

With Jesus
With each other
To the edges



Annual Report and Financial Statements

for the year ended 31 January 2024

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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.

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.

"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

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 Lockett
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

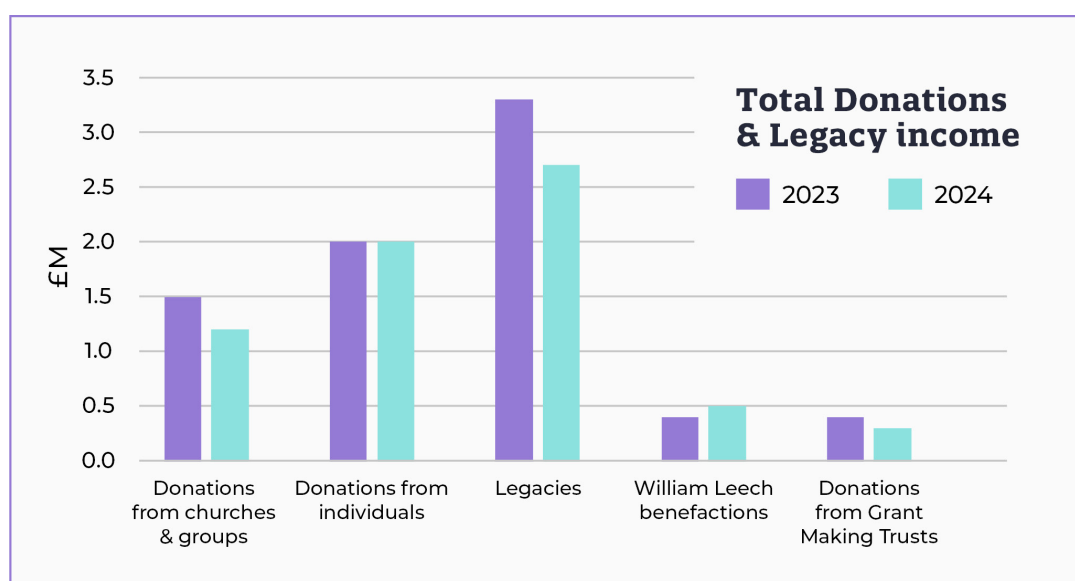
The report and financial statements of Church Mission Society Group (CMS) consolidates the results of Church Mission Society, The Church Mission Society Trust, The South American Mission Society (SAMS) and CMS House Enterprises Ltd.

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

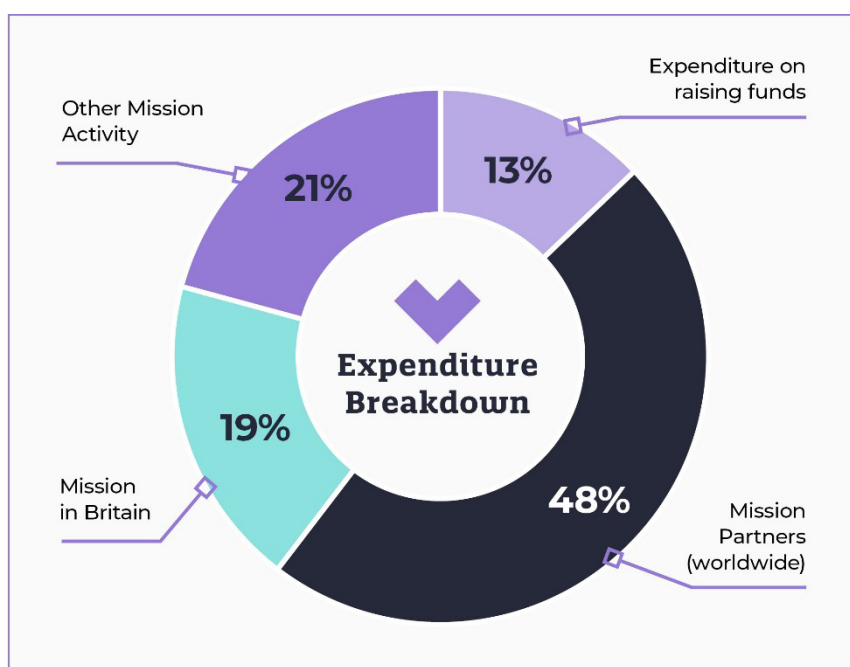
Total expenditure amounted to £7.9m (2023: £7.4m). Overall there has been an increase of £0.5m in total expenditure, arising from increased grants and an expansion in fundraising activities. The chart below shows how this is spent across our areas of work.

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.

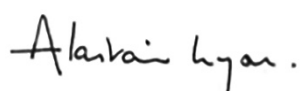
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.

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)

		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		Funds	Funds	Funds	2024	Funds	Funds	Funds	2023
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'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

		Group	Group	Charity	Charity
	Note	2024	2023	2024	2023
		£'000	£'000	£'000	£'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 £'000	Grants £'000	Support Costs £'000	Total 2024 £'000	Total 2023 £'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 £'000	2023 £'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
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14. Staff costs and other employee benefits

	2024	2024	2024	2023
Staff costs	UK Staff	Mission Partners	Total	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	2023
	Number	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
	£'000	£'000	£'000	£'000	£'000	£'000
Market Value:						
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 £'000	2023 £'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 £'000	2023 £'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	2023	2024	2023
	Group	Group	Charity	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	2023	2024	2023
	Group	Group	Charity	Charity
	£'000	£'000	£'000	£'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	2023	2024	2023
	Group	Group	Charity	Charity
	£'000	£'000	£'000	£'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 £'000	Restricted £'000	Endowment £'000	Total £'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 £'000	Restricted £'000	Endowment £'000	Total £'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 £'000	Restricted £'000	Endowment £'000	Total £'000
Fixed assets	6,360	206	-	6,566
Investments	5,025	89	8,639	13,753
Current assets	7,245	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 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.

	2024 £'000	2023 £'000
Amounts recognised in the balance sheet		
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	-	-
	2024 £'000	2023 £'000
Amounts charged to the Statement of Financial Activities		
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)

	2024 £'000	2023 £'000
Changes in fair value of scheme assets		
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

	2024 £'000	2023 £'000
Changes in present value of the Scheme's defined benefit obligation		
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

Barclays Bank PLC
Public Sector –
Charities
Level 12
1 Churchill Place
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E14 5HP

Auditors

Crowe U.K. LLP
Aquis House
Reading
Berkshire
RG1 1PL

Principal Solicitors Investment Managers

Anthony Collins

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134 Edmund Street

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