England and Wales (registered charity number 1131655), a registered company in England and Wales (registered number 6985330) limited by guarantee and is registered as a charity in Scotland (charity number SC047163). CMS does not have share capital and has approval to omit the word "Limited" from its name. The members of the company are the Trustees and others as defined in CMS's Articles of Association. In the event of CMS being wound up the liability in respect of the guarantee is limited to £1 per member.

Church Mission Society was incorporated on 8 August 2009 and registered as a charity on 16 September 2009. CMS was incorporated to effect the merger between The Church Mission Society Trust (registered charity number 1131655-1 England and Wales) and The South American Mission Society (registered charity number 221328 England and Wales).

The Church Mission Society Trust became a subsidiary of CMS under a scheme, agreed with the Charity Commission in 2010, enabling this to take place. The scheme involved a replacement of The Church Mission Society Trust's objects to mirror those of CMS, and all Trustees of The Church Mission Society Trust resigned and were replaced by CMS as corporate Trustee. As part of the scheme, the name of that charity was changed to The Church Mission Society Trust (formerly Church Mission Society) and a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

CMS is the sole corporate member of The South American Mission Society with the same group of Trustees common to both societies and accordingly The South American Mission Society (SAMS) is considered to be a subsidiary undertaking of CMS. Further information about CMS's subsidiary undertakings, including SAMS and CMS House Enterprises Ltd, is included in Note 27.

2. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments that are included at a current market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with the Statement of Recommended Practice "Accounting and Reporting by Charities applicable to charities preparing accounts in accordance with FRS 102" (effective 1 January 2015) and with the Companies Act 2006.

Church Mission Society constitutes a public benefit entity as defined by FRS 102.

Assessment of going concern

The Trustees have reviewed the financial position and forecasts of the charity as we emerge from the impact of COVID-19. There are uncertainties around donation income which still remain but the Trustees have reviewed both forecasts and different reserve scenarios showing that the level of unrestricted reserves combined with the ability to reduce expenditure where needed means they have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions and estimates were significant to the financial statements, are disclosed in Note 28.

Basis of consolidation

The consolidated financial statements of the CMS Group incorporate the financial statements of the Charity (CMS and The Church Mission Society Trust) and its subsidiary undertakings.

The Trustees have taken advantage of the exemption conferred by S408(3) of the Companies Act 2006 and accordingly present a consolidated Statement of Financial Activities only. In order to comply with the Charities SORP, the gross income and net incoming resources for the Charity are disclosed in Note 24.

Donations, legacies and other income

Income is recognised in the period in which the Charity has entitlement to the income, when it is probable that the income will be received and the amount of the income can also be measured reliably. Where income is received in advance of providing goods and services the income is deferred until CMS becomes entitled to the income.

Legacy gifts are recognised on a case by case basis following the grant of probate and when the entitlement to the legacy has been established, receipt is probable and amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Charity is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably quantified. Where legacies have been notified to the charity, or the charity is awaiting the grant of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. No value is included where the legacy is subject to a life interest held by another party.

Financial instruments

Church Mission Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value (including any transaction costs) and subsequently measured at their settlement value (which is also the amortised cost). Financial assets held at amortised cost include cash at bank and in hand and the group's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the group's long- and short-term creditors, excluding deferred income.

Investments and investment income

Investments are initially measured at cost. Listed investments are included at their open market value at the balance sheet date. All gains and losses on investments are taken to the Statement of Financial Activities, including the net gains and losses arising from disposals and revaluations in the year. The income from investments and short-term deposits is accounted for on an accruals basis.

The unlisted investment in William Leech (Investments) Limited is included in the financial statements as the Charity's share of the net asset value at 31 January 2022 (unaudited). The year-end of William Leech (Investments) Limited is 31 March 2022.

The social investment (mixed purpose) in Clean for Good Ltd is included in the financial statements as the Charity's share of the net asset value shown in that company's accounts at 31 January 2022. The year-end of Clean for Good Ltd is 31 March 2022. The investment is not justified wholly by either the financial return or by the contribution it makes to the Charity's aims but by the combination of the two.

Fund accounting and the allocation of income and expenditure by fund

Income and Expenditure are allocated to three categories of funds: Unrestricted Funds, Restricted Funds and Endowment Funds.

Unrestricted funds are available for use to further the Charity's general purposes and objectives. All income and expenditure associated with the general operation of the Charity has been accounted for within the unrestricted funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve is included within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the Trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area. Income and expenditure related to CMS's work in South America is shown within restricted funds. A pension reserve is included within restricted funds to reflect the pension liability.

The endowment funds represent assets which have the restriction that the revenue generated by holding the asset is available to spend but the capital itself cannot be spent. Income generated from endowment funds is applied to unrestricted or restricted funds as appropriate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. A liability is recognised when a legal or constructive commitment is entered into by the Charity and so a liability exists.

All expenses, including support costs and governance costs, are classified to the applicable expenditure headings in the Statement of Financial Activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Cost of raising funds comprises those costs incurred in seeking voluntary contributions and in the management of CMS investments.

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are costs associated with the strategic as opposed to the day-to-day management of the Charity's activities.

Support and governance costs are allocated across the categories of expenditure on charitable activities and the cost of raising funds. When it is necessary to apportion certain expenses between the different categories of resources expended, this is undertaken on bases which are considered appropriate. For example, in the case of salaries and pensions, these are apportioned on the basis of estimated time spent on these activities. The allocation model is reviewed and updated annually to ensure that the apportionments properly reflect the activities of the Charity.

Grants payable are recognised during the year in which the Charity enters into a binding commitment to make a grant and this is communicated to the recipient.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of financial activities with the relevant charitable activity expenditure for the period in which they occurred.

Stock

Stock is valued at the lower of cost and net realisable value.

Tangible fixed assets, depreciation and property held for sale

Tangible fixed assets are shown at their current net book value on an historical cost basis. Assets are capitalised where the value of the asset is greater than £500. The carrying values of tangible fixed assets are reviewed for impairment in the period in which events or changes in circumstances indicate that the carrying values may not be recoverable. Tangible fixed assets are grouped by category and depreciated on a straight-line basis over the following periods (see table below).

Included in Current Assets are two properties which the trustees are actively seeking to sell within the next 12 months. They are held at market value.

Freehold property	30–50 years	Furniture and office equipment	3–10 years
Leasehold property	shorter of 50 years and the period of the lease	Motor vehicles	4 years
Computer equipment	3–5 years		

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Pensions

The Charity (CMS) and one of its subsidiaries (The South American Mission Society) have members in defined benefit pension schemes, both employees and mission partners. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes).

Defined contribution schemes

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit scheme – CMS Pension Scheme

The CMS defined benefit pension scheme is funded, with the assets of the Scheme held separately from those of the Charity, in Trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the Scheme's liabilities. The resulting defined benefit asset or liability is presented after other net assets on the face of the balance sheet, unless a surplus is not recognised in accordance with FRS 102. The current service cost and net interest cost are allocated to relevant expenditure headings within the Statement of Financial Activities, unless the net interest is a credit in which case it is included in "Other income". The change in the value of assets and liabilities arising from asset valuation, actuarial assumptions and any surplus that is not considered recoverable is recognised within the "gains and losses" categories of the Statement of Financial Activities as "Actuarial gains and losses on defined benefit pension scheme".

Defined benefit schemes – multi-employer schemes

The South American Mission Society (SAMS) participates in the Church of England Defined Benefit Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF). The assets of the funds are held separately from those of the Society.

In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Charity and SAMS participate in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board, also known as the Clergy Pension Scheme, which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Charity and SAMS are unable to identify their share of the underlying assets and liabilities. No funding liability currently arises for the Charity and SAMS in respect of them.

Government Grants

Grants are accounted for under the performance model as permitted by the charity SORP. Coronavirus Job Retention Scheme (CJRS) grant income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

3. Donations and legacies

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Donations from churches and groups	158	1,255	-	**1,413**	172	1,400	-	**1,572**
Donations from individuals	762	1,461	-	**2,223**	785	1,815	-	**2,600**
Legacies	1,115	1,122	-	**2,237**	1,821	321	-	**2,142**
William Leech benefactions	174	-	231	**405**	170	-	225	**395**
Donations from grant making trusts	80	161	-	**241**	50	195	-	**245**
	2,289	**3,999**	**231**	**6,519**	**2,998**	**3,731**	**225**	**6,954**

Legacies of which CMS has been notified, but not recognised as income, are estimated at £797,000 (2021: £616,000).

William Leech Benefactions

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust). The income from the Foundation Trust is distributed in equal portions to CMS and four other charities. The income from the Charity Trust is distributed for charitable purposes at the discretion of the Trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. The Charity Trust reviews this policy each year.

Following a resolution of the Board of Directors of William Leech Foundation Limited on 15 October 1996, 57 per cent of the grants paid out to the five charities are made on the understanding that they are reinvested in shares in William Leech (Investments) Limited at par, and treated as an addition to the recipient charity's capital funds.

4. Income from charitable activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Pioneer Mission Education training	237	-	-	**237**	207	-	-	**207**
Partnership for Missional Church training	-	57	-	**57**	-	80	-	**80**
Events	-	16	-	**16**	-	3	-	**3**
	237	**73**	**-**	**310**	**207**	**83**	**-**	**290**

5. Income from other trading activities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Income from sale of books and resources	-	-	-	**-**	1	-	-	**1**
Income from property	161	-	-	**161**	141	-	-	**141**
Use of conference facilities	11	-	-	**11**	8	-	-	**8**
	172	**-**	**-**	**172**	**150**	**-**	**-**	**150**

6. Income from investments

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Income from William Leech (Investments) Limited	1,635	-	-	**1,635**	812	-	-	**812**
Investments listed on a recognised stock exchange	34	49	-	**83**	35	50	-	**85**
Interest on cash balances	8	1	-	**9**	14	2	-	**16**
	1,677	**50**	**-**	**1,727**	**861**	**52**	**-**	**913**

7. Other income

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Other income	93	110	-	**203**	44	88	-	**132**
Gain on disposal of freehold property	498	-	-	**498**	-	-	-	**-**
Gain on disposal of fixtures, fittings and equipment	-	-	-	**-**	1	-	-	**1**
Government grants	9	5	-	**14**	65	16	-	**81**
	600	**115**	**-**	**715**	**110**	**104**	**-**	**214**

The government grant income relates to the CJRS furlough scheme claimed from HMRC during the year. This included both staff members and mission partners.

8. Operating leases as a lessor

The charity receives rental income from leasing certain residential properties to tenants under non-cancellable operating leases and tenancy agreements. Income received under operating leases is included in the SOFA on a straight-line basis over the period of the lease. At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2022 £'000	2021 £'000
Not later than one year	78	83
Later than one year and not later than five years	34	41
Later than five years	13	17
	125	**141**

There are no contingent rents recognised as income.

9. Expenditure on raising funds

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Total 2021 £'000
Cost of generating voluntary income	586	69	-	655	672
Cost of activities for generating funds	25	-	-	25	31
Investment management costs	13	-	16	29	30
	624	**69**	**16**	**709**	**733**

10. Analysis of expenditure

	Direct	Grants	Support Costs	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Costs of generating voluntary income	395	-	260	655	672
Cost of activities for generating funds	25	-	-	25	31
Investment management costs	29	-	-	29	30
	449	**-**	**260**	**709**	**733**
Charitable activities					
Mission Partners	3,433	84	573	4,090	3,919
Pioneer Mission Education	623	-	241	864	840
Mission Transformation	337	-	225	562	643
Mission Grants	83	173	70	326	441
Local Partners	113	184	107	404	417
Enabling Mission Network	73	356	72	501	482
	4,662	**797**	**1,288**	**6,747**	**6,742**
Total Expenditure	**5,111**	**797**	**1,548**	**7,456**	**7,475**

11. Support costs by activity

	Finance and ICT	Personnel and Development	Facilities and Premises	Governance	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds						
Costs of generating voluntary income	198	-	55	7	260	282
Charitable activities						
Mission Partners	288	104	164	17	573	638
Pioneer Mission Education	74	36	131	-	241	249
Mission Transformation	69	43	109	4	225	225
Mission Grants	39	-	27	4	70	84
Local Partners	52	-	55	-	107	123
Enabling Mission Network	30	32	6	4	72	69
Total Support Costs	**750**	**215**	**547**	**36**	**1,548**	**1,670**

The support costs are allocated on the basis of an estimate of staff time spent, by each team, on each of the activities.

Governance costs relate to the audit fee of £36,000 (2021: £33,000) and included in Finance and ICT are non-audit fees of £1,000 (2021: £1,000). All fees are shown gross of VAT.

Depreciation of £245,000 (2021: £255,000) is included in support costs.

12. Obligations under operating leases

The group's future minimum lease payments on operating leases are as follows:

	2022	2021
	£'000	£'000
Within one year	3	3
In two to five years	-	2
After five years	-	-
	3	**5**

Operating lease charges in the year to 31 January 2022 were £3,000 (2021: £6,000).

13. Analysis of grants

By category of charitable expenditure	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2022	Total grants in year to 31 January 2021
	£'000	£'000	£'000	£'000
Mission Partners	31	53	84	78
Pioneer Mission Education	-	-	-	3
Mission Grants	157	16	173	217
Local Partners	176	8	184	176
Enabling Mission Network	356	-	356	362
	720	**77**	**797**	**836**

By geographical area	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2022	Total grants in year to 31 January 2021
	£'000	£'000	£'000	£'000
Africa	298	7	305	364
Asia	196	9	205	179
Europe, the Middle East and North Africa	126	9	135	135
Latin America	100	52	152	158
	720	**77**	**797**	**836**

Analysis of Grants to Institutions	Nature of grant	Country	Grants to Institutions
			£'000
Africa			
Buigiri School for the Blind	Mission grants for education and disability programmes	Tanzania	26
CMS-Africa	Local Partners	Africa	47
CMS-Africa	Capacity building grant	Africa	4
CMS-Africa	Enabling Mission Network	Africa	200
Other Institutions grants under £10k			21
Total			**298**

	Nature of grant	Country	Grants to Institutions £'000
Asia			
Asia-CMS	Enabling Mission Network	Asia	155
Asia-CMS	Local Partners	Asia	41
Total			**196**
Europe, the Middle East and North Africa			
Resurrection Church Beirut	Mission grants for community projects and local partners	Lebanon	29
Diocese of Jerusalem	Community projects	Israel	25
Nasr City Evangelical Church	Capacity grant and local partners	Egypt	25
Other Institutions grants under £10k			47
Total			**126**
Latin America			
Diocese of Northern Argentina	Mission grants for community projects and local partners	Argentina	23
Other Institutions grants under £10k			77
Total			**100**
Total Institutional Grants			**720**

14. Staff costs and other employee benefits

Staff costs	**2022 UK Staff**	**2022 Mission Partners**	**2022 Total**	**2021 Total**
	£'000	**£'000**	**£'000**	**£'000**
Salaries and allowances	1,978	1,544	3,522	3,609
Social security cost	193	30	223	219
Employer's pension contributions (Defined contribution)	411	250	661	693
Employer's pension contributions (Defined benefit)	-	85	85	91
Redundancy and relocation costs	37	-	37	-
	2,619	**1,909**	**4,528**	**4,612**

Two employees received emoluments of between £60,000 and £70,000 (2021: one employee).

The total amount of employee benefits received by key management personnel for their services during the year is £393,000 (2021: £385,000). The number of volunteers working for Church Mission Society is 30 (2021: 35). During the year total redundancy payments were £37,000 (2021: £nil). This related to the agreed redundancy costs relating to six staff members who left or were given notice of redundancy during the prior year.

Employees: The average monthly number of employees in the year is analysed by function below:

UK Staff	**2022**	**2021**
	Number	**Number**
Raising funds	12	14
Charitable activities	52	55
Governance of the charity	1	1
UK Staff	**65**	**70**
Mission Partners	100	108
	165	**178**

15. Trustees' expenses

	2022	**2021**
	£'000	**£'000**
Expenses incurred by Trustees and reimbursed by Church Mission Society	-	1
Trustees' indemnity insurance cover cost	7	4

The Trustees receive no remuneration for their services, but are reimbursed expenses in respect of travel and accommodation expenses for attending meetings. In 2021–22 two Trustees received expenses (2021: four). Charles Clayton (Chair of Trustees of CMS) also serves as a Director of CMS-Africa (Registered in Kenya). For more details of transactions with CMS-Africa, see Note 22. The aggregate value of donations made to Church Mission Society by Trustees who served as trustees during year to the general fund was £6,000 (2021: £4,000) and to restricted funds £2,000 (2021: £16,000).

16. Tangible fixed assets and property held for sale

Part A: Tangible fixed assets

The Group and Charity

	Freehold Property	Long Leasehold Property	Motor Vehicles	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 February 2021	8,307	267	24	1,464	10,062
Additions	-	-	-	62	62
Disposals	(5)	-	-	(49)	(54)
At 31 January 2022	**8,302**	**267**	**24**	**1,477**	**10,070**
Depreciation:					
At 1 February 2021	1,911	32	24	1,175	3,142
Charge for the year	173	6	-	66	245
Disposals	(1)	-	-	(49)	(50)
At 31 January 2022	**2,083**	**38**	**24**	**1,192**	**3,337**
Net Book Value:					
At 31 January 2021	**6,396**	**235**	**-**	**289**	**6,920**
At 31 January 2022	**6,219**	**229**	**-**	**285**	**6,733**

(a) Capital expenditure authorised and contracted but not yet incurred was £nil (2021: £nil).

(b) The net book value of long leasehold properties at 31 January 2022 includes two leasehold UK properties (2021: 2).

(c) The net book value of fixtures, fittings and office equipment comprises:

	2022	2021
	£'000	£'000
Fixtures and fittings	159	146
Office furniture	5	8
Computer hardware/software	120	133
Audio and other equipment	1	2
	285	**289**

Part B: Property held for sale

Included in Current Asset investments are two properties which the trustees are actively seeking to sell with a net book value of £1,220,000 (2021: three properties £446,000) within the next 12 months. The properties are valued at market value using external professional valuers. Two of the properties held for sale at 31 January 2021 were sold during the year in addition to one Freehold property. The total profit on sale of the three properties was £498,000 (see Note 7).

17. Investments

The Group and Charity

Analysis of Movement in Investments

	Listed	Unlisted	Social	Held as cash	2022	2021
Market Value:	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 February	3,952	11,938	23	163	16,076	14,116
Additions to investments	1,098	228	-	-	1,326	4,655
Proceeds from disposals	(986)	-	-	-	(986)	(4,383)
Net movement in cash held by investment manager	-	-	-	(138)	(138)	(76)
Net gain/(loss) on investments	216	(1,371)	10	-	(1,145)	1,764
At 31 January	**4,280**	**10,795**	**33**	**25**	**15,133**	**16,076**

Unlisted Investments (shown at market value)

	2022 £'000	2021 £'000
Unrestricted Funds		
Ordinary shares – William Leech (Investments) Ltd	3,807	4,347
	3,807	4,347
Endowment Funds		
Ordinary shares – William Leech (Investments) Ltd	6,988	7,591
	10,795	**11,938**

Investments – William Leech (Investments) Limited

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust, Note 3).

In accordance with the wishes of the Directors of the William Leech Foundation Limited, 57 per cent of the voluntary income received in 2021–22 has been invested in shares in William Leech (Investments) Limited. The historical cost of the investment and the reinvestment in respect of the year to 31 January 2022 was as follows:

	2022 £'000	2021 £'000
At historical cost:		
Balance at 1 February	6,994	6,774
Shares purchased at £1 each	228	220
Balance at 31 January	**7,222**	**6,994**

The Total Net Assets of William Leech (Investments) Limited at 31 January (unaudited) was £53.9m (2021: £59.7m) comprised of listed securities £46.5m, property £0.5m, other net assets £6.9m.

The Charity is one of five charities which each hold 20 per cent of the issued share capital of the company. CMS's share of the net assets is therefore £10.8m (2021: £11.9m). The Charity has a representative on the board of William Leech (Investments) Limited but this does not give the Charity the ability to control or exert significant influence over the company's day-to-day management or financial policies.

Church Mission Society received legal advice in June 2016 from Winckworth Sherwood that considered whether the shares in William Leech (Investments) Limited should be treated as part of unrestricted funds or endowment funds in the accounts of Church Mission Society. The legal advice received in June 2016 confirmed that the shares purchased after 15 October 1996 should be treated as an addition to capital (endowment funds) and also advised that shares purchased prior to 15 October 1996 could be treated as part of unrestricted funds. The Trustees of Church Mission Society accepted this legal advice in June 2016 and the financial statements continue to be prepared on this basis.

Social Investment (unlisted shown at market value)

	2022 £'000	2021 £'000
Unrestricted Funds		
Ordinary shares – Clean for Good Ltd at historical cost	30	30
Less: gain/(loss)	3	(7)
	33	**23**

CMS's current share is 31 per cent of the issued share capital of the company. The Charity has a representative on the board of Clean for Good Ltd.

Custodian funds

The Group also acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:

	2022 £'000	2021 £'000
Value at 31 January	5	5
	5	**5**

These funds are not part of the Group's net assets and are not included in the Group's financial statements. At the request of the Diocese of Uruguay they are deposited with CCLA who manage the Central Board of Finance of the Church of England Investment Funds.

18. Financial instruments

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity has the following financial instruments:

	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
Financial assets measured at fair value, through profit and loss				
Unlisted investments	10,828	11,938	10,828	11,938
Other investments	4,305	4,138	4,305	4,138
Financial assets measured at amortised cost				
Cash at bank and in hand	8,241	6,712	7,565	6,068
Amounts due from subsidiaries	-	-	12	8
Other receivables (excluding prepayments)	279	672	249	670
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	-	-	(17)	(85)
Other creditors due within one year (excluding tax and deferred income)	(1,185)	(1,221)	(1,148)	(1,182)

19. Debtors

	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
Trade debtors	46	104	38	103
Taxation recoverable	29	30	28	29
Amounts owed by group entities	-	-	12	8
Prepayments	189	121	189	121
Accrued income	117	497	96	497
Other debtors	87	41	87	41
	468	**793**	**450**	**799**

20. Creditors

Amounts falling due within one year

	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
Trade creditors	195	144	194	140
Amounts owed to group entities	-	-	17	85
Accruals for grants payable	313	292	313	292
Other accruals	175	288	165	280
Taxes and social security costs	132	110	114	92
Deferred income	55	88	55	88
Other creditors	502	497	476	470
	1,372	**1,419**	**1,334**	**1,447**

Included in "Other creditors" are pension contributions due to the CMS Defined Benefit Pension Scheme of £366,000 (2021: £328,000), pension and administration expenses due to the CWPF Defined Benefit Pension Scheme of £17,000 (2021: £19,000) and pension contributions due to the CWPF Pension Builder 2014 Defined Benefit Pension Scheme of £9,000 (2021: £8,000). In addition, there are pension contributions to the Group's other defined contributions pension schemes of £42,000 (2021: £65,000). All deferred income as at 31 January 2021 was recognised during the year ended 31 January 2022. Deferred income relates to amounts received in advance of entitlement.

21. Registered holder

The properties and investments of The Church Mission Society Trust are held in trust in the name of Church Missionary Trust Association Ltd.

22. Related party transactions

There have been no related party transactions that require disclosure other than transactions with the subsidiary companies, The South American Mission Society and CMS House Enterprises Limited, as set out below:

South American Mission Society (SAMS)

In 2021–22, SAMS charged the Charity (gift from parent entity) with £422,000 (2021: £497,000). This calculation pertains to the amount of restricted funds received by the Charity (Church Mission Society), but relating to mission partners employed by SAMS. Each year, the Charity transfers a gift to SAMS of restricted funds relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

CMS House Enterprises Ltd

In 2021–22 the Charity charged CMS House Enterprises Limited management fees totalling £2,000 (2021: £1,000). These are calculated as a percentage of external conference and catering services income.

In 2021–22 the Charity charged CMS House Enterprises Limited licence fees totalling £600 (2021: £200). These are calculated as a percentage of total conference and catering services room hire income.

In 2021–22 CMS House Enterprises Limited charged the Charity room hire fees totalling £5,000 (2021: £4,000). These fees are based on usage of rooms hired relating to courses run by the Pioneer Mission Education team.

CMS-Africa

Charles Clayton (CMS Chair of Trustees) was appointed Director of CMS-Africa (an independent organisation based in Nairobi, Kenya) in October 2015. During 2021–22 CMS paid CMS-Africa £266,000 (2020–21: £276,000). Included in the amounts paid is £210,000 (2020–21: £220,000) which relates to Mission Support funding, and the remainder is support for the local partner programme plus other grants. Mr Clayton is one of seven Directors.

23. Net assets by fund

The Group – 2022	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,522	211	-	6,733
Investments	5,620	89	9,424	15,133
Current assets	6,050	3,764	115	9,929
Less: Current liabilities	(1,203)	(169)	-	(1,372)
Less: Defined benefit pension liability	-	(1,066)	-	(1,066)
Net Assets 2022	**16,989**	**2,829**	**9,539**	**29,357**
Net Assets 2021	9,146	2,221	10,029	21,396

The Charity – 2022	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,522	211	-	6,733
Investments	5,620	89	9,424	15,133
Current assets	6,030	3,090	115	9,235
Less: Current liabilities	(1,183)	(151)	-	(1,334)
Less: Defined benefit pension liability	-	-	-	-
Net Assets 2022	**16,989**	**3,239**	**9,539**	**29,767**
Net Assets 2021	9,147	3,057	10,029	22,233

The Group – 2021	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,704	216	-	6,920
Investments	6,067	89	9,920	16,076
Current assets	4,254	3,589	109	7,952
Less: Current liabilities	(1,250)	(169)	-	(1,419)
Less: Defined benefit pension liability	(6,629)	(1,504)	-	(8,133)
Net Assets 2021	**9,146**	**2,221**	**10,029**	**21,396**
Net Assets 2020	11,193	2,094	8,685	21,972

The Charity – 2021	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,704	216	-	6,920
Investments	6,067	89	9,920	16,076
Current assets	4,312	2,892	109	7,313
Less: Current liabilities	(1,307)	(140)	-	(1,447)
Less: Defined benefit pension liability	(6,629)	-	-	(6,629)
Net Assets 2021	**9,147**	**3,057**	**10,029**	**22,233**
Net Assets 2020	11,193	3,016	8,685	22,894

24. Funds

Unrestricted Funds: Group

	At 1 February 2021	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,572	3,775	(2,797)	101	(1,107)	-	-	3,544
Tangible Fixed Asset fund (Designated)	7,150	-	(240)	-	5	827	-	7,742
William Leech Fund (Designated)	4,348	-	-	(541)	-	-	-	3,807
Pension Fund	705	1,200	(9)	-	-	-	-	1,896
Pension reserve	(6,629)	-	(514)	-	1,108	-	6,035	-
Unrestricted Funds	**9,146**	**4,975**	**(3,560)**	**(440)**	**6**	**827**	**6,035**	**16,989**

Unrestricted Funds: Charity

	At 1 February 2021	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	Revaluation of fixed assets	Actuarial Gain on Defined Pension Scheme	At 31 January 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,573	3,755	(2,778)	101	(1,107)	-	-	3,544
Tangible Fixed Asset fund (Designated)	7,150	-	(240)	-	5	827	-	7,742
William Leech Fund (Designated)	4,348	-	-	(541)	-	-	-	3,807
Pension Fund	705	1,200	(9)	-	-	-	-	1,896
Pension reserve	(6,629)	-	(514)	-	1,108	-	6,035	-
Unrestricted Funds	**9,147**	**4,955**	**(3,541)**	**(440)**	**6**	**827**	**6,035**	**16,989**

The Tangible Fixed Asset Fund represents the net book amount invested in tangible fixed assets (including property held for sale) other than those covered by restricted funds. The William Leech Fund reflects the element of the grants received from William Leech Foundation Limited prior to 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17). The Pension Fund relates to additional funds received from William Leech (Investments) Ltd, which will be utilised to reduce CMS group pension liabilities. The pension reserve relates to the movement in the defined benefit pension scheme (see Note 25).

Endowment Funds
The Group and Charity

	At 1 February 2021	Income	Expenditure	Net Gain/ (Loss) on Investments	Transfers	At 31 January 2022
	£'000	£'000	£'000	£'000	£'000	£'000
William Leech Capital Fund	7,704	231	-	(831)	-	7,104
P Fund	1,198	-	(8)	64	-	1,254
H B Aserappa Fund	615	-	(4)	33	-	644
R H Aserappa Fund	406	-	(3)	22	-	425
Christava Mahilalayam Fund	82	-	(1)	6	-	87
Bell Trust Fund	24	-	-	1	-	25
Total Endowment funds	**10,029**	**231**	**(16)**	**(705)**	**-**	**9,539**

The William Leech Capital Fund reflects the capital element of the grants received from William Leech Foundation Limited after 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The P Fund is a permanently endowed fund. The capital of the fund was amalgamated from a large number of small trust funds with Charity Commission approval in 1998. The total value of the P Fund is broken down into the following areas, defined by the restrictions placed on the income generated:

China	£167,000
India	£421,000
Medical work	£343,000
Palestine	£46,000
General reserves	£277,000
	£1,254,000

The H B Aserappa Fund is for evangelistic work in East Asia or other parts of the world at the Trustees' discretion. The R H Aserappa Fund is for salaries and disbursements to lay evangelists in Sri Lanka.

The Christava Mahilalayam Fund is held for the benefit of the Christava Mahilalayam School in South India.

The Bell Trust Fund is for the in-service training of Religious Education teachers in Africa.

Restricted Funds
The Group and Charity

	At 1 February 2021	Income	Expenditure	Transfers	Pension Deficit Provision	At 31 January 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Mission Personnel Funds	909	1,637	(1,932)	164	-	778
South America Funds – Charity	10	90	(111)	13	-	2
Latin America Projects	1,036	61	(28)	(5)	-	1,064
Africa Projects	131	487	(153)	4	-	469
Asia Projects	193	12	(23)	(1)	-	181
Europe & Middle East Projects	74	22	(72)	-	-	24
Multi Region Projects	73	522	(203)	(260)	-	132
St Julian's Fund	216	-	(5)	-	-	211
Marc Nikkel Fund	4	-	-	(4)	-	-
Tanzania Education Fund	86	1	(29)	-	-	58
H B Aserappa Income Fund	-	13	(13)	-	-	-
R H Aserappa Income Fund	25	8	-	-	-	33
Christava Mahilalayam Income	16	2	-	-	-	18
Partnership for Missional Church	42	64	(71)	-	-	35
Mid-Africa Fund	49	339	(349)	(10)	-	29
Strategic Mission Fund	47	-	-	(5)	-	42
Local Partner Fund	-	73	(194)	121	-	-
Other restricted funds	146	166	(126)	(23)	-	163
Total restricted funds – Charity	**3,057**	**3,497**	**(3,309)**	**(6)**	**-**	**3,239**
South America Funds – Group	668	740	(564)	(188)	-	656
South America Funds – Pension reserve (see Note 25C)	(1,504)	-	(7)	188	257	(1,066)
South America Total	(836)	740	(571)	-	257	(410)
Total restricted funds – Group	**2,221**	**4,237**	**(3,880)**	**(6)**	**257**	**2,829**

Mission Personnel Funds are held as individual restricted funds for the support of CMS mission partners.

The South America Funds – Charity funds include reserves held by Church Mission Society which are used to support work in South America.

The regional project funds represent various small projects where the beneficiaries of the grants are based in a specific region or cover multiple regions. Donations and other income are received with a restriction to support these projects.

The St Julian's Fund represents the property held by CMS for the former residents of the St Julian's Community. This fund is restricted for the time that the properties are required by the residents, after which time the properties will revert to the general fund.

The Marc Nikkel Fund is for scholarships for Sudanese students.

The Tanzania Education Fund is for the Buigiri School for the Blind, Diocese of Tanganyika, Tanzania.

The accumulated income from the H B Aserappa Fund, the R H Aserappa Fund, the Christava Mahilalayam Fund is held for the same beneficial objects as for their corresponding endowments.

Partnership for Missional Church relates to a partnership to deliver training for dioceses in the UK.

The Mid-Africa Fund is held by CMS for work in the Mid-Africa region.

The Strategic Mission Fund was set up following a restricted donation from a major donor for new strategic work to be carried out.

The Local Partner Fund is to support a new generation of gifted and dedicated leaders who are passionate about serving their church in some of the world's financially poorest nations.

Other restricted funds represent a wide variety of small restricted funds, held and separately accounted for, for some of the current projects that CMS is involved in. Some fund transfers in the year relate to transfers from unrestricted funds to finance deficits on restricted funds, in particular mission personnel restricted funds. Other transfers relate to the movement from programme funds to help support individual mission partners and projects.

The South America Funds – Group funds include reserves held by The South American Mission Society which are used to support mission partners in Latin America.

25. Retirement benefits

The Charity (CMS) and one of its subsidiaries (South American Mission Society) have members in the following defined benefit pension schemes:

A. CMS Pension Scheme (a defined benefit scheme)

B. Church of England Funded Pensions Scheme (a multi-employer defined benefit pension scheme)

C. Church Workers Pension Fund (CWPF) Defined Benefit section (a multi-employer defined benefit pension scheme)

D. Church Workers Pension Fund (CWPF) – Pension Builder Scheme section (a multi-employer defined benefit pension scheme).

The net defined benefit pension liability shown in the Group and Charity Balance Sheets comprises:

	2022 Group £'000	2021 Group £'000	2022 Charity £'000	2021 Charity £'000
CMS Pension Scheme (see Note 25A below)	-	(6,629)	-	(6,629)
Multi-Employer Defined Benefit Pension Scheme – CWPF Defined Benefit section – Pension Scheme Deficit Reduction Provision (see Note 25C)	(1,066)	(1,504)	-	-
	(1,066)	**(8,133)**	**-**	**(6,629)**

For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes), as explained in Note 25E below.

A. Defined Benefit Schemes – CMS Pension Scheme (Group and Charity)

The Charity contributes to the CMS Pension Scheme, a defined benefit pension scheme, to secure present and future pensions for certain current and former mission partners and staff. CMS Ireland, an independent charity, also funds pensions for its current and former mission partners and staff, but these amount to only some 3 per cent of the scheme's total liabilities.

Nature of the Scheme

The Church Mission Society Pension Scheme operated by the Society is a funded defined benefit arrangement which provides retirement benefits based on final pensionable salary. The Scheme closed to the future accrual of benefits with effect from 30 June 2011. Accrued benefits of active members continue to be linked to pensionable salaries.

The Scheme is a UK registered scheme in accordance with Section 153 of the Finance Act 2004. The Scheme must comply with UK pensions legislation and is regulated by the UK Pensions Regulator. The Scheme is governed by a corporate Trustee, CMS Pension Trust Limited, which has six directors including two member-nominated directors, elected by the membership, and two independent directors, appointed by CMS. The remaining two directors are also appointed by CMS but represent the employer's interests. The Trustee is responsible for the administration of the Scheme and for the Scheme's investment policy. The Trustee, with the advice of the Scheme Actuary and with the agreement of the employers, determines the contributions that are paid to the Scheme.

The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 31 January 2022.

Funding Policy

Following the cessation of accrual of benefits with effect from 30 June 2011, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation. The funding method employed to calculate the value of previously accrued benefits is the Attained Age Method.

The financial statements have used the actuarial valuation of the Scheme at 31 March 2019. This indicated that the Scheme had a deficit. The Society and the Trustee of the Scheme have put in place a Schedule of Contributions and a Recovery Plan which detail the contributions that will be made to fund this deficit. These contributions are:

- core deficit contributions of £42,500 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 February to 31 January) exceeds £1,032,000, 50 per cent of the excess will be paid to the Scheme.
- an additional amount dependent upon the amount of unrestricted windfall income received from William Leech (Investments) Ltd (WLI). Church Mission Society will pay to the Scheme 50 per cent of any windfall income received.
- if any of the six properties, which are owned by Church Mission Society but do not form part of the contingent asset arrangement, are sold, with the consent of the Trustee required for the sale to be made, an additional contribution equal to 50 per cent of the net proceeds of the sale would be paid to the Scheme.
- additional contributions of £19,300 per month from 1 April 2020 in respect of the Scheme's administration expenses.

By Church Mission Society Ireland:

- core deficit contributions of £1,650 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 November to 31 October) exceeds €160,000, 15 per cent of the excess will be paid to the Scheme, subject to a maximum additional contribution of €5,000 in any one year.
- additional contributions of £700 per month from 1 April 2020 in respect of the Scheme's administration expenses.

The Charity contributed £1,108,000 to the Scheme in respect of the year to 31 January 2022 (2021: £1,095,000).

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

Scheme Amendments

There have been no amendments to the Scheme during the year and no special events have occurred.

Amounts recognised in the balance sheet	2022 £'000	2021 £'000
Fair value of scheme assets	82,968	82,649
Present value of funded obligations	(81,417)	(89,278)
Surplus/(deficit) in scheme	**1,551**	**(6,629)**
Unrecognised asset – restriction of Scheme surplus (in accordance with FRS 102)	(1,551)	-
Net defined benefit (liability) recognised in the balance sheet	**-**	**(6,629)**

Amounts charged to the Statement of Financial Activities	2022 £'000	2021 £'000
Interest on scheme assets	1,138	1,333
Interest cost on obligation	(1,226)	(1,394)
Net interest on net defined benefit asset or liability	**(88)**	**(61)**
Past service costs	-	(9)
Pension scheme administration expenses	(426)	(414)
Included in net income/(expenditure)	**(514)**	**(484)**
Return on scheme assets (not included in interest)	1,927	3,742
Experience (loss)/gain on liabilities	(175)	-
Actuarial gain/(loss) on scheme obligation	5,834	(7,072)
Loss/(gain) from change in effect of asset ceiling	(1,551)	-
Recognised in "Actuarial gains/(losses) on defined benefit pension scheme"	**6,035**	**(3,330)**
Total amounts recognised in the SOFA	**6,035**	**(3,330)**

There are no current service costs of the Scheme included within the SOFA (2021: £nil).

Changes in fair value of scheme assets	2022 £'000	2021 £'000
Scheme assets at the beginning of the year	82,649	79,266
Interest on assets	1,138	1,333
Return on scheme assets (not included in interest)	1,927	3,742
Contributions by CMS	1,108	1,095
Contributions by CMS Ireland	26	24
Administration expenses	(426)	(414)
Benefits paid	(3,454)	(2,397)
Scheme assets at the end of the year	**82,968**	**82,649**
Actual return on scheme assets	**3,065**	**5,075**

Scheme Assets

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	2022 %	2021 %
Diversified growth funds	19	51
Bonds	14	13
Synthetic global market exposure	14	-
Private market funds	11	-
Cash and NCA	2	12
Liability driven investments	40	24

Changes in present value of the Scheme's defined benefit obligation	2022 £'000	2021 £'000
Obligation at the beginning of the year	89,278	83,176
Interest cost on obligation	1,226	1,394
Actuarial loss/(gain)	(5,808)	7,072
Past service cost	-	9
Experience gain on liabilities	175	-
Contributions by scheme participants	-	24
Benefits paid	(3,454)	(2,397)
Defined benefit obligation at the end of the year	**81,417**	**89,278**

The weighted average duration of the liabilities of the Scheme was 15 years as at 31 January 2022 and 17 years at 31 January 2021.

Principal Actuarial Assumptions at the balance sheet date used for the FRS 102 disclosures

The principal assumptions used by the actuary to calculate the Employee benefit obligation for Church Mission Society in respect for the CMS Pension Scheme were as follows:

	2022 %pa	2021 %pa
Discount Rate at end of year	2.25	1.40
Discount Rate at start of year	1.40	1.70
Inflation – CPI	2.85	2.15
Inflation – RPI	3.55	2.95
Rate of increase in pensionable salaries	2.85	2.15
Rate of increase in pensions in respect of service:		
- pre 10 January 1994	3.70	3.45
- between 10 January 1994 and 5 April 2005	3.40	2.85
- after 5 April 2005	2.35	2.15
Rate of increase in deferred pensions in respect of service:		
- before 1 April 1994	5.00	5.00
- between 1 April 1994 and 5 April 2009	2.85	2.15
- after 5 April 2009	2.50	2.15

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 87 if they are male and on average until age 90 if female. For a member currently aged 55 the assumptions are that if they attain an age of 65 they will live on average until age 88 if they are male and on average until 88 if female.

B. Defined Benefit Schemes – Church of England Funded Pensions Scheme (Group and Charity)

In addition to the CMS Pension scheme the Group has 17 active members of the Church of England Funded Pension Scheme (also known as the Clergy Scheme), which has approximately 8,000 active members. Contributions for these members of the Scheme are paid for by the Archbishops' Council on behalf of the Group, so the expense recognised in the SOFA is £nil (2021: £nil). Employer's contributions to this scheme amounting to some £229,000 are funded by the Archbishops' Council in accordance with the Pensions Measure 1997, under a grant which the national church undertook to make to meet the pension costs of clergy employed by qualifying mission agencies belonging then to the Partnership in World Mission.

C. Multi-Employer Defined Benefit Pension Scheme – Church Workers Pension Fund Defined Benefit section (Group)

The Group through South American Mission Society participates in the Defined Benefit Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

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

It is not possible to attribute the Scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such 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: £17,000, 2021: £16,000), plus any impact of deficit contributions (see below) giving a total net credit in the year ended 31 January 2022 of £230,000 (2021: net charge of £94,000).

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

A valuation of the DBS is carried out once every three years, and the most recent scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m.

Following the valuation, the Employer has entered into an agreement with the CWPF to pay expenses of £17,500 per year.

From 1 April 2021 a new annual deficit payment of £182,533 has been agreed and is payable until 31 March 2028 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments are recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	2022 £'000	2021 £'000
Balance sheet liability at 1 February	1,504	1,640
Deficit contribution paid	(188)	(214)
Interest cost (recognised in SOFA)	7	22
Remaining change to the balance sheet liability (recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	(257)	56
Balance sheet liability at 31 January	**1,066**	**1,504**

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following discount rates, set by reference to the duration of the deficit recovery payments.

	2022 %pa	2021 %pa
Discount Rate at end of year	1.50	0.50
Discount Rate at start of year	0.50	1.40

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

The next valuation of the Scheme will be carried out as at 31 December 2022.

D. Multi-Employer Defined Benefit Scheme – Church Workers Pension Fund – Pension Builder Scheme section (Group)

The Group through South American Mission Society also participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2022 are contributions payable of £85,000 (2021: £95,000).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. For the Pension Builder Classic section, the valuation revealed a deficit of £4.7m on the assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation as at 31 December 2019 revealed a surplus of £5.5m on a technical provisions basis. The legal structure of the scheme is such that if another employer fails, SAMS could become responsible for paying a share of that employer's pension liabilities.

During the 2017–18 year, following consultation with our scheme members it was decided to transfer all members from the Pension Builder Classic section to the Pension Builder 2014.

The next valuation of the Pension Builder Classic and 2014 schemes will be carried out as at 31 December 2022.

E. Defined Contribution Schemes (Group and Charity)

The Charity contributes to personal money purchase pension schemes (defined contribution schemes) for certain employees and mission partners.

	2022 £'000	2021 £'000
Staff and Mission Partners	660	693
	660	**693**

26. Secured assets

CMS House, the Mission and Community House in Oxford and two other residential properties have been pledged as security to the CMS Defined Benefit Pension Scheme. These properties are being used as security to guarantee the Charity's funding shortfall to the CMS Defined Benefit Pension Scheme.

27. Subsidiary undertakings

Charity

As outlined in Note 1, The Church Mission Society Trust became a subsidiary of CMS under a scheme agreed with the Charity Commission in 2010. CMS is a corporate trustee of The Church Mission Society Trust. As part of the scheme, a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

Principal Subsidiaries at 31 January 2022

a) The South American Mission Society

Name	Principal Activities	Ownership
The South American Mission Society (RCN: 221328 and Co. No.:00065048)	To be a community of people in mission obeying the call of God, to proclaim the gospel in all places with particular emphasis on Latin America and to draw all people into fellowship with the Lord Jesus Christ.	100%

b) CMS House Enterprises Ltd

Name	Principal Activities	Ownership
CMS House Enterprises Ltd (Co. No.: 09376700)	Income from room hire of CMS House and book sales.	100% – £1 share capital

Summary of results for the 12 months to 31 January

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Total income	9,106	740	19	(422)	9,443	8,521
Total expenditure	(7,292)	(571)	(15)	422	(7,456)	(7,475)
(Losses)/gain on investments	(1,145)	-	-	-	(1,145)	1,764
Revaluation of fixed assets	827	-	-	-	827	-
Actuarial gains/(losses) on defined benefit scheme	-	257	-	-	257	(56)
Other gains/(losses) on pension scheme deficit reduction provision	6,035	-	-	-	6,035	(3,330)
Net movement in funds	**7,531**	**426**	**4**	**-**	**7,961**	**(576)**

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Total fixed assets	21,866	-	-	-	21,866	22,996
Current assets	9,235	707	15	(28)	9,929	7,952
Current liabilities	(1,334)	(51)	(15)	28	(1,372)	(1,419)
Defined benefit pension scheme asset/(liability)	-	(1,066)	-	-	(1,066)	(8,133)
Net assets/(liabilities)	**29,767**	**(410)**	**-**	**-**	**29,357**	**21,396**

Consolidation adjustments

The SAMS adjustment in the funds movement relates to transfer of restricted funds relating to mission partners where the income is received by CMS (parent charity) (see Note 22) and the costs are paid out of SAMS (subsidiary charity) which is the legal employer. CMS bears all other SAMS overheads without charge, apart from the SAMS governance cost.

The registered office of The Church Mission Society Trust, The South American Mission Society and CMS House Enterprises Ltd is CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ.

Other subsidiaries at 31 January 2022

In addition to the above principal subsidiaries, the following entities are also part of the CMS group but are not consolidated due to materiality.

Name	Percentage Holding	Registered Office
Church Missionary Trust Association Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
CMS Pension Trust Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
World Mission Association Ltd	50	5 Trinity Street, London, SE1 1DB

28. Accounting estimates and judgements

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations and financial position. Accounting policies are shown in Note 2 to the financial statements.

Pension liabilities – CMS Pension Scheme

CMS has recognised its liability to its defined benefit pension scheme which involves a number of estimations, as disclosed in Note 25.

Unlisted investments

As outlined in Note 2, the unlisted investments in William Leech (Investments) Limited and Clean for Good Ltd are valued as the share of the net assets at 31 January 2022 (unaudited accounts) based on the information provided by these entities.

Cost allocation

Costs not attributable to a single activity are allocated or apportioned to activities on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised relate to the proportion of time spent by staff across different activities and judgement is exercised in applying cost drivers to cost categories.

Pension liabilities – multi-employer defined benefit pension schemes

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as the CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with Section 28 of FRS

102. The Trustees are satisfied that the CWPF meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained in Note 25, there is a deficit reduction plan in relation to SAMS's membership of the Defined Benefit section of the CWPF.

29. Change in movement in net funds

	At 1 February 2021	Cash flow	At 31 January 2022
	£'000	£'000	£'000
Cash at bank and in hand	6,712	1,529	8,241
Cash held with investment manager	163	(138)	25
Net Cash	**6,875**	**1,391**	**8,266**

Cash held with investment manager is included within Investments (see Note 17).

Reference details of the Charity and Advisers

Principal Address

Church Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Principal Professional Advisers

Bankers

Barclays Bank PLC
Public Sector – Charities
Level 12
1 Churchill Place
London
E14 5HP

Auditors

Crowe U.K. LLP
Aquis House
Reading
Berkshire
RG1 1PL

Principal Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment Managers

Cazenove Capital
12 Moorgate
London
EC2R 6DA

With Jesus
With each other
To the edges

CHURCH MISSION SOCIETY

Church Mission Society
Watlington Road,
Oxford, OX4 6BZ

+44 (0)1865 787400
info@churchmissionsociety.org
churchmissionsociety.org

Connect with us on

Church Mission Society is a mission community acknowledged by the Church of England, Registered Company No. 6985330 and Registered Charity No. 1131655 (England and Wales) and SC047163 (Scotland). Also part of CMS: The South American Mission Society, Registered Company No. 65048 and Registered Charity No. 221328 (England and Wales); The Church Mission Society Trust, Registered Charity No. 1131655-1 (previously 220297). Registered and principal offices of all above entities: Watlington Road, Oxford, OX4 6BZ.

CHURCH MISSION SOCIETY

England & Wales - Charity number 1131655

Accounts

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 January 2021

CHURCH MISSION SOCIETY

The call in action

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Church Mission Society – Group
Registered company limited by guarantee in England and Wales (Company no. 6985330)
Registered charity no. 1131655 (England and Wales)
Registered charity no. SC047163 (Scotland)

ANNUAL REPORT

CHAIR OF TRUSTEES' REPORT

CHARLES CLAYTON

Some new words and phrases have dominated our collective vocabularies in 2020: "Zoom", "lockdown", "social distancing", "You're on mute!"

Yet my favourite phrase remains "thank you" and I want to say this especially to our friends, colleagues, volunteers and supporters who make our mission possible. Their help in the last year has been highly significant, enabling us to stay strong and active despite all the constraints and challenges of the pandemic. Church Mission Society has been blessed and strengthened by all the donations, time and prayers invested in this work.

We have been intentionally agile in order to respond to a huge variety of needs around the world as well as those of people in mission and staff. It was remarkable to watch everyone leap into action: from our ICT team quickly arranging for everyone to work remotely, including making it possible to conduct Pioneer Mission Leadership Training online (and with even more students!), to our international mission team working around the clock to provide much-needed support for people in mission, to seeing Asia-CMS and CMS-Africa rework their priorities to serve the immediate needs of thousands of people in locally relevant ways.

In the following pages, you'll read about some of the wonderful, imaginative ways God allowed our mission partners, local partners, pioneers and PMC church participants to be a faithful presence and witness to his love. We referred to these efforts as "Mission Unscripted" – when plans change, when people have to adjust – God is still at work.

> "Church Mission Society has been blessed and strengthened by all the donations, time and prayers invested"

One area where we didn't have to change too much initially was in communications. At the start of 2020 we had already produced a free Lament for Lent devotional resource and it proved particularly prescient, with hundreds of people choosing to use it and share their struggles via our online Lamentspace.

One of the quotes in Lament for Lent came from ++Christophe Munzihirwa (Archbishop of Bukavu, 1994–96): "There are things that can be seen only with eyes that have cried." There have been many tears shed this year due to COVID-19, the horrific explosion in Lebanon and racial injustice. These cannot help but affect us, our perspectives, our actions.

Yet, on the other side of lament is hope. We gained hope this year from our supporters' incredible generosity to help us keep going in God's mission, as the numbers show in this report. In January we said goodbye to our much loved director of international mission, Paul Thaxter, but we are grateful that mission pioneer Andy Roberts will soon step into the role. We also have hope as we begin to implement the plans outlined in the Isaiah Project, our recent in-depth strategic review.

So while this was a year of sudden shifts, changed plans and unexpected challenges, it was also a year in which CMS was able to look at new possibilities, thanks to the steadfast faithfulness of God, our supporters, our staff and our people in mission. On behalf of all at CMS, I am immensely grateful.

ANNUAL REPORT

THE STRATEGIC REPORT OF THE CMS TRUSTEES

The Trustees of Church Mission Society, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited consolidated financial statements for the year ended 31 January 2021.

OBJECTIVES AND ACTIVITIES

What do we want to see?
Our Vision

Our vision is to see all God's people engaged in God's mission, bringing challenge, change, hope and freedom to the world.

As we join in God's mission, through Jesus and in the power of the Spirit we see that:

- The love of Christ renews people and places
- Pioneering leaders forge new paths of transformation
- People on the margins flourish
- The healing of creation begins

Who are we?
Our Identity

We are a community of people set free to follow God's call in mission.

As a community it is God's mission that is our passion. Our common commitment is:

- To participate in mission
- To learn from mission
- To pray for mission

What are our values?

We are people who are:

- Pioneering: we try new things, ask questions, cross boundaries
- Evangelistic: we share Jesus in word and action
- Relational: we get alongside people, becoming a genuine part of the communities where we find ourselves
- Faithful: where others have left or given up, we remain committed for the long haul

As a mission community God calls us to be such people. We commit ourselves to live by these values.

What do we do?

Our Call

At Church Mission Society we believe that all God's people are called to join in God's mission, whether that means going overseas or over the road, and we work to set people free to put that call into action.

Put simply, we spend most of our time getting people into mission and mission into people.

Strategically we deliver our purpose in three ways:

- Raising disciples in mission
- Partnering churches in mission
- Maximising our effectiveness in mission

ACHIEVEMENTS AND PERFORMANCE

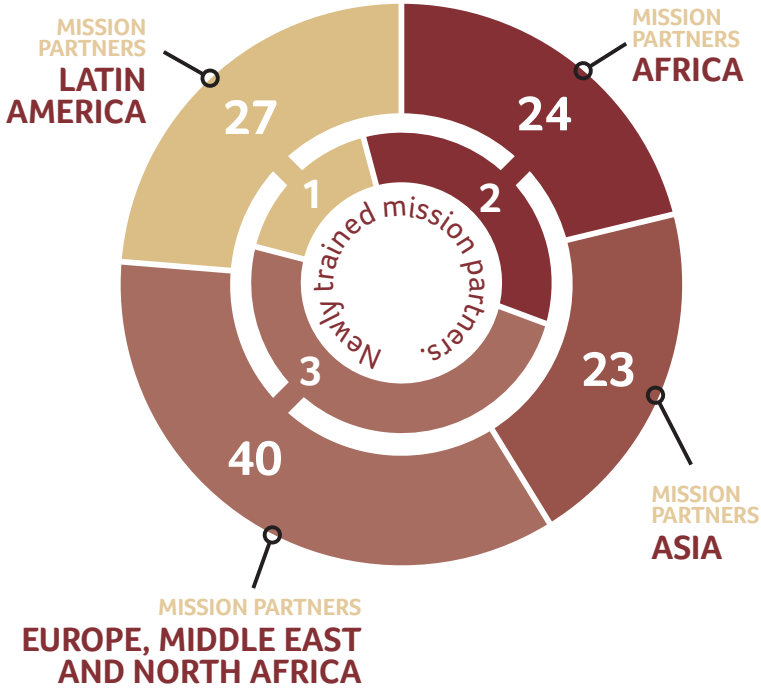
The following stories illustrate some of the achievements in each of CMS's areas of activity and celebrate both the impact for individual beneficiaries and the wider benefits for society as a whole.

To achieve our mission, we work through the following six mission activities:

- **Mission Partners:** Our mission partners are members of the community who feel called to serve alongside local Christians in other cultures, wherever in the world that may take them.
- **Pioneer Mission Education:** Wherever in the world the mission of Jesus takes place, the church needs pioneer mission leaders to break new ground. This fresh and innovative training programme currently offers certification up to doctoral level and is particularly for those working in pioneering contexts.
- **Mission Transformation:** We believe in every member of the Church being involved in the mission of Jesus. With many of the 2,908 CMS community members living in the UK, we are concerned for mission locally, as well as in the rest of the world.
- **Mission Grants:** Grants provide seed money and ongoing financial support for key projects and ministries.
- **Local Partners:** Local partners are gifted, passionate Christian leaders in Asia, Africa, Latin America, Europe, North Africa and the Middle East. We give vital financial support towards the ministry of these leaders.
- **Enabling Mission Network:** CMS is committed to seeing indigenous CMS missions established globally – enabling local mission leaders to follow God's leading. This network includes CMS-Africa, Asia-CMS, New Zealand CMS, CMS Ireland, CMS Australia and SAMS-USA.

MISSION PARTNERS

In a challenging year, CMS mission partners adapted and continued to share the love of Jesus in 37 countries. Our international mission team worked tirelessly to find the right way forward for each of our mission partners depending on their context.



While some people needed to travel to the UK, and others were on home leave and unable to return to context when planned, many mission partners remained in their usual place of service and adapted to local restrictions and needs. Some continued their normal work (including those running food banks seeing a huge increase in demand), while others adapted to changed circumstances. Mission partners made PPE (either for local health workers or to sell), changed from in-person activities to providing food supplies and educational and Bible teaching materials to families at home, or adapted teaching and support to work online.

In each of the regions where CMS works, regular prayer gatherings and extra support networks were quickly set up using Zoom and WhatsApp. An unexpected bonus was that mission partners were also able to join online times of prayer and worship, and well-being sessions, with UK-based staff.

Ahead of lockdown in March 2020, six mission partners in training were able to complete their course. Although travel was disrupted, by autumn they were all able to head out and take the next steps in their mission journey, in Paraguay, Uganda and Middle East/North Africa.

Sadly gap year students were unable to travel in 2020, but 84 mission associates and eight short-termers continued to serve. Mission associates in Malawi were able to help get an oxygenator in place in the hospital where they work.

Mission partner recruitment continued – with an online selection conference and two couples beginning their mission journey during lockdown. They started training with CMS online from January 2021.

BREAD OF LIFE IN BOLIVIA

Mission partners Andrew and Lisa Peart, with their daughters Liliana and Anayah and lodger Daniela, live in Santa Cruz, Bolivia.

Normally, Andrew and Lisa would be taking their daughters to school. Lisa would be teaching English to parents at the school and involved in church community through running the Alpha Course and planning things like Messy Church. Andrew would be out working with local microfinance businesses. Liliana and Anayah would be busy with school and extracurricular activities. Daniela, who is Bolivian, had started her own bread business with Andrew and Lisa's help. She was also working at a local orphanage.

In March 2020, Bolivia went into lockdown. Adults were only allowed out one morning a week to buy food, while children were not allowed out at all. Most businesses and shops closed. Because Bolivia's economy depends on people working day to day, the impact of lockdown on people's income was immediate. In Andrew and Lisa's neighbourhood, families pulled together. Many donated food for those in need.

Daniela was quarantined at the orphanage, so couldn't continue baking. Andrew and Lisa (with tips from Daniela!) made use of the flour they had and their outdoor bread ovens to bake rolls and share them with neighbours. Sometimes people came to them, they delivered on their days out and they added to food parcels for distribution. Andrew and Lisa baked about 100 bread rolls three times a week, packaging their rolls with Bible verses and inviting prayer requests.

Through simple bread rolls, God made new roads for Andrew and Lisa into the heart of the neighbourhood.

PIONEER MISSION EDUCATION

This year we celebrated the 10th anniversary of Pioneer Mission Leadership Training at Church Mission Society. Since 2010, over 500 students have trained with CMS, from those studying for individual modules, certificate or diploma qualifications, to more experienced leaders completing postgraduate degree courses and preparing for ordination as pioneer ministers in the Church of England.

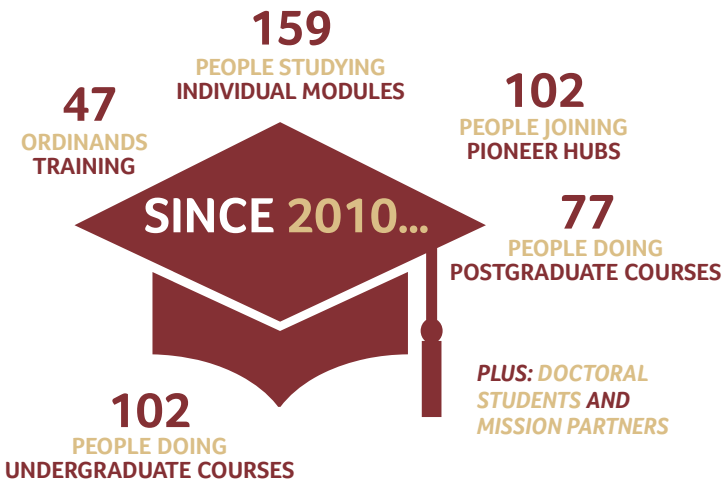
Before lockdown, over 100 people gathered at CMS to explore the power of art in relation to mission, community and pioneering at our annual conversations day. And we rejoiced with one of our pioneer students as five people were baptised at a boxing church community in Essex.

Soon afterwards, the main challenge for the pioneer team was shifting online. One benefit from this was an increased geographical reach, and more people than ever before joined for individual modules, with participants from as far afield as Lebanon and Lima, as well as around the UK.

Pioneer students also responded to lockdown in their contexts. From online events developing connections in the classic car community, to chalking captions about trees onto pavements to help people to enjoy their daily exercise, pioneers won awards for lockdown initiatives.

In the summer, the first cohort at Holy Rumpus! in Bath and Wells diocese graduated. Later in the year 23 students graduated on Zoom from the Oxford centre. Theologian Steve Bevans congratulated the graduates, saying they had participated in "one of the most interesting and creative programmes of theological education in the world".

Despite the disruption caused by the pandemic, a record 92 students are studying this year in Oxford, including the highest ever intake on the MA course and the largest intake of ordinands yet.



We also saw the first cohort of trainees come together at the Northern Mission Centre in collaboration with the Diocese of Carlisle, with 18 students from the north of England and Scotland. In January 2021 the fifth regional hub delivering the CMS certificate in pioneer mission, in St Albans diocese, held its first teaching.

CMS continues to publish the Anvil journal of theology and mission, and this year, in response to increased attention to issues of racial justice, we invited guest editors to curate a special issue to examine the "Faultlines in mission: reflections on race and colonialism".

CELEBRATING 10 YEARS OF PIONEERS

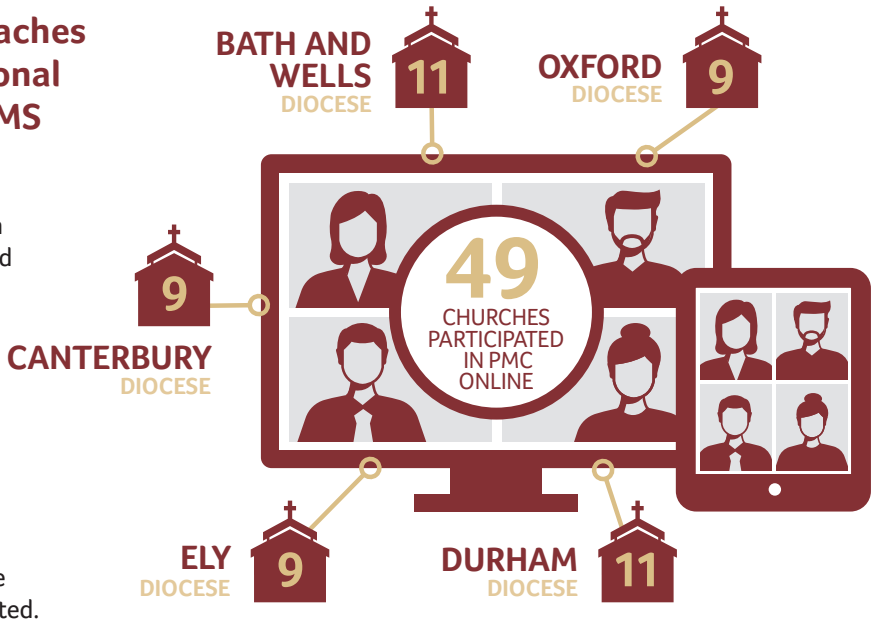
From humble beginnings on 28 September 2010, when nine students travelled to Oxford to embark on the first Pioneer Mission Leadership Training course, the programme has grown to include training hubs in the dioceses of London, Chelmsford, Carlisle, Bath & Wells and St Albans as well as Oxford. Further afield an international training hub exists in South Korea.

Research shows that when they finish their course, the majority of pioneer students go on to innovate new initiatives or add increased imagination to existing mission programmes. Pioneer mission leaders who trained with CMS have birthed a wide variety of imaginative mission ideas such as Clean for Good, an ethical cleaning company, Sacred Bean, a coffee roasting business that actively involves ex-offenders and recovering addicts, a craft beer business, as well as projects for people recovering from addiction, new housing developments and people working in youth and children's ministry.

One graduate in this tenth anniversary year said, "My time with CMS was like being part of a family. You prepared me well to go out and build God's kingdom in a radical and exciting way and because of that I am able to support new and existing pioneers in my curacy."

MISSION TRANSFORMATION

Lockdown meant new approaches for the Partnership for Missional Church (PMC) process and CMS community events.



In February 2020, before lockdowns were on the radar, Church Mission Society introduced a Lament for Lent booklet. Even before coronavirus changed our lives, the subject had struck a chord: more than a thousand people ordered copies by Ash Wednesday. As coronavirus crashed in, CMS launched Lamentspace, a space for people to share their grief on the CMS website and social media channels.

As the year progressed, stories of people in mission responding to the pandemic were shared under the banner of Mission Unscripted. And as summer turned into autumn, we launched a season of thinking about mission as Imagination in Action, inspired by Imagining Mission, a book by Cathy Ross and Jonny Baker delving into the writings of our former general secretary John V Taylor.

The Partnership for Missional Church journey brings clusters of churches together as they experiment in local missional engagement – difficult when meeting was restricted. The team rose to the challenge and continued supporting churches. They made use of online conferencing and scheduling tools to keep clusters connected and able to share ideas and materials, and ran shorter but more frequent events online. These included meetings to reflect on practices that enable adaptive change in this time of pandemic and beyond. We were encouraged to see that PMC churches were particularly well placed to respond to needs arising through the pandemic.

The PMC team have also been working hard to create a new approach allowing churches to participate in the process online, making it possible for congregations to try PMC even if there isn't a cluster starting in their diocese. We were grateful for a grant from the Garfield Weston Foundation to support the work of PMC through this period.

The CMS community, unable to hold the usual conferences and forum events, hosted both the Adelante (Latin America-themed) and Africa conferences online in the autumn and saw increased engagement, including more people in mission in those regions than would normally be possible.

IT TAKES A VILLAGE TO RESPOND TO COVID-19

Helen, a community worker at a church in Oxford diocese participating in the PMC journey, shared how it affected her response to COVID-19:

Our church is at the point in the PMC journey where we're starting to experiment, by partnering with others in the community. When the government announced lockdown, I had a real prompting from God that I was to coordinate a neighbourhood support group to assist those who were elderly, vulnerable or isolated within our community. It started with a post on Facebook, asking if anyone would be interested in helping. The response was phenomenal! I observed so clearly God's heart of love and sacrifice in the words and actions of those who replied and served. The PMC journey has really opened our eyes to noticing the character of God in others, welcoming them and truly valuing the gifts that God has placed within them.

Many people have said "I think it's great that the church is doing this!", even though I hadn't intentionally mentioned the church or God. Several of our Street Reps asked for prayer and have popped into our Facebook Live Sunday services.

God is present among us... and he is most definitely at work!

MISSION GRANTS

We again received grants to support a range of work areas. In particular, this year we were pleased to be able to offer support in the aftermath of the tragic explosion in Beirut, to bring hope and help to some of those affected.

CMS has been committed to the people of Lebanon for many years. It was heartbreaking to see the devastation and human tragedy of the explosion in Beirut in August 2020 on top of what Lebanon was already facing: political and economic fragility, 1.5 million Syrian refugees, high levels of unemployment, infrastructure challenges like refuse collection breaking down and hospitals filling up with coronavirus patients.

Our mission partners in the area were well placed to engage immediately in the response with local churches. As Audrey and Colin Gibson and Phil and Sylvie Good were already connected to church distribution networks, they had access to some of the most vulnerable local people, to food supplies and temporary accommodation.

In the immediate aftermath, Audrey and Colin did what they could to join in the clean-up operation. They explained: "Outside of the port area, nearly all the work was being done by volunteers with almost no official coordination. Churches, other faith groups and multiple NGOs were doing what they could – from sweeping up glass to handing out food. Colin and I went down to help too. [The scene] was truly appalling. As well as practical support some of the team offered to pray with people and were giving out audio Bibles to those who wanted them."

CMS had channels to get funds to local partner organisations, particularly Resurrection Church Beirut (RCB) who were able to raise further funds supported by mission partner Phil Good. RCB volunteer teams were cleaning up houses, clearing the streets and handing out food and drink to the many volunteers and workers helping with the clear-up operation.

Their first priority was to make sure that those who lost their homes had a place to stay until their homes were cleaned and restored. Second, teams assessed the damage and carried out repairs, be that to windows,

CMS mission partners offered help immediately following the Beirut blast

doors and cupboards or to electricity and water systems. The church also helped with food packages and hygiene items. RCB set up a team of counsellors providing trauma counselling.

In the months up to November, RCB were able to help more than 2,000 families in different ways with various needs:

- 1,120 families received monthly food parcels
- 1,120 families received women's hygiene products
- 250 children received nappies
- 175 homes/buildings renovated
- 250 patients treated medically

They shared this story of the impact such help can make beyond relief work:

"A member of our church visited Samira, a lady in her 70s, a few months after the initial trauma. The church member left two gifts with her – a grocery voucher to the local supermarket and a copy of God's Word. Samira told her, 'We've had a number of people visit us and they came and left with nothing but your visit is the first time we feel we have real and tangible support.' During the visit, Samira was so touched that she insisted the church member meet her neighbour – a single, unemployed woman in need of help too. Now Samira and her neighbour are virtually attending church online each week."

Resurrection Church Beirut helped in the immediate aftermath of the Lebanon explosion

LOCAL PARTNERS

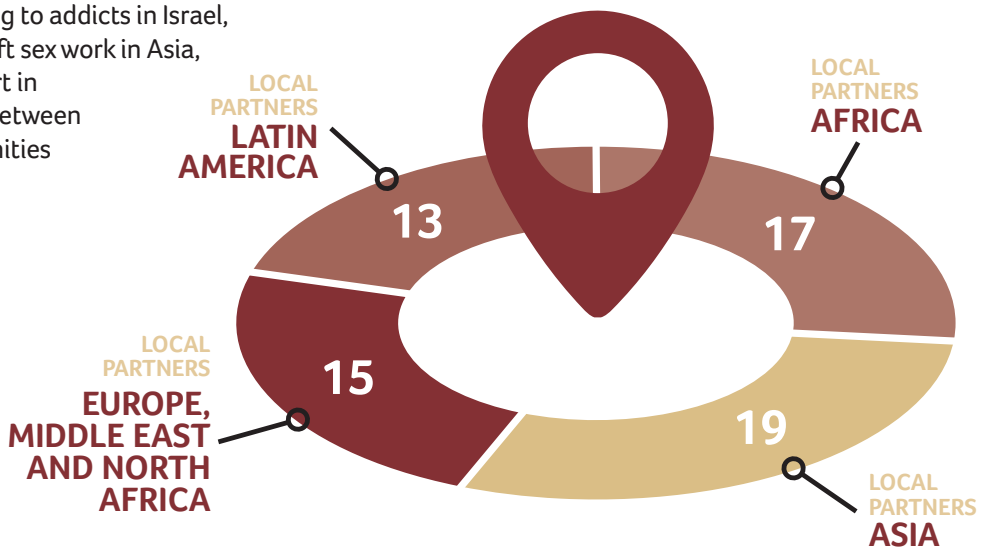
We continue to have the privilege of working with 64 local partners around the world, seeing these local mission leaders bring transformation in their contexts.

Local partners found themselves facing huge needs in a vast array of contexts – with many encountering significant challenges on top of the pandemic, including conflict, locust swarms, economic hardships and political turmoil. Many, particularly in Africa and Asia, shifted temporarily towards relief work to meet some of the immediate needs of people affected by lockdowns.

The work carried out by local partners included engaging spiritual seekers (increasingly through use of digital media), outreach and discipleship in Latin America and Europe, ministering to addicts in Israel, supporting women who have left sex work in Asia, providing mental health support in Uruguay and building bridges between indigenous and Latino communities in the Paraguayan Chaco.

South Sudanese refugees in Uganda were encouraged by audio recorders with holistic transformational messages distributed by one local partner, and Syrian refugee children began learning in a new building through the work of local partners and mission partners in Lebanon. A local partner in Spain heard of lives changed through his daily audio messages sharing Bible verses, reflections and prayers with nearly 400 subscribers – many listeners got in touch from Spain and the Americas.

CMS-Africa local partners continued to deliver training to communities, and were encouraged to see participants who had completed Financial Freedom for Families training in DR Congo better placed to face the economic challenges of the pandemic.



DAILY INSPIRATION: FAITH VITAMINS

CMS local partner's five-minute audio messages with the good news of Jesus are "like water in the desert" to grateful listeners.

When lockdown happened, churches around the world had to think differently about how to reach people with the message of Jesus. Noel Diaz is a CMS local partner leading a church in Zaragoza, Spain. Wanting to revitalise the church and evangelise the wider community, Noel and others from his church hit upon the idea of Faith Vitamins: audio messages around five minutes long, each including a Bible verse, reflection and prayer.

These short messages could connect people with the church and help them to engage with God without risk of infection. Noel and others started preparing and distributing three messages a week. Soon enough, signups started flooding in.

With close to 400 subscriptions through WhatsApp, email and Telegram, they decided to up their content to six messages a week. Noel and the team receive testimonies and thanks every day. They have attracted Spanish-speaking listeners from the Americas too.

A woman from another city phoned to share her story. She had previously tried to end her life several times (and kept her struggles from her family) but when she came out of hospital, she saw a Facebook post about Faith Vitamins and signed up. As she listened, God began to help her. When she spoke to Noel, she had been honest with her family, sought professional help and linked up with a church. Her life has changed completely, and it all started with listening to an audio reflection.

ENABLING MISSION NETWORK

The CMS mission network is made up of CMS, New Zealand CMS, CMS Australia, CMS Ireland, Asia-CMS, CMS-Africa and SAMS USA. This is a group of organisations committed to mission, and in particular to raising up local leaders in mission and investing in mission from everywhere to everywhere.

Over the last year we have seen continued collaboration across the network. CMS in the UK has been seeking to increase our alignment with Asia-CMS and CMS-Africa in particular, working closely with them as we continue our strategic review process and look to the future.

All parts of the mission network responded to the changing context of COVID-19 in different ways, depending on the needs in their area. Asia-CMS initially focused on immediate relief – getting aid and food necessities to the poor and to those most impacted by the lockdowns through partnerships on the ground. In October, the network came together online over three days – with Alastair Bateman and Paul Thaxter attending from CMS. They considered the impact of COVID-19 on mission, the indigenisation of mission and security in mission.

Paul Thaxter

One significant change in the network at the end of the financial year was the departure of Paul Thaxter as director of international mission at CMS. Paul was a much-valued member of the network, and played a key role in helping to establish Asia-CMS and CMS-Africa. The network looks forward to welcoming Andy Roberts (CMS mission partner and founder of ReVive International) as he takes up the role of director of international mission later in 2021.

RELIEF FOR THE CHILDREN AND FAMILIES IN INDIA

In India, Asia-CMS worked with an organisation called Sahayak to get food to 100 migrant labourer families – and the community's children helped lead this effort.

When a sudden, total lockdown was announced, many migrant workers panicked; with no chance for income, some felt they had no choice but to return (on foot) to their distant home villages. Hearing there was no cure for the coronavirus added to the alarm. Sahayak works mainly with migrant labourer children and women as they are often the most in need. Asia-CMS's offer to partner in food distribution came at just the right time, as food was becoming scarce and families had nowhere to turn.

"The Sahayak kids were instrumental in identifying and helping struggling families come one by one to pick up food packets," Sharon from Sahayak reported. The team distributed food parcels in three phases to avoid crowds gathering. The care packages consisted of flour, rice, lentils, cooking oil, salt and antiseptic soap. Sharon said, "It was heart-warming to see everyone coming together as a team to reach out and help."

One mother shared how she, along with her three kids, had walked for days to reach the Uttar Pradesh border only to be forced to turn back. She was worried about how to provide for her children. When one of the Sahayak boys told her about the food packages, she felt her prayers were answered.

More than 1,500 households across 10 countries in Asia – "people living in fear, displaced, hungry and hopeless" – have received food and other emergency relief items, thanks to generous supporters and Asia-CMS staff's determination to move quickly to provide for the most vulnerable communities. Suzane from Asia-CMS said, "[People's] prayers and support have helped us walk alongside our partners who had the opportunity to be the face of Jesus to so many who don't know him."

CMS STRATEGIC PRIORITIES

2020–21 saw significant delivery on the Organisational Strategic Plan.

WHAT WE SAID WE WOULD DO	PROGRESS MADE ON 2020–21 PRIORITIES
Strategic Direction: While we are responding to present needs around us, we are also looking to the future. We embarked on a strategic review in 2019, soon after the arrival of Alastair Bateman. The review has been named the Isaiah Project and has already involved consultation with staff across the globe and had much input from our global partners. The aim of the review is to emerge with a greater clarity and focus for the work of CMS and a deep conviction of the call that God has placed on our lives at CMS for this generation.	**We have developed our theory of change, articulated our key mission principles, looked at global trends, reviewed all of our existing programmes and activities, and consulted widely with strategic partners.** This has led to the discernment of a new vision to be released in 2021–22. We have reflected on the framework for CMS's contribution in the world as an organisation and as part of a network and movement. We are now discerning the mission focus we are called to in collaboration with our strategic partners. We said goodbye to Paul Thaxter in January 2021 and set up an interim team until Andy Roberts takes up the role of director of international mission.
Well-Being: Given COVID-19, much of our focus is on the well-being of our people in mission, our strategic partners, our staff and our supporters. As a community, we have recently lost some wonderful friends and figures from our remarkable history, including former general secretary Bishop Simon Barrington-Ward and former principal of Crowther Hall Bishop Peter Vaughan. Our people in mission are facing big challenges in their personal lives and work. Likewise, our staff and supporters are trying to navigate much change, some of it very tough. We will continue to prioritise this area in the coming months as the scale of the impact becomes clearer.	**We have provided significant additional pastoral support to our people in mission and our staff throughout the year.** The year has not been without challenges as we got used to working remotely and not being able to travel, but regular communication, support and webinars have been provided. We have also worked hard to ensure the safety of staff as they have returned to work at CMS House in small numbers with social distancing and other safety precautions in place. We have had a small number of people in mission and staff who have contracted COVID-19 through the year and the appropriate protocols have been put in place to support them and minimise any spread of the disease.
Sustainability: These are uncertain times for CMS financially. We are trusting that Jesus is with us, as he was with the disciples on the boat amid stormy seas (Mark 4:35–41). And we are looking to him and to our faithful friends at this time, for continued prayer and help. We do have significant unrestricted reserves which can be utilised as we assess the impact of COVID-19 on our income. We will also continue to be proactive in this area, planning for various scenarios given that the full impact of COVID-19 is still not clear, monitoring income closely and reducing expenditure where needed.	**We are hugely thankful for the provision of income during the year.** The COVID-19 emergency appeal in May 2020 was very successful and we have run several smaller appeals. This meant our giving has increased significantly on the previous year and resulted in an overall surplus in 2020–21. We have reduced costs both this year and into 2021–22 in areas such as travel, conferences and festivals. Staff costs have also been reduced as we have accessed the government furlough scheme. As we look forward it's hard not to see our world being reshaped; income from churches is an increasing challenge and we need to work to engage a younger audience. Moving forward from this year, it's exciting to see the ways in which God is calling us to journey with him in his mission.

STRATEGIC PRIORITIES FOR 2021–22

Amid the unexpected tumultuous events of 2020, Church Mission Society decided that it would be in the best interests of the organisation to continue with our planned strategic review, known to internal stakeholders as the Isaiah Project. This review involved taking a closer look at foundational aspects of CMS such as our theory of change, our mission principles and our models of doing mission. We also went through a "re-founding" exercise, returning to the vision and motivation of early CMS pioneers. The year 2021 sees us heading into the implementation phase of the Isaiah Project, wherein we are concentrating on:

2021–22 STRATEGIC PRIORITIES

1

Mission programme development:

We have long been committed to working via mission partners and local partners within our regions of focus. The goal now is to see increased genuine collaboration between mission partners and local partners, who will work together towards more clearly defined shared goals within particular contexts.

2

Organisational development:

As we concentrate on increasing collaboration with our global network partners, we will be working to ensure we have the right structure, skills, roles and culture to enable this.

3

Audience engagement:

Part of the Isaiah Project has involved revisiting our branding, fundraising and communications strategies: rearticulating our vision and purpose as well as brand narrative in conjunction with the developing organisational strategy. Priorities now include implementing this refreshed narrative across our fundraising and communications and building an engagement plan that will increase awareness, interest, participation and support among our identified target audience(s) in order to achieve sustainability.

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEGAL STATUS

Church Mission Society is a registered charity (England and Wales (RCN: 1131655), and Scotland (RCN: SC047163)) and a company limited by guarantee in England and Wales (Company Number 6985330) established on 8 August 2009, although its history as a mission dates back to the 18th century. For details of other group charities/members see Note 1 to the financial statements.

CHARITABLE OBJECTS

Church Mission Society's object is as a community of people in mission obeying the call of God, to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ.

PATRON

The Most Rev and Rt Hon Justin Welby, Archbishop of Canterbury

CMS GOVERNANCE ARRANGEMENTS

CMS is governed by its Memorandum and Articles of Association and by a Board of Trustees. The Trustees of CMS aim to have high standards of accountability as well as proper and ethical performance of their duties. The process for appointing the Board of Trustees is as follows:

- The Board of Trustees of CMS is made up of up to 15 CMS members elected by the CMS membership (including not more than three co-opted members) with a Chair appointed by the Board.
- The elected members of the Board of Trustees are subject to a fixed-term appointment of four years, with the opportunity to be elected for one further term. Elections take place every two years.
- Co-opted Trustees are subject to a fixed-term appointment of two years, renewable a maximum of twice.
- The Chair of Trustees is selected by the Board of Trustees following a public recruitment and selection process.

The Board of Trustees meets four times a year, including one meeting focusing on trustee development. This is part of the wider induction and training process that is in place for Trustees, which includes consideration of governance, Board operations, the role of Trustees, organisational strategy, the CMS ethos and risk management.

During the year the Board had four sub-committees, each with specific terms of reference. These are:

- The Finance Committee
- The Fundraising Committee
- The Governance Committee
- The Strategy and Impact Task Force

The Finance Committee reviews finance, the human resources (HR) function, facilities, charity law and regulation and information technology (IT). In this the committee is advisory, making recommendations to the whole Board. For the more technical areas of accounting, auditing, investment, pensions and property, the committee particularly helps the Board of Trustees to align decision making with expertise and knowledge.

The purpose of the Fundraising Committee is to advise the charity's fundraising team in the use of the most effective and efficient methods, and to ensure regulatory compliance, particularly in the use of data, public communications and fundraising methods. In this the committee is advisory, making recommendations to the whole Board.

The Governance Committee reviews the effectiveness of the governance system and assists in the nomination and selection of Trustees and principal officers.

The Strategy and Impact Task Force serves the Board of Trustees by ensuring that a clear organisational strategy is in place and is guiding the day to day work of staff. It is also there to ensure the quality and impact of CMS work across the world is regularly evaluated.

THE BOARD OF TRUSTEES

The Trustees of CMS are also its legal company directors. A list of the trustees who served during the year and up to the date of signing the financial statements are included below.

TRUSTEE	GOVERNANCE COMMITTEE	FINANCE COMMITTEE	FUNDRAISING COMMITTEE	STRATEGY AND IMPACT TASK FORCE
Mr Charles Clayton (Chair)	✓	✓	✓	✓
Mrs Naomi Aidoo (resigned 27 March 2020)				✓
Dr Ian Bromilow		✓	✓	✓ (Chair)
Rev Canon Andrew Bowerman	✓			
Mr Beauman Chong			✓ (Chair)	✓
Mr Peter Hyatt		✓ (Chair)		
Dr Kevin McKemey				✓
Dr Salim Munayer				
Rev Jane Shaw	✓ (Chair)			
Mr John Stansfeld		✓		✓
Rev Ian Wallace	✓			
Mrs Rini Ingleby				
Dr Anne Keene			✓	
Mrs Fiona Lambert				
Mr Simon Upcott (co-opted 25 June 2020)		✓		✓

The Chair of Trustees is responsible for ensuring the members of the Board of Trustees collectively contribute the broad range of skills and experience necessary for its effectiveness. The Trustees are responsible for developing strategic vision, articulating policy, managing risk and ensuring effective governance. The Board is assisted in implementation of policies and strategies by the chief executive officer who is supported by the wider CMS Senior Leadership Team. In addition to Trustees, the other sub-committees have additional co-opted members in attendance. Andrew Clark and Anne Maxfield attend the Finance Committee. Andrew Barton attends both Fundraising and Finance Committees. Simon Upcott became chair of the Finance Committee from 25 March 2021 and Anne Keene became chair of the Fundraising Committee on 27 May 2021.

CMS SENIOR LEADERSHIP TEAM

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer	Mrs Debbie James
Director of International Mission	Rev Paul Thaxter (resigned in January 2021)
Director of Mission Transformation	Mrs Debbie James
Director of Mission Education	Mr Jonny Baker
Director of Fundraising for Mission	Mr Jim Barker
Director of Finance and Corporate Services	Mr Charles Walker

The Chief Executive Officer is responsible to the Board of Trustees for the management of CMS. He leads the Senior Leadership Team (SLT), which is shaped around the following responsibilities:

- International Mission – responsible for CMS engagement in international mission in partnership with churches and other agencies of mission worldwide, including members of the CMS Mission Network
- Mission Transformation – connecting with and supporting CMS members and churches enabling them, in a variety of ways, to engage in mission both globally and locally
- Mission Education – overseeing the selection and formation of people in mission, both as pioneers and as mission partners
- Fundraising – broad base fundraising from individuals, churches, trusts and major donors
- Finance and Corporate Services – supporting CMS with expertise in finance, ICT, HR, facilities and legal compliance

KEY MANAGEMENT PERSONNEL REMUNERATION POLICY

The Board of Trustees and the SLT are the key management personnel of CMS, in charge of directing and operating the charity. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in Note 15 to the financial statements.

Salaries of all staff, including the SLT, are reviewed annually taking inflation and the overall financial position of CMS into consideration. Remuneration levels are also benchmarked with Croner's charity pay and benefits report every four to five years to ensure that the level of remuneration set for key management is in line with roles in similar size organisations. The next benchmarking exercise has been delayed because of the impact of COVID-19, and is now due to be finalised in 2021.

FUNDRAISING

CMS has three sources of donation income to sustain its mission, without which CMS could not carry out its work. These are: Churches, Individuals and Trusts. The income from these sources is split 36 per cent Churches, 59 per cent Individuals and 5 per cent Trusts. The Trustees are grateful for the faithful and committed support from them making CMS's work possible. There is also income from legacies, kindly left to Church Mission Society by supporters in their will. This equates to between 15 and 30 per cent of our total income in any one year. The balance is from other income such as education fees and trading income. During the year CMS spent £733,000 (8.6 per cent of total income) on fundraising activity and the majority of this effort concentrated on raising support for CMS mission partners.

We are pleased to say that we are registered with the Fundraising Regulator and fully comply with the Fundraising Code of Practice. We have worked hard to ensure we protect and work in the interest of supporters who might be seen as vulnerable, through old age or illness, and have developed policy and procedures to ensure we continue to work in their best interest.

In 2020–21 we had a total of six complaints relating to our fundraising activity. We have appropriately resolved each one with the people raising the complaints and have made changes to our procedures where necessary.

Overall, given the schedule of fundraising activity in 2020–21, we consider this a very low level of complaint, as we have a mailing base of over 10,000 for our main publications and 6,000 for our fundraising appeals.

USE OF VOLUNTEERS

Church Mission Society is a membership society and relies heavily on the voluntary support of its members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

PUBLIC BENEFIT

In compiling this report, Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. As "a community of people in mission obeying the call of God to proclaim the gospel in all places and to draw all peoples into fellowship with the Lord Jesus Christ", CMS works out its Public Benefit in a number of ways.

CMS believes the Christian faith is of benefit to society, and individuals, bringing a vision of transformation for peace and social harmony which grows from what Christians believe is God's ultimate purpose: to bring all things into unity and perfection in Jesus Christ. People are likely to become disciples of Jesus if Christians "live a Christ-like life amongst them, share the good news of Jesus, demonstrate God's love and prayerfully expect the Spirit's power to transform individuals, communities and whole nations". CMS seeks to demonstrate this benefit through its wide range of mission activities both in the UK and internationally as detailed throughout the Strategic Report.

GRANTS

As shown in the financial review and Note 13, grant expenditure makes up a significant amount of CMS expenditure. Project proposals received from partner organisations are subject to a formal approval process, which looks at issues such as the alignment, capacity and structure of the partner organisation. An agreed monitoring process is undertaken during the course of the partner spending the funds, and this includes reviews and evaluation of financial and narrative reports.

Church Mission Society is a membership society and relies heavily on the voluntary support of its members and others as community members, Trustees and committee members, in local members' groups, in mission service globally and locally as advocates for CMS in churches, and working with staff teams.

RISK MANAGEMENT POLICY AND INTERNAL CONTROL

The Trustees regularly review the internal and external risks facing CMS. A formal risk management process has been developed and the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have also considered the controls in place for these risks and have identified any necessary areas for action. This includes the regular review of CMS's financial position and internal control environment. CMS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of senior management and Trustees. The financial reporting system compares results with these plans on a monthly basis.

Current risks and the corresponding mitigating controls are set out below, in no order of priority:

Income and costs

As a charity, CMS is dependent on the continuing financial support of its donors. Donation income exceeded budget in 2020–21, but the full impact of COVID-19 is still not known and it may well have a significant impact on donation income in 2021–22. We have systems in place to be able to monitor income very closely throughout the year. Furthermore, we have significantly reduced our cost base in 2021–22 where we can, in areas such as travel, conferences, festivals and more.

Pensions

CMS's defined benefit schemes are open to risks on their liabilities and assets as a result of changes in life expectancy, inflation, discount rates, future salary increases and the value of investments.

The impact of COVID-19 during 2020 did have a detrimental effect on the funding levels of the defined benefit schemes. Since quarter three of 2020, however, funding levels have significantly improved and this has continued into the first quarter of 2021, helped by an increase in gilt yields which has reduced the estimated liabilities.

The impact of any negative movements in the pension scheme deficit is likely to result in increased payments from CMS. These schemes are now closed to new members and closed to future accrual. CMS works with the pension scheme Trustees, its investment managers and its own actuarial consultants to understand and mitigate these risks wherever possible.

COVID-19 Impact

The potential impact of COVID-19 on our operations, staff welfare and running CMS House was significant. The Crisis Management Team (CMT) was convened and continued to meet regularly to manage the crisis and respond to the rapidly changing government regulations. In 2021 the Health & Safety (HS) committee meets weekly to monitor staff well-being (both in the UK and abroad), and to ensure CMS House is both safe for the reduced number of staff working there and compliant with government guidelines.

Reputation

Damage to reputation is a risk for any organisation and particularly important for a charity. One key area in this regard is safeguarding. The Board reviews and approves the CMS safeguarding policy every year and significant work has been undertaken on this during the year to ensure both our policy and practice continue to comply with the charity commission guidance on safeguarding. During 2020 CMS decided to increase the budget allocation to safeguarding given its strategic importance and there is now a two-day per week role dedicated to working with our international partners on safeguarding practice and procedures, alongside the three-day per week role managing other aspects of safeguarding.

Critical Incidents

In response to the increasing awareness of the security issues faced by CMS, robust security procedures have been put in place, security training has been rolled out to relevant high-risk personnel and the CMT, with clear contingency plans for emergencies, has been put in place. During 2021 further training will be undertaken for both the SLT and Trustees.

FINANCIAL REVIEW

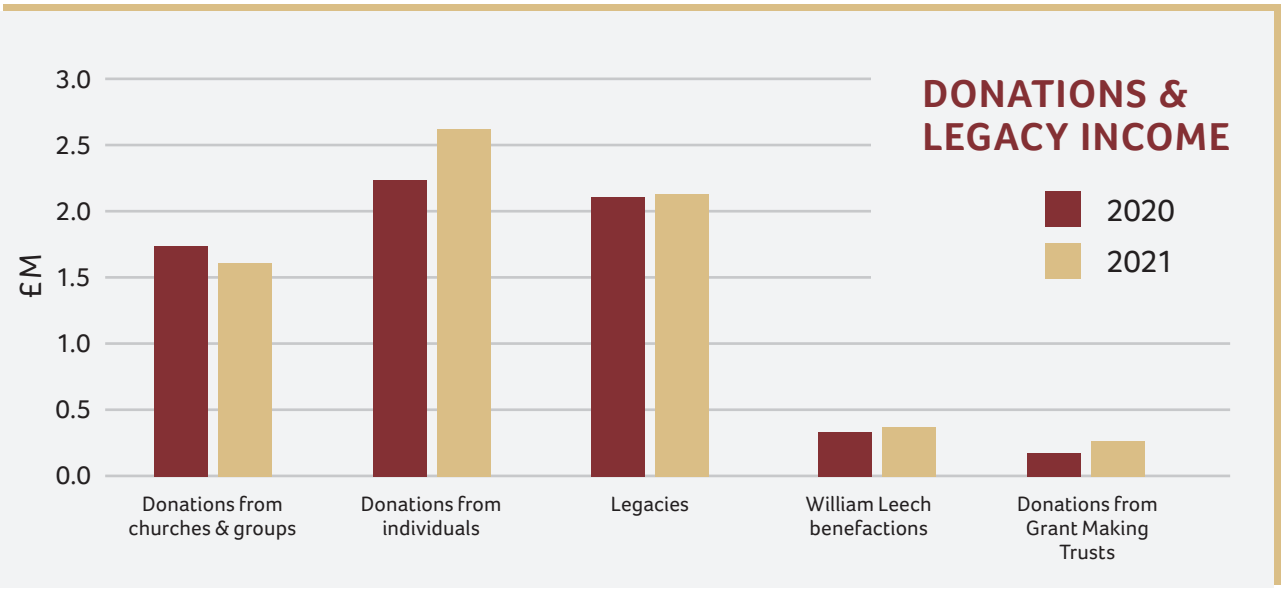
The report and financial statements of Church Mission Society group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

The financial context within which CMS operates continues to be challenging, and despite a very good year for CMS donation income, we are alert to the possibility that the significant long-term impact of COVID-19 on the economy may not yet have filtered through to donors and their giving patterns. Fundraising in the charitable and mission agency sectors has been, and we suspect will continue to be, competitive. This impacts CMS mostly through reduced general fund giving from churches. The financial markets have experienced a turbulent year, largely as a result of COVID-19, but in quarter four they rallied significantly and largely offset the losses made in March 2020. As a result, the CMS listed investments portfolios produced a capital gain of £204,000 (2020: gain of £417,000), which has increased both our free reserve and endowment fund positions. Total income in the year has also increased compared to the prior year. The review below provides some more detailed analysis.

INCOMING RESOURCES

Total incoming resources were £8.5m (2020: £8.4m), an increase of £163,000 from the previous year. This is largely due to the increase in donations from individuals. Donations and legacy income (shown in the chart below) increased by £412,000 to £7m in 2021 (see Note 3). The increase in individual income stands at £438,000 compared to the previous year. The main driver for this was the successful CMS emergency COVID-19 appeal in May 2020.

Donations from churches reduced by £100,000 in the year. This reduction in church income is partly as a result of a reduction in mission partner numbers during the year, but also reflecting the negative impact of COVID-19 on the income of churches supporting CMS, which reduced their ability to give to mission agencies such as CMS. Donations from trusts, however, have increased by £40,000 in the period. This income has for CMS tended to be more fluctuating in nature, so it is encouraging that CMS has seen a good level of success from its trust applications in the year. The results also clearly show the importance of legacy income within CMS, representing 25 per cent (2020: 25 per cent) of the overall income during this financial year. The Trustees are extremely thankful for the generosity of those who make legacy gifts – often following a lifetime of faithful, prayerful service to God including support of CMS's work. Such gifts are important for sustaining our efforts to put people's call into action. The Trustees are also grateful for the donations received from two William Leech charitable trusts.



CHARITABLE ACTIVITY EXPENDITURE

Total resources expended amounted to £7.5m (2020: £7.4m). Overall there has been a very small increase of £27,000 in total expenditure. The chart below shows how this is spent across our areas of work.

The recruitment, training and support of mission partners is CMS's most significant area of operation comprising 53 per cent of total expenditure. The majority of this expenditure supports 114 long term mission partners working in a range of activities in 37 different countries. In addition CMS has a local partner programme, with total expenditure of £0.42m, which supports 64 local mission leaders around the world.

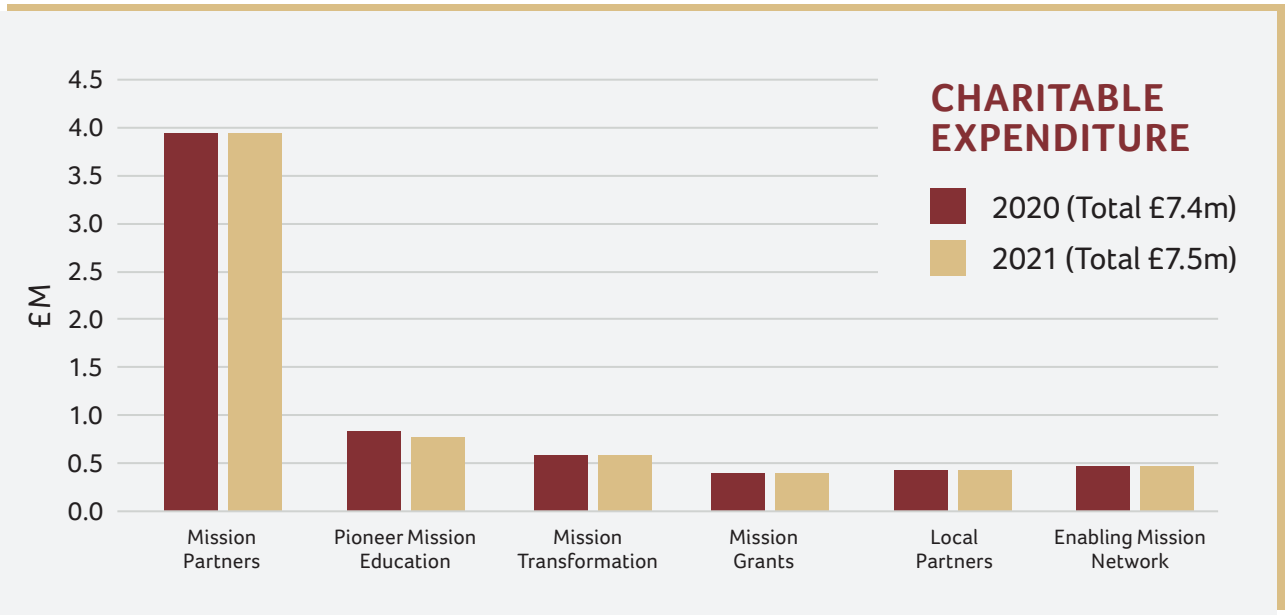
Mission grants expenditure totalled £0.2m on 39 projects that CMS supports around the world (see Note 13). Grants totalling £0.4m are also paid to CMS-Africa and Asia-CMS as part of CMS's Enabling Mission Network activity.

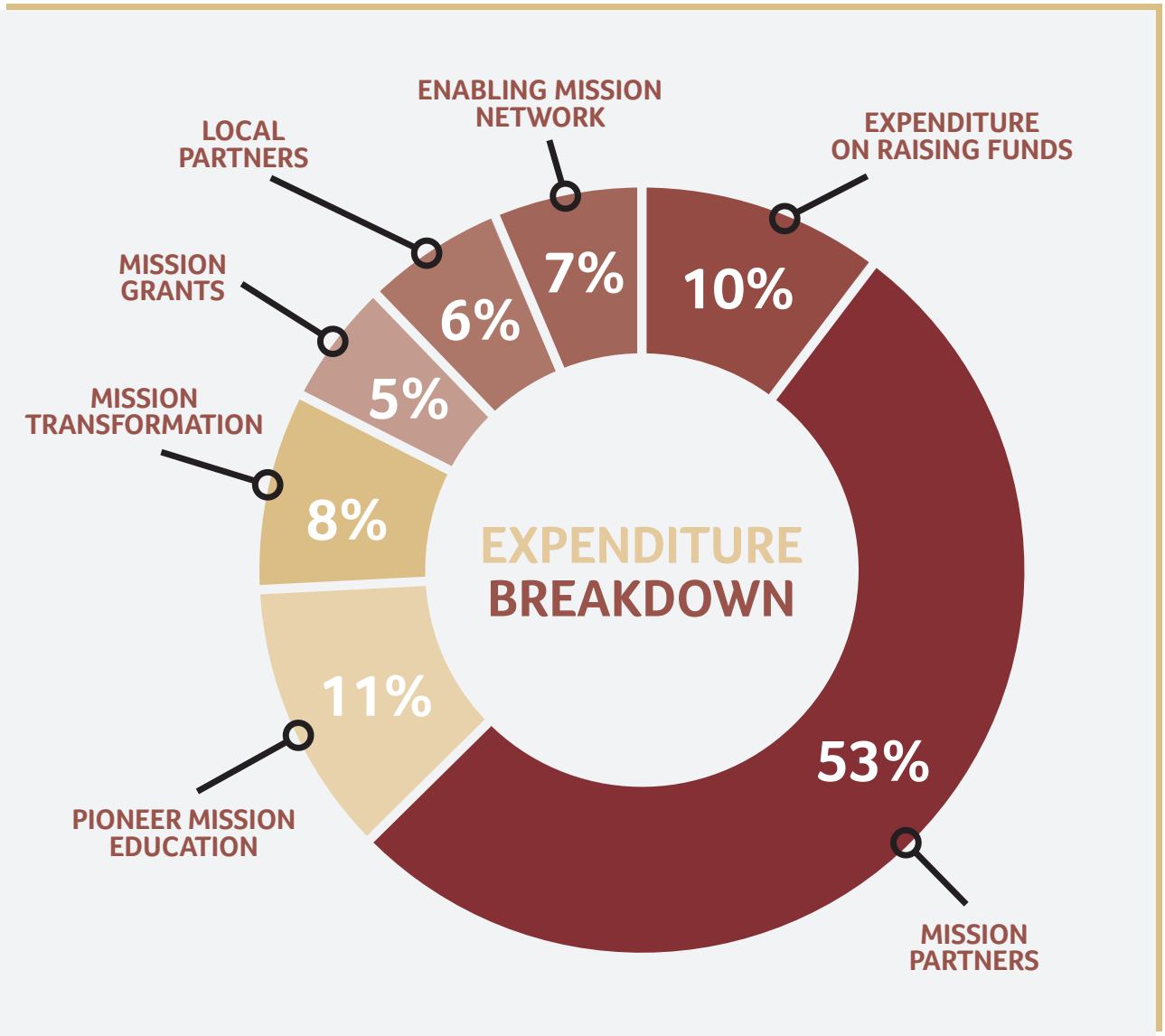
The other main areas of expenditure are the CMS Pioneer Mission Education work (£0.8m) and the Mission Transformation work (£0.6m). Expenditure within the pioneer mission education team relates to the recruitment and training of mission partners, and teaching and support of our students on the Pioneer Mission Leadership Training programme. This has primarily involved running the programme, online for most of this financial year, but it also includes the work being undertaken by CMS pioneer hubs. The Mission Transformation work involves resourcing and mobilising the church in the UK and the CMS community into mission. The work this year has included producing the Lament for Lent devotional, our regular flagship publication The Call and continuing the CMS online Resource Hub with hundreds of free resources. CMS also worked with five dioceses during the year on the Partnership for Missional Church process.

The breakdown opposite shows the proportions spent on each activity.

CMS DEFINED BENEFIT PENSION SCHEME

At the year-end, the net liability recognised in the balance sheet relating to the CMS Pension Scheme (Defined Benefit Scheme) was £6.6m (2020: £3.9m) as measured in accordance with FRS 102. The main reason for the large increase was the movement in liability due to changes in the financial and demographic assumptions being applied to measure that liability, which contributed to a £6.1m increase in the present value of the Scheme's liabilities from £83.2m to £89.3m (see Note 25A). Offsetting this, the value of the Scheme's assets rose by £3.4m from £79.3m to £82.7m as a result of market gains. The recovery plan is based on the triennial valuation of the Scheme as at 31 March 2019, which showed a deficit of £8.1m. This deficit is being paid off over a maximum of 14 years. Contributions in the year to 31 January 2021 totalled £1,095,000 (2019: £859,000) in accordance with the recovery plan. Full details of pension liabilities and the recovery plan can be found in Note 25. The impact of this movement in net liability is shown as an actuarial loss of £3.3m





in the charity's Statement of Financial Activities (SOFA). Contributions made by CMS have increased to £510,000 this year and will increase by 2 per cent each year until 2035. In addition, CMS will contribute £232,000 per year to the administration expenses of the scheme.

CHURCH OF ENGLAND DEFINED BENEFIT SCHEME

CMS Group has active members in the Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see Note 25B) and deferred members and pensioners previously employed by SAMS in the Church of England Defined Benefit Scheme (DBS) within the Church Workers Pension Fund (CWPF) (see Note 25C) which are both multi-employer schemes.

The Group is grateful for the contributions paid by the Archbishops' Council, which amounts to some £220,000 for 17 active members of the Clergy Scheme.

The latest actuarial valuation of the CWPF Scheme was that conducted in December 2019, and showed a deficit of £1.33m for the SAMS portion of the Scheme. As a result a new recovery plan was agreed in December 2020, under which administration expenses of £17,500 will be paid per year and annual deficit payments of £182,533 will be paid for 7 years from 1 April 2021. The next actuarial valuation of the scheme is at 31 December 2022.

In accordance with FRS 102, SAMS includes a provision in the balance sheet for its obligations to make deficit payments as this is a multi-employer scheme. The provision for 2021 was £1.5m (2020: £1.64m).

INVESTMENT POLICY AND REVIEW OF INVESTMENT PERFORMANCE

CMS manages its investments according to the CMS Statement of Investment Principles and the Trustees have authority to invest the monies of the Group, not immediately required, in such investments as they think fit. The Statement of Investment Principles includes details of CMS's socially responsible investment policy.

The Trustees have delegated the day-to-day management of the CMS investment portfolio to Cazenove Capital. The investment manager's delegated authority is operated in accordance with the CMS Statement of Investment Principles.

As at 31 January 2021, CMS had £4m (2020: £3.7m) of listed investments, £11.9m (2020: £10.2m) of unlisted investments and £0.2m (2020: £0.2m) of cash held within the investment portfolio. This total of £16.1m of investments includes £10m of endowed funds where the capital is not available to be spent. Further details of investments can be found in Note 17 of the financial statements. Income from the investment portfolio of CMS contributed to a total investment income of £0.9m in the Statement of Financial Activities (2020: £0.9m). Further details of the make up of this investment income can be found in Note 6 of the financial statements. The net gain on investments in 2021 was £1.8m (2020 loss of £1.1m). This was dominated by an increase in market value of investments held by William Leech (Investments) Ltd. The listed holdings managed by Cazenove continue to be on track against their long-term target of CPI plus 3 per cent. These positions are regularly reviewed by the Finance Committee. During the year Cazenove Capital attended the Finance Committee to discuss the performance of CMS's listed investment portfolios, and the CMS Trustee representative on the Board of Directors of William Leech Investments participates in the review of performance of the investments managed by that entity.

MOVEMENT IN FUNDS

Taking CMS's funds in total, there was net income of £2.8m during the year ended 31 January 2021, and an actuarial loss on the two Pension Schemes of £3.4m. The overall position was therefore a net decrease in total reserves of £0.6m.

IMPACT OF COVID-19

During March 2020, the crisis management team was convened (in line with CMS policy) as a result of COVID-19. Its objective was to ensure the safety of all staff and the business continuity of CMS. Since then, some mission partners have had to be flown back to the UK and we have increased our contact and support with all our people in mission across the world. From 23 March 2020, we have operated with a skeleton team at CMS House and the remainder of staff are working from home. Staff began to return to the office in the summer as the government guidelines allowed. Since September 2020 we have advised staff to work from home and that remains our position until the restrictions are fully lifted.

This time last year we forecasted the biggest risk from COVID-19 to be to our donation income. As explained previously, CMS took immediate action to mitigate this risk, and in fact donation income from individuals increased significantly on prior year. We still do expect a negative medium-term impact on individual giving as the impact of COVID-19 takes its hold on the economy. The other area it has affected is church giving and especially general fund church giving from those churches which rely on cash collections from their congregation. As a result, our CMS general fund giving from churches has reduced by £30k on prior year. We have systems in place to be able to monitor our income very closely over the next financial year.

There have been some significant expenditure savings as a result of reduced activity (canteen, travel, conferences and festivals) and as a result of being able to access the government's Job Retention Scheme. This significantly helped our general fund position in the year and will continue to do so in the immediate future.

The other significant detrimental financial impact of COVID-19 was on CMS investments and its participation in defined benefit pension schemes. For example CMS investments had fallen by 5 per cent in April 2020 and the funding levels on both the CMS Pension Scheme and the Church Workers Pension Fund had deteriorated. Since October 2020, however, the markets have rallied and both the CMS investments (listed and unlisted) and the assets sitting in the defined benefit schemes have more than offset the losses experienced in the first half of the year.

We have altered our unrestricted reserve policy as a result of COVID-19, and have increased the reserve both for the pension deficit repayments and for any future drop in donation income.

RESERVES POLICY AND FINANCIAL POSITION UNRESTRICTED: GENERAL FUNDS (FREE RESERVES)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2021–22 CMS holds unrestricted general funds (free reserves) for the following reasons:

- To contribute to the increase in pension repayments following the 31/3/2019 triennial valuation
- To allow for falls in our donation income as a result of COVID-19 over the next one to two years
- To act as a buffer while we move from a deficit operational budget to a break even one by 2022
- To allow for any unbudgeted costs, in particular relating to a mission partner emergency situation
- To fund any one-off costs or investments required from the Isaiah Project strategic work
- To fund capital expenditure in 2021–22, primarily on CMS properties

A separate calculation has been made against each of the above factors. The calculation assesses the specific risks and details the reserve required by working out the impact on reduced income or required increase in expenditure. For example, the capital expenditure reserve simply reflects the required expenditure on CMS properties and equipment for the upcoming year. These risks are specific to CMS and will change each year. As such the overall target is reviewed, adjusted and approved annually by Trustees.

Based on these calculations, the 2021–22 overall free reserve target for CMS is £3.6m (2020–21: £3.8m). The free reserves at 31 January 2021 are £3.572m, which is below the stated target but within a 10 per cent threshold of the target which is deemed acceptable.

ENDOWMENT FUNDS

Included in the balance sheet are Endowment Funds totalling £10m, the capital of which is not available to be spent.

RESTRICTED FUNDS

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2021.

DESIGNATED FUNDS

During the year the Trustees have set aside funds from the General Fund for unrestricted tangible fixed assets to ensure the general reserves policy is not skewed by holding these funds (see Note 24).

Shares in William Leech (Investments) Limited purchased before 15 October 1996 are also included within the designated fund following receipt of legal advice confirming their status in June 2016.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

IN SO FAR AS EACH OF THE TRUSTEES IS AWARE:

- there is no relevant audit information of which the company's auditor is unaware
- each of the Trustees has taken all steps that he/she ought to have taken to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITORS

Crowe U.K. LLP has indicated its willingness to be reappointed as statutory auditor.

The Trustees' Report, including the strategic report on pages 3 to 24, was approved by the Board of Trustees on 16 June 2021 and signed on their behalf by:

Charles Clayton – Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES OF CHURCH MISSION SOCIETY

OPINION

We have audited the financial statements of Church Mission Society ("the charitable company") and its subsidiaries ("the group") for the year ended 31 January 2021 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 January 2021 and of the group's income and receipts of endowments 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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 our audit

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

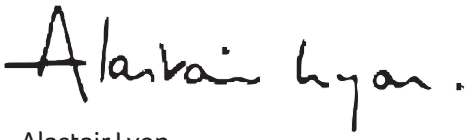
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, in particular legacies and donations, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, agreeing a sample of income to supporting documentation and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Reading

Date: 21 July 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JANUARY 2021

(Incorporating an Income and Expenditure Account)

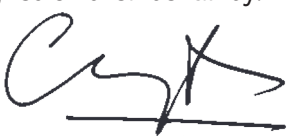
	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Income and endowments from:									
Donations and legacies	3	2,998	3,731	225	**6,954**	2,661	3,666	215	**6,542**
Charitable activities	4	207	83	-	**290**	193	96	-	**289**
Other trading activities	5	150	-	-	**150**	258	-	-	**258**
Investments	6	861	52	-	**913**	870	58	-	**928**
Other	7	110	104	-	**214**	89	252	-	**341**
Total income		**4,326**	**3,970**	**225**	**8,521**	**4,071**	**4,072**	**215**	**8,358**
Expenditure on:									
Raising funds	9	670	46	17	**733**	721	13	17	**751**
Charitable activities									
Mission Partners	10	1,064	2,855	-	**3,919**	886	3,038	-	**3,924**
Pioneer Mission Education	10	720	120	-	**840**	746	105	-	**851**
Mission Transformation	10	501	142	-	**643**	530	88	-	**618**
Mission Grants	10	92	349	-	**441**	98	296	-	**394**
Local Partners	10	226	191	-	**417**	245	182	-	**427**
Enabling Mission Network	10	369	113	-	**482**	365	118	-	**483**
Total charitable expenditure		**2,972**	**3,770**	**-**	**6,742**	**2,870**	**3,827**	**-**	**6,697**
Total Expenditure	**10,11**	**3,642**	**3,816**	**-**	**7,475**	**3,591**	**3,840**	**17**	**7,448**
Net gains/(losses) on investments		**624**	**4**	**1,136**	**1,764**	**(449)**	**9**	**(635)**	**(1,075)**
Net income/ (expenditure)		**1,308**	**158**	**1,344**	**2,810**	**31**	**241**	**(437)**	**(165)**
Transfers between funds	24	(25)	25	-	**-**	46	(46)	-	
Actuarial losses on defined benefit pension scheme	24	(3,330)	-	-	**(3,330)**	(3,482)	-	-	**(3,482)**
Other gains/(losses) on pension scheme deficit reduction provision	25	-	(56)	-	**(56)**	-	(67)	-	**(67)**
Net movement in funds		**(2,047)**	**127**	**1,344**	**(576)**	**(3,405)**	**128**	**(437)**	**(3,714)**
Total funds brought forward		**11,193**	**2,094**	**8,685**	**21,972**	**14,598**	**1,966**	**9,122**	**25,686**
Total funds carried forward		**9,146**	**2,221**	**10,029**	**21,396**	**11,193**	**2,094**	**8,685**	**21,972**

The accompanying notes are an integral part of this Statement of Financial Activities (SOFA). All gains and losses arising in the year relate to continuing activities.

CONSOLIDATED AND CHARITY BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets					
Tangible fixed assets	16a	6,920	7,576	6,920	7,576
Investments: Unrestricted		6,067	5,453	6,067	5,453
Investments: Restricted and Endowment		10,009	8,663	10,009	8,663
	17	16,076	14,116	16,076	14,116
		22,996	**21,692**	**22,996**	**21,692**
Current assets					
Property held for sale	16b	446	-	446	-
Stock		1	1	-	-
Debtors	19	793	662	799	701
Cash at bank and in hand		6,712	6,288	6,068	5,546
		7,952	6,951	7,313	6,247
Current liabilities					
Creditors: amounts falling due within one year	20	(1,419)	(1,121)	(1,447)	(1,135)
Net current assets		6,533	5,830	5,866	5,112
Total assets less current liabilities		29,529	27,522	28,862	26,804
Net assets excluding pension assets or liability		29,529	27,522	28,862	26,804
Defined benefit pension scheme (liability)	25	(8,133)	(5,550)	(6,629)	(3,910)
Net assets		21,396	21,972	22,233	22,894
The funds of the charity:					
Unrestricted: General fund	24	3,572	3,524	3,573	3,524
Unrestricted: Designated funds	24	12,203	11,579	12,203	11,579
Unrestricted: Pension deficit	24	(6,629)	(3,910)	(6,629)	(3,910)
Unrestricted funds		**9,146**	**11,193**	**9,147**	**11,193**
Restricted funds excluding pension deficit	24	3,725	3,734	3,057	3,016
Restricted pension deficit	24	(1,504)	(1,640)	-	-
Restricted funds		**2,221**	**2,094**	**3,057**	**3,016**
Endowment funds	**24**	**10,029**	**8,685**	**10,029**	**8,685**
	24	**21,396**	**21,972**	**22,233**	**22,894**

The accompanying notes are an integral part of this Balance Sheet. The financial statements on pages 28 to 64 were approved by the Board of Trustees and authorised for issue on 16 June 2021 and signed on their behalf by:



Charles Clayton – Chair of Trustees

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JANUARY 2021

RECONCILIATION OF NET INCOME TO THE NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net income/(expenditure) for the year (as per the Statement of Financial Activities)	2,810	(165)
Adjustments for:		
Investment income	(913)	(528)
Net (gains)/losses on investments	(1,764)	1,075
Depreciation charge	255	249
Decrease in stock	-	1
Increase in debtors	(67)	(322)
Increase in creditors	298	74
Decrease in pension scheme deficit reduction provision	(192)	(177)
Net charge for defined benefit pension scheme	(611)	(557)
Profit on disposal of leasehold property	-	(134)
Profit on disposal of fixtures, fittings and equipment	(1)	-
Gift of shares	-	(48)
Net cash used in the Group's operating activities	**(185)**	**(532)**

STATEMENT OF CASH FLOWS

	Note	2021 £'000	2020 £'000
Cash flows from operating activities:			
Net cash used in operating activities		**(185)**	**(532)**
Cash flows from investing activities:			
Dividends, interest and other income from investments		849	523
Purchase of tangible fixed assets		(44)	(515)
Proceeds from sale of leasehold fixed assets		-	193
Purchase of investments		(4,655)	(363)
Proceeds from sale of investments		4,459	183
Net cash provided by investing activities		**609**	**21**
Change in cash and cash equivalents in the year		**424**	**(511)**
Cash and cash equivalents at the beginning of the year	29	**6,288**	**6,799**
Cash and cash equivalents at the end of the year	29	**6,712**	**6,288**

Cash and cash equivalents comprises the amounts shown in the Balance Sheet as "Cash at bank and in hand", and includes £109,000 as at 31 January 2021 relating to cash held in an endowment fund (2020: £108,000).

NOTES TO THE FINANCIAL STATEMENTS
AT 31 JANUARY 2021

1. CHARITY INFORMATION

Church Mission Society is a registered charity in England and Wales (registered charity number 1131655), a registered company in England and Wales (registered number 6985330) limited by guarantee and is registered as a charity in Scotland (charity number SC047163). CMS does not have share capital and has approval to omit the word "Limited" from its name. The members of the company are the Trustees and others as defined in CMS's Articles of Association. In the event of CMS being wound up the liability in respect of the guarantee is limited to £1 per member.

Church Mission Society was incorporated on 8 August 2009 and registered as a charity on 16 September 2009. CMS was incorporated to effect the merger between The Church Mission Society Trust (registered charity number 1131655-1 England and Wales) and The South American Mission Society (registered charity number 221328 England and Wales).

The Church Mission Society Trust became a subsidiary of CMS under a scheme, agreed with the Charity Commission in 2010, enabling this to take place. The scheme involved a replacement of The Church Mission Society Trust's objects to mirror those of CMS, and all Trustees of The Church Mission Society Trust resigned and were replaced by CMS as corporate Trustee. As part of the scheme, the name of that charity was changed to The Church Mission Society Trust (formerly Church Mission Society) and a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

CMS is the sole corporate member of The South American Mission Society with the same group of Trustees common to both societies and accordingly The South American Mission Society (SAMS) is considered to be a subsidiary undertaking of CMS. Further information about CMS's subsidiary undertakings, including SAMS and CMS House Enterprises Ltd, is included in Note 27.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments that are included at a current market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), with the Statement of Recommended Practice "Accounting and Reporting by Charities applicable to charities preparing accounts in accordance with FRS 102" (effective 1 January 2015) and with the Companies Act 2006.

Church Mission Society constitutes a public benefit entity as defined by FRS 102.

Assessment of going concern

The Trustees have reviewed the financial position and forecasts of the charity as we emerge from the immediate impact of COVID-19. There are uncertainties around donation income which still remain but the Trustees have reviewed both forecasts and different reserve scenarios showing that the level of unrestricted reserves combined with the ability to reduce expenditure where needed means they have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Accounting estimates and judgements

The preparation of the financial statements in accordance with FRS 102 requires the Trustees to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions and estimates were significant to the financial statements, are disclosed in Note 28.

Basis of consolidation

The consolidated financial statements of the CMS Group incorporate the financial statements of the Charity (CMS and The Church Mission Society Trust) and its subsidiary undertakings.

The Trustees have taken advantage of the exemption conferred by S408(3) of the Companies Act 2006 and accordingly present a consolidated Statement of Financial Activities only. In order to comply with the Charities SORP, the gross income and net incoming resources for the Charity are disclosed in Note 24.

Donations, legacies and other income

Income is recognised in the period in which the Charity has entitlement to the income, when it is probable that the income will be received and the amount of the income can also be measured reliably. Where income is received in advance of providing goods and services the income is deferred until CMS becomes entitled to the income.

Legacy gifts are recognised on a case by case basis following the grant of probate and when the entitlement to the legacy has been established, receipt is probable and amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Charity is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably quantified. Where legacies have been notified to the charity, or the charity is awaiting the grant of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. No value is included where the legacy is subject to a life interest held by another party.

Financial instruments

Church Mission Society only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value (including any transaction costs) and subsequently measured at their settlement value (which is also the amortised cost). Financial assets held at amortised cost include cash at bank and in hand and the group's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the group's long and short term creditors, excluding deferred income.

Investments and investment income

Investments are initially measured at cost. Listed investments are included at their open market value at the balance sheet date. All gains and losses on investments are taken to the Statement of Financial Activities, including the net gains and losses arising from disposals and revaluations in the year. The income from investments and short-term deposits is accounted for on an accruals basis.

The unlisted investment in William Leech (Investments) Limited is included in the financial statements as the Charity's share of the net asset value at 31 January 2021 (unaudited). This is a change to prior year where the value taken was the company's accounts dated closest to the Charity's year-end (31 March). In 2020, the investment value was reduced by the cash held by CMS at 31 January which is invested in William Leech (Investments) Limited prior to their year-end on 31 March as this increases the net asset value of William Leech (Investments) Limited.

The social investment (mixed purpose) in Clean for Good Ltd is included in the financial statements as the Charity's share of the net asset value shown in that company's accounts at 31 January 2021. The year-end of Clean for Good Ltd is 31 March 2021. The investment is not justified wholly by either the financial return or by the contribution it makes to the charity's aims but by the combination of the two.

Fund accounting and the allocation of income and expenditure by fund

Income and Expenditure are allocated to three categories of funds: Unrestricted Funds, Restricted Funds and Endowment Funds.

Unrestricted funds are available for use to further the Charity's general purposes and objectives. All income and expenditure associated with the general operation of the Charity has been accounted for within the unrestricted funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve is included within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the Trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area. Income and expenditure related to CMS's work in South America is shown within restricted funds.

The endowment funds represent assets which have the restriction that the revenue generated by holding the asset is available to spend but the capital itself cannot be spent. Income generated from endowment funds is applied to unrestricted or restricted Funds as appropriate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis. A liability is recognised when a legal or constructive commitment is entered into by the Charity and so a liability exists.

All expenses, including support costs and governance costs, are classified to the applicable expenditure headings in the Statement of Financial Activities. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Cost of raising funds comprises those costs incurred in seeking voluntary contributions and in the management of CMS investments.

Governance costs are the costs associated with the governance arrangements of the Charity. Included within this category are costs associated with the strategic as opposed to the day-to-day management of the Charity's activities.

Support and governance costs are allocated across the categories of expenditure on charitable activities and the cost of raising funds. When it is necessary to apportion certain expenses between the different categories of resources expended, this is undertaken on bases which are considered appropriate. For example, in the case of salaries and pensions, these are apportioned on the basis of estimated time spent on these activities. The allocation model is reviewed and updated annually to ensure that the apportionments properly reflect the activities of the Charity.

Grants payable are recognised during the year in which the Charity enters into a binding commitment to make a grant and this is communicated to the recipient.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of financial activities with the relevant charitable activity expenditure for the period in which they occurred.

Stock

Stock is valued at the lower of cost and net realisable value.

Tangible fixed assets, depreciation and property held for sale

Tangible fixed assets are shown at their current net book value on an historical cost basis. Assets are capitalised where the value of the asset is greater than £500. The carrying values of tangible fixed assets are reviewed for impairment in the period in which events or changes in circumstances indicate that the carrying values may not be recoverable. Tangible fixed assets are grouped by category and depreciated on a straight-line basis over the following periods:

Freehold property	30–50 years	Furniture and office equipment	3–10 years
Leasehold property	shorter of 50 years and the period of the lease	Motor vehicles	4 years
Computer equipment	3–5 years		

Included in Current Assets are three properties which the trustees are actively seeking to sell within the next 12 months. They have been transferred from Tangible Fixed Assets at net book value.

Operating leases

Rentals payable under operating leases are charged on a straight-line basis over the lease term.

Pensions

The Charity (CMS) and one of its subsidiaries (The South American Mission Society) have members in defined benefit pension schemes, both employees and mission partners. For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes).

Defined contribution schemes

For defined contribution schemes, the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the total of the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Defined benefit scheme – CMS Pension Scheme

The CMS defined benefit pension scheme is funded, with the assets of the Scheme held separately from those of the Charity, in Trustee-administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the Scheme's liabilities. The resulting defined benefit asset or liability is presented after other net assets on the face of the balance sheet, unless a surplus is not recognised in accordance with FRS 102. The current service cost and net interest cost are allocated to relevant expenditure headings within the Statement of Financial Activities, unless the net interest is a credit in which case it is included in "Other income". The change in the value of assets and liabilities arising from asset valuation, actuarial assumptions and any surplus that is not considered recoverable is recognised within the "gains and losses" categories of the Statement of Financial Activities as "Actuarial gains and losses on defined benefit pension scheme".

Defined benefit schemes – multi-employer schemes

The South American Mission Society (SAMS) participates in the Church of England Defined Benefit Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF). The assets of the funds are held separately from those of the Society.

In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are

accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Charity and SAMS participate in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board, also known as the Clergy Pension Scheme, which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Charity and SAMS are unable to identify their share of the underlying assets and liabilities. No funding liability currently arises for the Charity and SAMS in respect of them.

Government Grants

Grants are accounted for under the performance model as permitted by the charity SORP. Coronavirus Job Retention Scheme (CJRS) grant income is therefore recognised on a straight-line basis over the furlough period for each relevant employee.

3. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Donations from churches and groups	172	1,400	-	**1,572**	202	1,470	-	**1,672**
Donations from individuals	785	1,815	-	**2,600**	721	1,441	-	**2,162**
Legacies	1,821	321	-	**2,142**	1,521	605	-	**2,126**
William Leech benefactions	170	-	225	**395**	162	-	215	**377**
Donations from grant making trusts	50	195	-	**245**	55	150	-	**205**
	2,998	**3,731**	**225**	**6,954**	**2,661**	**3,666**	**215**	**6,542**

Legacies of which CMS has been notified, but not recognised as income, are estimated at £616,000 (2020: £719,000).

William Leech Benefactions

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust). The income from the Foundation Trust is distributed in equal portions to CMS and four other charities. The income from the Charity Trust is distributed for charitable purposes at the discretion of the Trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. The Charity Trust reviews this policy each year.

Following a resolution of the Board of Directors of William Leech Foundation Limited on 15 October 1996, 57 per cent of the grants paid out to the five charities are made on the condition that they are reinvested in shares in William Leech (Investments) Limited at par, and treated as an addition to the recipient charity's capital funds.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Pioneer Mission Education training	207	-	-	**207**	193	-	-	**193**
Partnership for Missional Church training	-	80	-	**80**	-	66	-	**66**
Events	-	3	-	3	-	30	-	**30**
	207	**83**	**-**	**290**	**193**	**96**	**-**	**289**

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Income from sale of books and resources	1	-	-	**1**	1	-	-	**1**
Income from property	141	-	-	**141**	157	-	-	**157**
Use of conference facilities	8	-	-	**8**	100	-	-	**100**
	150	**-**	**-**	**150**	**258**	**-**	**-**	**258**

6. INCOME FROM INVESTMENTS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Income from William Leech (Investments) Limited	812	-	-	**812**	791	-	-	**791**
Investments listed on a recognised stock exchange	35	50	-	**85**	36	53	-	**89**
Interest on cash balances	14	2	-	**16**	43	5	-	**48**
	861	**52**	**-**	**913**	**870**	**58**	**-**	**928**

7. OTHER INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Other income	44	88	-	**132**	89	118	-	**207**
Gain on disposal of leasehold property	-	-	-	**-**	-	134	-	**134**
Gain on disposal of fixtures, fittings and equipment	1	-	-	**1**	-	-	-	-
Government grants	65	16	-	**81**	-	-	-	-
	110	**104**	**-**	**214**	**89**	**252**	**-**	**341**

The government grant income relates to the CJRS furlough scheme claimed from HMRC during the year. This included both staff members and mission partners.

8. OPERATING LEASES AS A LESSOR

The charity receives rental income from leasing certain residential properties to tenants under non-cancellable operating leases and tenancy agreements. Income received under operating leases is included in the SOFA on a straight-line basis over the period of the lease. At the balance sheet date, the charity had contracted with tenants to receive the following future minimum lease payments:

	2021 £'000	2020 £'000
Not later than one year	83	108
Later than one year and not later than five years	41	117
Later than five years	17	17
	141	**242**

There are no contingent rents recognised as income.

9. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Total 2020 £'000
Cost of generating voluntary income	627	45	-	672	680
Cost of activities for generating funds	31	-	-	31	41
Investment management costs	12	1	17	30	30
	670	**46**	**17**	**733**	**751**

10. ANALYSIS OF EXPENDITURE

	Direct	Grants	Support Costs	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Costs of generating voluntary income	390	-	282	672	680
Cost of activities for generating funds	31	-	-	31	41
Investment management costs	30	-	-	30	30
	451	**-**	**282**	**733**	**751**
Charitable activities					
Mission Partners	3,203	78	638	3,919	3,924
Pioneer Mission Education	588	3	249	840	851
Mission Transformation	418	-	225	643	618
Mission Grants	140	217	84	441	394
Local Partners	118	176	123	417	427
Enabling Mission Network	51	362	69	482	483
	4,518	**836**	**1,388**	**6,742**	**6,697**
Total Expenditure	**4,969**	**836**	**1,670**	**7,475**	**7,448**

11. SUPPORT COSTS BY ACTIVITY

	Finance and ICT	Personnel and Development	Facilities and Premises	Governance	Total 2021	Total 2020
		Total	£'000	£'000	£'000	£'000
Costs of generating funds						
Costs of generating voluntary income	220	-	55	7	282	273
Charitable activities						
Mission Partners	387	67	167	17	638	575
Pioneer Mission Education	93	23	133	-	249	251
Mission Transformation	83	28	111	3	225	226
Mission Grants	53	-	28	3	84	78
Local Partners	68	-	55	-	123	120
Enabling Mission Network	39	20	7	3	69	60
Total Support Costs	**943**	**138**	**556**	**33**	**1,670**	**1,583**

The support costs are allocated on the basis of an estimate of staff time spent, by each team, on each of the activities.

Governance costs relate to the audit fee of £33,000 (2020: £33,000) and included in Finance and ICT are non-audit fees of £1,000 (2020: £5,000). All fees are shown gross of VAT.

Depreciation of £255,000 (2020: £249,000) is included in support costs.

12. OBLIGATIONS UNDER OPERATING LEASES

The group's future minimum lease payments on operating leases are as follows:

	2021	2020
	£'000	£'000
Within one year	3	6
In two to five years	2	-
After five years	-	-
	5	**6**

Operating lease charges in the year to 31 January 2021 were £6,000 (2020: £9,000).

13. ANALYSIS OF GRANTS

By category of charitable expenditure	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2021	Total grants in year to 31 January 2020
	£'000	£'000	£'000	£'000
Mission Partners	29	49	78	122
Pioneer Mission Education	-	3	3	
Mission Grants	211	6	217	193
Local Partners	176	9	176	167
Enabling Mission Network	362	-	362	390
	769	**67**	**836**	**872**

By geographical area	Grants to Institutions	Grants to Individuals	Total grants in year to 31 January 2021	Total grants in year to 31 January 2020
	£'000	£'000	£'000	£'000
Africa	364	-	364	325
Asia	178	1	179	233
Europe, the Middle East and North Africa	114	21	135	78
Latin America	113	45	158	236
	769	**67**	**836**	**872**

Analysis of Grants to Institutions	Nature of grant	Country	Grants to Institutions
			£'000
Africa			
Buigiri School for the Blind	Mission grants for education and disability programmes	Tanzania	26
Church of Uganda Children's Ministry	Mission grants for community health projects	Uganda	14
Diocese of Toliara	Mission grants for community health projects	Madagascar	23
CMS-Africa	Local Partners	Africa	49
CMS-Africa	Enabling Mission Network	Africa	220
Other Institutions grants under £10k			32
Total			**364**

13. ANALYSIS OF GRANTS (CONTINUED)

	Nature of grant	Country	Grants to Institutions £'000
Asia			
Asia-CMS	Enabling Mission Network	Asia	141
Asia-CMS	Local Partners	Asia	36
Other Institutions grants under £10k			1
Total			**178**
Europe, the Middle East and North Africa			
Resurrection Church Beirut	Mission grants for community projects and local partners	Lebanon	69
Other Institutions grants under £10k			45
Total			**114**
Latin America			
Diocese of Northern Argentina	Mission grants for community projects and local partners	Argentina	14
Diocese of Bolivia	Local Partners	Bolivia	10
Diocese of Peru	Mission grants for community projects and local partners	Peru	13
Intercontinental Church Society	Restricted grant for use of Christ Church Rio	Brazil	23
Other Institutions grants under £10k			53
Total			**113**
Total Institutional Grants			**769**

14. STAFF COSTS AND OTHER EMPLOYEE BENEFITS

Staff costs	**2021** UK Staff	**2021** Mission Partners	**2021** Total	**2020** Total
	£'000	£'000	£'000	£'000
Salaries and allowances	2,076	1,533	3,609	3,469
Social security cost	194	25	219	206
Employer's pension contributions (Defined contribution)	442	251	693	659
Employer's pension contributions (Defined benefit)	-	91	91	92
Redundancy and relocation costs	-	-	-	17
	2,712	**1,900**	**4,612**	**4,443**

14. STAFF COSTS AND OTHER EMPLOYEE BENEFITS (CONTINUED)

One employee received emoluments of between £60,000 and £70,000 (2020: no employees).

The total amount of employee benefits received by key management personnel for their services during the year is £385,000 (2020: £362,000). The number of volunteers working for Church Mission Society is 35 (2020: 39). During the year total redundancy payments were £nil (2020: £17,000). The previous year related to the agreed redundancy costs relating to two staff members who left during the prior year.

Employees: The average monthly number of employees in the year is analysed by function below:

UK Staff	**2021**	**2020**
	Number	Number
Raising funds	14	12
Charitable activities	55	56
Governance of the charity	1	1
UK Staff	**70**	**69**
Mission Partners	108	117
	178	**186**

15. TRUSTEES' EXPENSES

	2021	**2020**
	£'000	£'000
Expenses incurred by Trustees and reimbursed by Church Mission Society	1	4
Expenses incurred by Church Mission Society on behalf of the Trustees	-	3
Trustees' indemnity insurance cover cost	4	4

The Trustees receive no remuneration for their services, but are reimbursed expenses in respect of travel and accommodation expenses for attending meetings. In 2021 four Trustees received expenses (2020: four). Charles Clayton (Chair of Trustees of CMS) also serves as a Director of CMS-Africa (Registered in Kenya). For more details of transactions with CMS-Africa, see Note 22. The aggregate value of donations made to Church Mission Society by Trustees who served as trustees during year to the general fund was £4,000 (2020: £5,000) and to restricted funds £16,000 (2020: £12,000).

16. TANGIBLE FIXED ASSETS AND PROPERTY HELD FOR SALE

Part A: Tangible fixed assets

The Group and Charity

	Freehold Property	Long Leasehold Property	Motor Vehicles	Fixtures, fittings and equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost:					
At 1 February 2020	8,864	267	24	1,508	10,663
Additions	-	-	-	44	44
Disposals	-	-	-	(88)	(88)
Transfer to property held for sale	(557)	-	-	-	(557)
At 31 January 2021	**8,307**	**267**	**24**	**1,464**	**10,062**
Depreciation:					
At 1 February 2020	1,873	27	24	1,163	3,087
Charge for the year	149	5	-	101	255
Disposals	-	-	-	(89)	(89)
Transfer to property held for sale	(111)	-	-	-	(111)
At 31 January 2021	**1,911**	**32**	**24**	**1,175**	**3,142**
Net Book Value:					
At 31 January 2020	**6,991**	**240**	**-**	**345**	**7,576**
At 31 January 2021	**6,396**	**235**	**-**	**289**	**6,920**

(a) Capital expenditure authorised and contracted but not yet incurred was £nil (2020: £nil).

(b) The net book value of long leasehold properties at 31 January 2021 includes two leasehold UK properties (2020: 2).

(c) The net book value of fixtures, fittings and office equipment comprises:

	2021	2020
	£'000	£'000
Fixtures and fittings	146	170
Office furniture	8	13
Computer hardware/software	133	157
Audio and other equipment	2	5
	289	**345**

Part B: Property held for sale

Included in Current Asset investments are three properties which the trustees are actively seeking to sell with a net book value of £446,000 within the next 12 months. They have been transferred from Tangible Fixed Assets.

17. INVESTMENTS

The Group and Charity

Analysis of Movement in Investments

	Listed	Unlisted	Social	Held as cash	2021	2020
Market Value:	£'000	£'000	£'000	£'000	£'000	£'000
At 1 February	3,696	10,171	10	239	14,116	14,963
Additions to investments	4,435	220	-	-	4,655	411
Proceeds from disposals	(4,383)	-	-	-	(4,383)	(125)
Net movement in cash held by investment manager	-	-	-	(76)	(76)	(58)
Net gain/(loss) on investments	204	1,547	13	-	1,764	(1,075)
At 31 January	**3,952**	**11,938**	**23**	**163**	**16,076**	**14,116**

Unlisted Investments (shown at market value)

	2021	2020
	£'000	£'000
Unrestricted Funds		
Ordinary shares – William Leech (Investments) Ltd	4,347	3,824
	4,347	3,824
Endowment Funds		
Ordinary shares – William Leech (Investments) Ltd	7,591	6,347
	11,938	**10,171**

Investments – William Leech (Investments) Limited

Grants are received from two charitable trusts administered by the William Leech Foundation Limited (known as the Foundation Trust and the Charity Trust, Note 3).

In accordance with the wishes of the Directors of the William Leech Foundation Limited, 57 per cent of the voluntary income received in 2020–21 has been invested in shares in William Leech (Investments) Limited. The historical cost of the investment and the reinvestment in respect of the year to 31 January 2021 was as follows:

	2021	2020
	£'000	£'000
At historical cost:		
Balance at 1 February	6,774	6,563
Shares purchased at £1 each	220	211
Balance at 31 January	**6,994**	**6,774**

The Total Net Assets of William Leech (Investments) Limited at 31 January (unaudited) was £59.7m (2020: £51.4m) comprised of listed securities £53.8m, property £4.7m, other net assets £1.2m. The Charity is one of five charities which each hold 20 per cent of the issued share capital of the company. CMS's share of the net assets is therefore £11.9m (2020: £10.2m). The Charity has a representative on the board of William Leech (Investments) Limited but this does not give the Charity the ability to control or exert significant influence over the company's day-to-day management or financial policies.

17. INVESTMENTS (CONTINUED)

Church Mission Society received legal advice in June 2016 from Winckworth Sherwood that considered whether the shares in William Leech (Investments) Limited should be treated as part of unrestricted funds or endowment funds in the accounts of Church Mission Society. The legal advice received in June 2016 confirmed that the shares purchased after 15 October 1996 should be treated as an addition to capital (endowment funds) and also advised that shares purchased prior to 15 October 1996 could be treated as part of unrestricted funds. The Trustees of Church Mission Society accepted this legal advice in June 2016 and the financial statements continue to be prepared on this basis.

Social Investment (unlisted shown at market value)

	2021 £'000	2020 £'000
Unrestricted Funds		
Ordinary shares – Clean for Good Ltd at historical cost	30	30
Less: Provision	(7)	(20)
	23	**10**

CMS's current share is 31 per cent of the issued share capital of the company. The Charity has a representative on the board of Clean for Good Ltd.

Custodian funds

The Group also acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:

	2021 £'000	2020 £'000
Value at 31 January	5	5
	5	**5**

These funds are not part of the Group's net assets and are not included in the Group's financial statements. At the request of the Diocese of Uruguay they are deposited with CCLA who manage the Central Board of Finance of the Church of England Investment Funds.

18. FINANCIAL INSTRUMENTS

The Charity has certain financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity has the following financial instruments:

	2021 Group £'000	2020 Group £'000	2021 Charity £'000	2020 Charity £'000
Financial assets measured at fair value, through profit and loss				
Unlisted investments	11,938	10,171	11,938	10,171
Other investments	4,138	3,945	4,138	3,945
Financial assets measured at amortised cost				
Cash at bank and in hand	6,712	6,288	6,068	5,546
Amounts due from subsidiaries	-	-	8	46
Other receivables (excluding prepayments)	672	542	670	535
Financial liabilities measured at amortised cost				
Amounts due to subsidiaries	-	-	(85)	(73)
Other creditors due within one year (excluding tax and deferred income)	(1,221)	(884)	(1,182)	(845)

19. DEBTORS

	2021 Group £'000	2020 Group £'000	2021 Charity £'000	2020 Charity £'000
Trade debtors	104	113	103	112
Taxation recoverable	30	53	29	53
Amounts owed by group entities	-	-	8	46
Prepayments	121	120	121	120
Accrued income	497	327	497	321
Other debtors	41	49	41	49
	793	**662**	**799**	**701**

20. CREDITORS

Amounts falling due within one year

	2021 Group £'000	2020 Group £'000	2021 Charity £'000	2020 Charity £'000
Trade creditors	144	137	140	134
Amounts owed to group entities	-	-	85	73
Accruals for grants payable	292	295	292	295
Other accruals	288	126	280	118
Taxes and social security costs	110	110	92	90
Deferred income	88	127	88	127
Other creditors	497	326	470	298
	1,419	**1,121**	**1,447**	**1,135**

Included in "Other creditors" are pension contributions due to the CMS Defined Benefit Pension Scheme of £328,000 (2020: £171,000), pension and administration expenses due to the CWPF Defined Benefit Pension Scheme of £19,000 (2020:19,000) and pension contributions due to the CWPF Pension Builder 2014 Defined Benefit Pension Scheme of £8,000 (2020: £8,000). In addition, there are pension contributions to the Group's other defined contributions pension schemes of £65,000 (2020: £56,000). All deferred income as at 31 January 2020 was recognised during the year ended 31 January 2021. Deferred income relates to amounts received in advance of entitlement.

21. REGISTERED HOLDER

The properties and investments of The Church Mission Society Trust are held in trust in the name of Church Missionary Trust Association Ltd.

22. RELATED PARTY TRANSACTIONS

There have been no related party transactions that require disclosure other than transactions with the subsidiary companies, The South American Mission Society and CMS House Enterprises Limited, as set out below:

South American Mission Society (SAMS)

In 2021, SAMS charged the Charity (gift from parent entity) with £497,000 (2020: £504,000). This calculation pertains to the amount of restricted funds received by the Charity (Church Mission Society), but relating to mission partners employed by SAMS. Each year, the Charity transfers a gift to SAMS of restricted funds relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

CMS House Enterprises Ltd

In 2021 the Charity charged CMS House Enterprises Limited management fees totalling £1,000 (2020: £4,000). These are calculated as a percentage of external conference and catering services income.

In 2021 the Charity charged CMS House Enterprises Limited licence fees totalling £200 (2020: £1,000). These are calculated as a percentage of total conference and catering services room hire income.

In 2021 CMS House Enterprises Limited charged the Charity room hire fees totalling £4,000 (2020: £20,000). These fees are based on usage of rooms hired relating to courses run by the Pioneer Mission Education team.

CMS-Africa

Charles Clayton (CMS Chair of Trustees) was appointed Director of CMS-Africa (an independent organisation based in Nairobi, Kenya) in October 2015. During 2020–21 CMS paid CMS-Africa £276,000 (2019–20: £277,000). Included in the amounts paid is £220,000 (2019–20: £223,000) which relates to Mission Support funding, and the remainder is support for the local partner programme plus other grants. Mr Clayton is one of seven Directors.

23. NET ASSETS BY FUND

The Group – 2021	Unrestricted	Restricted	Endowment	Total
	£'000	£'000	£'000	£'000
Fixed assets	6,704	216	-	6,920
Investments	6,067	89	9,920	16,076
Current assets	4,254	3,589	109	7,952
Less: Current liabilities	(1,250)	(169)	-	(1,419)
Less: Defined benefit pension liability	(6,629)	(1,504)	-	(8,133)
Net Assets 2021	**9,146**	**2,221**	**10,029**	**21,396**
Net Assets 2020	11,193	2,094	8,685	21,972
The Charity – 2021	**Unrestricted**	**Restricted**	**Endowment**	**Total**
	£'000	£'000	£'000	£'000
Fixed assets	6,704	216	-	6,920
Investments	6,067	89	9,920	16,076
Current assets	4,312	2,892	109	7,313
Less: Current liabilities	(1,307)	(140)	-	(1,447)
Less: Defined benefit pension liability	(6,629)	-	-	(6,629)
Net Assets 2021	**9,147**	**3,057**	**10,029**	**22,233**
Net Assets 2020	11,193	3,016	8,685	22,894
The Group – 2020	**Unrestricted**	**Restricted**	**Endowment**	**Total**
	£'000	£'000	£'000	£'000
Fixed assets	7,355	221	-	7,576
Investments	5,453	86	8,577	14,116
Current assets	3,251	3,592	108	6,951
Less: Current liabilities	(956)	(165)	-	(1,121)
Less: Defined benefit pension liability	(3,910)	(1,640)	-	(5,550)
Net Assets 2020	**11,193**	**2,094**	**8,685**	**21,972**
Net Assets 2019	14,598	1,966	9,122	25,686
The Charity – 2020	**Unrestricted**	**Restricted**	**Endowment**	**Total**
	£'000	£'000	£'000	£'000
Fixed assets	7,355	221	-	7,576
Investments	5,453	86	8,577	14,116
Current assets	3,296	2,843	108	6,247
Less: Current liabilities	(1,001)	(134)	-	(1,135)
Less: Defined benefit pension liability	(3,910)	-	-	(3,910)
Net Assets 2020	**11,193**	**3,016**	**8,685**	**22,894**
Net Assets 2019	14,598	2,898	9,122	26,618

24. FUNDS

Unrestricted Funds: Group

	At 1 February 2020	Incoming	Outgoing Resources	Net Gain/ (Loss) on Investments	Transfers	Actuarial Loss on Defined Pension Scheme	At 31 January 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,524	3,926	(2,813)	101	(1,166)	-	3,572
Tangible Fixed Asset fund (Designated)	7,354	-	(250)	-	46	-	7,150
William Leech Fund (Designated)	3,825	-	-	523	-	-	4,348
Pension Fund	400	400	(95)	-	-	-	705
Pension reserve	(3,910)	-	(484)	-	1,095	(3,330)	(6,629)
Unrestricted Funds	**11,193**	**4,326**	**(3,642)**	**624**	**(25)**	**(3,330)**	**9,146**

Unrestricted Funds: Charity

	At 1 February 2020	Incoming	Outgoing Resources	Net Gain/ (Loss) on Investments	Transfers	Actuarial Loss on Defined Pension Scheme	At 31 January 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General fund	3,524	3,918	(2,804)	101	(1,166)	-	3,573
Tangible Fixed Asset fund (Designated)	7,354	-	(250)	-	46	-	7,150
William Leech Fund (Designated)	3,825	-	-	523	-	-	4,348
Pension Fund	400	400	(95)	-	-	-	705
Pension reserve	(3,910)	-	(484)	-	1,095	(3,330)	(6,629)
Unrestricted Funds	**11,193**	**4,318**	**(3,633)**	**624**	**(25)**	**(3,330)**	**9,147**

The Tangible Fixed Asset Fund represents the net book amount invested in tangible fixed assets (including property held for sale) other than those covered by restricted funds. The William Leech Fund reflects the element of the grants received from William Leech Foundation Limited prior to 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17). The Pension Fund relates to additional funds received from William Leech (Investments) Ltd, which will be utilised to reduce CMS group pension liabilities. The pension reserve relates to the movement in the defined benefit pension scheme (see Note 25).

24. FUNDS (CONTINUED)

Endowment Funds
The Group and Charity

	At 1 February 2020	Incoming	Outgoing Resources	Net Gain/ (Loss) on Investments	Transfers	At 31 January 2021
	£'000	£'000	£'000	£'000	£'000	£'000
William Leech Capital Fund	6,456	225	-	1,023	-	7,704
P Fund	1,150	-	(9)	57	-	1,198
H B Aserappa Fund	588	-	(4)	31	-	615
R H Aserappa Fund	389	-	(3)	20	-	406
Christava Mahilalayam Fund	79	-	(1)	4	-	82
Bell Trust Fund	23	-	-	1	-	24
Total Endowment funds	**8,685**	**225**	**(17)**	**1,136**	**-**	**10,029**

The William Leech Capital Fund reflects the capital element of the grants received from William Leech Foundation Limited after 15 October 1996 which have been reinvested in shares in William Leech (Investments) Limited (see Note 17).

The P Fund is a permanently endowed fund. The capital of the fund was amalgamated from a large number of small trust funds with Charity Commission approval in 1998. The total value of the P Fund is broken down into the following areas, defined by the restrictions placed on the income generated:

China	£159,000
India	£402,000
Medical work	£328,000
Palestine	£44,000
General reserves	£265,000
	£1,198,000

The H B Aserappa Fund is for evangelistic work in East Asia or other parts of the world at the Trustees' discretion. The R H Aserappa Fund is for salaries and disbursements to lay evangelists in Sri Lanka.

The Christava Mahilalayam Fund is held for the benefit of the Christava Mahilalayam School in South India.

The Bell Trust Fund is for the in-service training of Religious Education teachers in Africa.

24. FUNDS (CONTINUED)

Restricted Funds
The Group and Charity

	At 1 February 2020	Incoming	Outgoing Resources	Net Gain on Investments	Transfers	Pension Deficit Provision	At 31 January 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mission Personnel Funds	841	1,795	(1,840)	-	113	-	909
South America Funds – Charity	-	93	(85)	-	2	-	10
Latin America Projects	1,043	78	(78)	-	(7)	-	1,036
Africa Projects	187	32	(87)	-	(1)	-	131
Asia Projects	175	24	(14)	-	8	-	193
Europe & Middle East Projects	16	144	(84)	-	(2)	-	74
Multi Region Projects	37	576	(387)	-	(153)	-	73
St Julian's Fund	221	-	(5)	-	-	-	216
Marc Nikkel Fund	9	-	-	-	(5)	-	4
Tanzania Education Fund	108	3	(29)	4	-	-	86
H B Aserappa Income Fund	-	13	(13)	-	-	-	-
R H Aserappa Income Fund	17	8	-	-	-	-	25
Christava Mahilalayam Income	14	2	-	-	-	-	16
Partnership for Missional Church	35	103	(96)	-	-	-	42
Mid-Africa Fund	112	79	(142)	-	-	-	49
Strategic Mission Fund	52	-	-	-	(5)	-	47
Local Partner Fund	12	79	(191)	-	100	-	-
Other restricted funds	137	182	(148)	-	(25)	-	146
Total restricted funds – Charity	**3,016**	**3,211**	**(3,199)**	**4**	**25**	**-**	**3,057**
South America Funds – Group	718	759	(595)	-	(214)	-	668
South America Funds – Pension reserve (see Note 25C)	(1,640)	-	(22)	-	214	(56)	(1,504)
South America Total	(922)	759	(617)	-	-	(56)	(836)
Total restricted funds – Group	**2,094**	**3,970**	**(3,816)**	**4**	**25**	**(56)**	**2,221**

24. FUNDS (CONTINUED)

Mission Personnel Funds are held as individual restricted funds for the support of CMS mission partners.

The South America Funds – Charity funds include reserves held by Church Mission Society which are used to support work in South America.

The regional project funds represent various small projects where the beneficiaries of the grants are based in a specific region or cover multiple regions. Donations and other income are received with a restriction to support these projects.

The St Julian's Fund represents the property held by CMS for the former residents of the St Julian's Community. This fund is restricted for the time that the properties are required by the residents, after which time the properties will revert to the general fund.

The Marc Nikkel Fund is for scholarships for Sudanese students.

The Tanzania Education Fund is for the Buigiri School for the Blind, Diocese of Tanganyika, Tanzania.

The accumulated income from the H B Aserappa Fund, the R H Aserappa Fund, the Christava Mahilalayam Fund is held for the same beneficial objects as for their corresponding endowments.

Partnership for Missional Church relates to a partnership to deliver training for dioceses in the UK.

The Mid-Africa Fund is held by CMS for work in the Mid-Africa region.

The Strategic Mission Fund was set up following a restricted donation from a major donor for new strategic work to be carried out.

The Local Partner Fund is to support a new generation of gifted and dedicated leaders who are passionate about serving their church in some of the world's financially poorest nations.

Other restricted funds represent a wide variety of small restricted funds, held and separately accounted for, for some of the current projects that CMS is involved in. Some fund transfers in the year relate to transfers from unrestricted funds to finance deficits on restricted funds, in particular mission personnel restricted funds. Other transfers relate to the movement from programme funds to help support individual mission partners and projects.

The South America Funds – Group funds include reserves held by The South American Mission Society which are used to support mission partners in Latin America.

25. RETIREMENT BENEFITS

The Charity (CMS) and one of its subsidiaries (South American Mission Society) have members in the following defined benefit pension schemes:

A. CMS Pension Scheme (a defined benefit scheme)
B. Church of England Funded Pensions Scheme (a multi-employer defined benefit pension scheme)
C. Church Workers Pension Fund (CWPF) Defined Benefit section (a multi-employer defined benefit pension scheme)
D. Church Workers Pension Fund (CWPF) – Pension Builder Scheme section (a multi-employer defined benefit pension scheme).

The net defined benefit pension liability shown in the Group and Charity Balance Sheets comprises:

	2021 Group £'000	2020 Group £'000	2021 Charity £'000	2020 Charity £'000
CMS Pension Scheme (see Note 25A below)	(6,629)	(3,910)	(6,629)	(3,910)
Multi-Employer Defined Benefit Pension Scheme – CWPF Defined Benefit section – Pension Scheme Deficit Reduction Provision (see Note 25C)	(1,504)	(1,640)	-	-
	(8,133)	**(5,550)**	**(6,629)**	**(3,910)**

For certain other employees and mission partners the Charity contributes to personal money purchase pension schemes (defined contribution schemes), as explained in Note 25E below.

A. Defined Benefit Schemes – CMS Pension Scheme (Group and Charity)

The Charity contributes to the CMS Pension Scheme, a defined benefit pension scheme, to secure present and future pensions for certain current and former mission partners and staff. CMS Ireland, an independent charity, also funds pensions for its current and former mission partners and staff, but these amount to only some 3 per cent of the scheme's total liabilities.

Nature of the Scheme

The Church Mission Society Pension Scheme operated by the Society is a funded defined benefit arrangement which provides retirement benefits based on final pensionable salary. The Scheme closed to the future accrual of benefits with effect from 30 June 2011. Accrued benefits of active members continue to be linked to pensionable salaries.

The Scheme is a UK registered scheme in accordance with Section 153 of the Finance Act 2004. The Scheme must comply with UK pensions legislation and is regulated by the UK Pensions Regulator. The Scheme is governed by a corporate Trustee, CMS Pension Trust Limited, which has six directors including two member-nominated directors, elected by the membership, and two independent directors, appointed by CMS. The remaining two directors are also appointed by CMS but represent the employer's interests. The Trustee is responsible for the administration of the Scheme and for the Scheme's investment policy. The Trustee, with the advice of the Scheme Actuary and with the agreement of the Employers, determines the contributions that are paid to the Scheme.

The calculations for the FRS 102 disclosures have been carried out by running full actuarial calculations as at 31 January 2021.

25. RETIREMENT BENEFITS (CONTINUED)

Funding Policy

Following the cessation of accrual of benefits with effect from 30 June 2011, regular contributions to the Scheme are no longer required. However, additional contributions are still made to cover any shortfalls that arise following each valuation. The funding method employed to calculate the value of previously accrued benefits is the Attained Age Method.

The financial statements have used the actuarial valuation of the Scheme at 31 March 2019. This indicated that the Scheme had a deficit. The Society and the Trustee of the Scheme have put in place a Schedule of Contributions and a Recovery Plan which detail the contributions that will be made to fund this deficit. These contributions are:

- core deficit contributions of £42,500 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 February to 31 January) exceeds £1,032,000, 50 per cent of the excess will be paid to the Scheme.
- an additional amount dependent upon the amount of unrestricted windfall income received from William Leech (Investments) Ltd (WLI). Church Mission Society will pay to the Scheme 50 per cent of any windfall income received.
- if any of the six properties, which are owned by Church Mission Society but do not form part of the contingent asset arrangement, are sold, with the consent of the Trustee required for the sale to be made, an additional contribution equal to 50 per cent of the net proceeds of the sale would be paid to the Scheme.
- additional contributions of £19,300 per month from 1 April 2020 in respect of the Scheme's administration expenses.

By Church Mission Society Ireland:

- core deficit contributions of £1,650 per month from 1 April 2020, increasing by 2 per cent on each subsequent April and continuing to 30 June 2035.
- an additional amount dependent upon the amount of unrestricted legacy income in any year. If unrestricted legacy income in any year (1 November to 31 October) exceeds €160,000, 15 per cent of the excess will be paid to the Scheme, subject to a maximum additional contribution of €5,000 in any one year.
- additional contributions of £700 per month from 1 April 2020 in respect of the Scheme's administration expenses.

The Charity contributed £1,095,000 to the Scheme in respect of the year to 31 January 2021 (2020: £859,000).

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

25. RETIREMENT BENEFITS (CONTINUED)

Scheme Amendments

There have been no amendments to the Scheme during the year and no special events have occurred.

	2021	2020
Amounts recognised in the balance sheet	£'000	£'000
Fair value of scheme assets	82,649	79,266
Present value of funded obligations	(89,278)	(83,176)
Net defined benefit (liability) recognised in the balance sheet	**(6,629)**	**(3,910)**

	2021	2020
Amounts charged to the Statement of Financial Activities	£'000	£'000
Interest on scheme assets	1,333	1,834
Interest cost on obligation	(1,394)	(1,852)
Net interest on net defined benefit asset or liability	**(61)**	**(18)**
Past service costs	(9)	-
Pension scheme administration expenses	(414)	(284)
Included in net income/(expenditure)	**(484)**	**(302)**
Return on scheme assets (not included in interest)	3,742	7,762
Experience (loss)/gain on liabilities	-	375
Actuarial (loss)/gain on scheme obligation	(7,072)	(11,619)
Recognised in "Actuarial (losses)/gains on defined benefit pension scheme"	**(3,330)**	**(3,482)**
Total amounts recognised in the SOFA	**(3,330)**	**(3,784)**

There are no current service costs of the Scheme included within the SOFA (2020: £nil).

	2021	2020
Changes in fair value of scheme assets	£'000	£'000
Scheme assets at the beginning of the year	79,266	71,368
Interest on assets	1,333	1,834
Return on scheme assets (not included in interest)	3,742	7,762
Contributions by CMS	1,095	859
Contributions by CMS Ireland	24	17
Administration expenses	(414)	(284)
Benefits paid	(2,397)	(2,290)
Scheme assets at the end of the year	**82,649**	**79,266**
Actual return on scheme assets	**5,075**	**9,596**

25. RETIREMENT BENEFITS (CONTINUED)

Scheme Assets

The major categories of Scheme assets as a percentage of the total Scheme assets are as follows:

	2021	2020
	%	%
Diversified growth funds	51	50
Bonds	13	13
Cash and NCA	12	11
Liability driven investments	24	26

Changes in present value of the Scheme's defined benefit obligation	**2021** £'000	**2020** £'000
Obligation at the beginning of the year	83,176	72,353
Interest cost on obligation	1,394	1,852
Actuarial loss/(gain)	7,072	11,619
Past service cost	9	-
Experience gain on liabilities	-	(375)
Contributions by scheme participants	24	17
Benefits paid	(2,397)	(2,290)
Defined benefit obligation at the end of the year	**89,278**	**83,176**

The weighted average duration of the liabilities of the Scheme was 17 years as at 31 January 2021 and 17 years at 31 January 2020.

Principal Actuarial Assumptions at the balance sheet date used for the FRS 102 disclosures

The principal assumptions used by the actuary to calculate the Employee benefit obligation for Church Mission Society in respect for the CMS Pension Scheme were as follows:

	2021 **%pa**	**2020** **%pa**
Discount Rate at end of year	1.40	1.70
Discount Rate at start of year	1.70	2.60
Inflation – CPI	2.15	1.90
Inflation – RPI	2.95	2.90
Rate of increase in pensionable salaries	2.15	1.90
Rate of increase in pensions in respect of service:		
- pre 10 January 1994	3.45	3.45
- between 10 January 1994 and 5 April 2005	2.85	2.80
- after 5 April 2005	2.15	2.10
Rate of increase in deferred pensions in respect of service:		
- before 1 April 1994	5.00	5.00
- between 1 April 1994 and 5 April 2009	2.15	1.90
- after 5 April 2009	2.15	1.90

25. RETIREMENT BENEFITS (CONTINUED)

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member aged 65 will live on average until age 87 if they are male and on average until age 91 if female. For a member currently aged 55 the assumptions are that if they attain an age of 65 they will live on average until age 88 if they are male and on average until 91 if female.

B. Defined Benefit Schemes – Church of England Funded Pensions Scheme (Group and Charity)

In addition to the CMS Pension scheme the Group has 17 active members of the Church of England Funded Pension Scheme (also known as the Clergy Scheme), which has approximately 8,000 active members. Contributions for these members of the Scheme are paid for by the Archbishops' Council on behalf of the Group, so the expense recognised in the SOFA is £nil (2020: £nil). Employer's contributions to this scheme amounting to some £220,000 are funded by the Archbishops' Council in accordance with the Pensions Measure 1997, under a grant which the national church undertook to make to meet the pension costs of clergy employed by qualifying mission agencies belonging then to the Partnership in World Mission.

C. Multi-Employer Defined Benefit Pension Scheme – Church Workers Pension Fund Defined Benefit section (Group)

The Group through South American Mission Society participates in the Defined Benefit Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

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

It is not possible to attribute the Scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such 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: £56,000, 2020: £67,000), plus any impact of deficit contributions (see below) giving a total charge in the year ended 31 January 2021 of £94,000 (2020: net charge of £121,000).

25. RETIREMENT BENEFITS (CONTINUED)

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

A valuation of the DBS is carried out once every three years, and the most recent scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11m.

Following the valuation, the Employer has entered into an agreement with the CWPF to pay expenses of £17,500 per year.

From 1 April 2021 a new annual deficit payment of £182,533 has been agreed and is payable until 31 March 2028 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments are recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	2021 £'000	2020 £'000
Balance sheet liability at 1 February	1,640	1,750
Deficit contribution paid	(214)	(214)
Interest cost (recognised in SOFA)	22	37
Remaining change to the balance sheet liability (recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	56	67
Balance sheet liability at 31 January	**1,504**	**1,640**

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following discount rates, set by reference to the duration of the deficit recovery payments.

	2021 %pa	2020 %pa
Discount Rate at end of year	0.50	1.40
Discount Rate at start of year	1.40	2.30

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

The next valuation of the Scheme will be carried out as at 31 December 2022.

25. RETIREMENT BENEFITS (CONTINUED)

D. Multi-Employer Defined Benefit Scheme – Church Workers Pension Fund – Pension Builder Scheme section (Group)

The Group through South American Mission Society also participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefit Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

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

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The Scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2021 are contributions payable of £95,000 (2020: £96,000).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. For the Pension Builder Classic section, the valuation revealed a deficit of £4.7m on the assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation as at 31 December 2019 revealed a surplus of £5.5m on a technical provisions basis. The legal structure of the scheme is such that if another employer fails, SAMS could become responsible for paying a share of that employer's pension liabilities.

During the 2017–18 year, following consultation with our scheme members it was decided to transfer all members from the Pension Builder Classic section to the Pension Builder 2014.

The next valuation of the Pension Builder Classic and 2014 schemes will be carried out as at 31 December 2022.

E. Defined Contribution Schemes (Group and Charity)

The Charity contributes to personal money purchase pension schemes (defined contribution schemes) for certain employees and mission partners.

	2021 £'000	2020 £'000
Staff and Mission Partners	693	659
	693	**659**

26. SECURED ASSETS

CMS House, the Mission and Community House in Oxford and two other residential properties have been pledged as security to the CMS Defined Benefit Pension Scheme. These properties are being used as security to guarantee the Charity's funding shortfall to the CMS Defined Benefit Pension Scheme.

27. SUBSIDIARY UNDERTAKINGS

Charity

As outlined in Note 1, The Church Mission Society Trust became a subsidiary of CMS under a scheme agreed with the Charity Commission in 2010. CMS is a corporate trustee of The Church Mission Society Trust. As part of the scheme, a uniting direction was put in place for The Church Mission Society Trust to be part of CMS for accounting and legal purposes. Therefore the disclosures in these financial statements for "the Charity" include CMS and The Church Mission Society Trust.

Principal Subsidiaries at 31 January 2021

a) The South American Mission Society

Name	Principal Activities	Ownership
The South American Mission Society (RCN: 221328 and Co. No.:00065048)	To be a community of people in mission obeying the call of God, to proclaim the gospel in all places with particular emphasis on Latin America and to draw all people into fellowship with the Lord Jesus Christ.	100%

b) CMS House Enterprises Ltd

Name	Principal Activities	Ownership
CMS House Enterprises Ltd (Co. No.: 09376700)	Income from room hire of CMS House and book sales.	100% – £1 share capital

27. SUBSIDIARY UNDERTAKINGS (CONTINUED)

Summary of results for the 12 months to 31 January

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Total incoming resources	8,251	759	8	(497)	8,521	8,358
Total resources expended	(7,346)	(617)	(9)	497	(7,475)	(7,448)
Gain/(losses) on investments	1,764	-	-	-	1,764	(1,075)
Actuarial gains/(losses) on defined benefit scheme	-	(56)	-	-	(56)	(67)
Other gains/(losses) on pension scheme deficit reduction provision	(3,330)	-	-	-	(3,330)	(3,482)
Net movement in funds	**(661)**	**86**	**(1)**	**-**	**(576)**	**(3,714)**

	The Charity	The South American Mission Society	CMS House Enterprises Ltd	Consolidation adjustments	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Total fixed assets	22,996	-	-	-	22,996	21,692
Current assets	7,313	722	11	(94)	7,952	6,951
Current liabilities	(1,447)	(54)	(12)	94	(1,419)	(1,121)
Defined benefit pension scheme asset/(liability)	(6,629)	(1,504)	-	-	(8,133)	(5,550)
Net assets/(liabilities)	**22,233**	**(836)**	**(1)**	**-**	**21,396**	**21,972**

Consolidation adjustments
The SAMS adjustment in the funds movement relates to transfer of restricted funds relating to mission partners where the income is received by CMS (parent charity) (see Note 22) and the costs are paid out of SAMS (subsidiary charity) which is the legal employer. CMS bears all other SAMS overheads without charge, apart from the SAMS governance cost.

The registered office of The Church Mission Society Trust, The South American Mission Society and CMS House Enterprises Ltd is CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ.

27. SUBSIDIARY UNDERTAKINGS (CONTINUED)

Other subsidiaries at 31 January 2021

In addition to the above principal subsidiaries, the following entities are also part of the CMS group but are not consolidated due to materiality.

Name	Percentage Holding	Registered Office
Church Missionary Trust Association Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
CMS Pension Trust Ltd	100	CMS House, Watlington Road, Oxford, Oxfordshire, OX4 6BZ
World Mission Association Ltd	50	5 Trinity Street, London, SE1 1DB

28. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing the financial statements, the Trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations and financial position. Accounting policies are shown in Note 2 to the financial statements.

Pension liabilities – CMS Pension Scheme

CMS has recognised its liability to its defined benefit pension scheme which involves a number of estimations, as disclosed in Note 25.

Cost allocation

Costs not attributable to a single activity are allocated or apportioned to activities on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised relate to the proportion of time spent by staff across different activities and judgement is exercised in applying cost drivers to cost categories.

Pension liabilities – multi-employer defined benefit pension schemes

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as the CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with Section 28 of FRS 102. The Trustees are satisfied that the CWPF meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained in Note 25, there is a deficit reduction plan in relation SAMS's membership of the Defined Benefit section of the CWPF.

29. CHANGE IN MOVEMENT IN NET FUNDS

	At 1 February 2020	Cash flow	At 31 January 2021
	£'000	£'000	£'000
Cash at bank and in hand	6,288	424	6,712
Cash held with investment manager	239	(76)	163
Net Cash	**6,527**	**348**	**6,875**

Cash held with investment manager is included within Investments (see Note 17).

REFERENCE DETAILS OF THE CHARITY AND ADVISERS

Principal Address
Church Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Principal Professional Advisers

Bankers

Barclays Bank PLC
Oxford Team
Wytham Court
11 West Way
Oxford
OX2 0JB

Auditors

Crowe U.K. LLP
Aquis House
Reading
Berkshire
RG1 1PL

Principal Solicitors

Anthony Collins
Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Investment Managers

Cazenove Capital
12 Moorgate
London
EC2R 6DA

CHURCH MISSION SOCIETY

Church Mission Society
Watlington Road, Oxford, OX4 6BZ

T: +44 (0)1865 787400
E: info@churchmissionsociety.org

churchmissionsociety.org

/churchmissionsociety
@cmsmission

Church Mission Society is a mission community acknowledged by the Church of England
Registered Company No. 6985330 and Registered Charity No. 1131655 (England and Wales) and SC047163 (Scotland) Also part of CMS: The South American Mission Society. Registered Company No. 65048 and Registered Charity No 221328 (England and Wales), The Church Mission Society Trust. Registered charity number 1131655-1 (previously 220297), Registered and principal offices of all above entities: Watlington Road, Oxford, OX4 6BZ.