

**Charity Registration No. 1155158**

**Company Registration No. 08776679 (England and Wales)**

# **CHURCH OF ENGLAND CENTRAL SERVICES**

## **ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**(A COMPANY LIMITED BY GUARANTEE)**

## Church of England Central Services

### *Reference and administrative information*

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#### **Trustees**

Clive Mather (Chair)  
Carl Hughes  
Robert Zampetti (from 28 November 2024)  
Samantha Rushton  
Alan Nigel Smith  
Maggie Rodger

#### **Charity Number**

1155158

#### **Company Number**

08776679

#### **Principal Address & Registered Office**

Church House  
Great Smith Street  
London  
SW1P 3AZ

#### **Auditor**

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

#### **Bankers**

Lloyds Bank plc  
1 Legg Street  
Essex  
CM1 1JS

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

The trustees present their trustees' report (which is a directors' report and strategic report for company law purposes) together with the Independent Auditor's report, for the year ended 31 December 2024.

#### **The Charity**

Church of England Central Services (ChECS) is a company limited by guarantee, incorporated on 15 November 2013 and registered with the Charity Commission on 31 December 2013. The Charity's governing document is its Memorandum and Articles of Association.

The Charity is a jointly controlled entity between the Archbishops' Council (AC), the Church Commissioners for England (CC), and the Church of England Pensions Board (PB) each of which is a member and guarantor. It is one of seven National Church Institutions (NCIs) and started operating shared services on behalf of the NCIs on 1 April 2014.

#### **Governance and structure**

The three members of the jointly controlled entity each have the right to appoint two trustees. The trustees (who are also the company directors) who held office during the year were:

- AC: Samantha Rushton
- AC: Carl Hughes (Chair of Archbishops' Council Finance Committee)
- CC: Alan Smith (First Church Estates Commissioner)
- CC: Robert Zampetti
- PB: Clive Mather (Chair of the Pensions Board)
- PB: Maggie Rodger

The trustees meet regularly with the chief executives in a joint NCIs forum called the Joint Employment and Common Services Board (JECBSB), and on the same day the directors also meet together as a ChECS Board to consider the business of ChECS.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to a sum not exceeding £10 per member of the Charity.

#### **Recruitment and appointment of trustees**

The trustees all hold positions in the other NCIs, either as trustees or committee members. Their appointment and training is dependent on the processes in the member NCI. Each member NCI has the power to appoint two trustees to the Board.

#### **Church of England Central Services Trading Limited & Parish Giving Scheme (PGS)**

The Charity has two subsidiary companies:

1. A wholly owned trading subsidiary company, Church of England Central Services Trading Limited (ChECS Trading), which carries out activities that are deemed, for tax purposes, to be trading activities. The company was incorporated on 14 March 2014 and donates any taxable profits to the Archbishops' Council, under a deed of covenant, and
2. The Parish Giving Scheme, a solely controlled charitable company limited by guarantee. (company registration no. 08824540 and charity no. 1156606). The mission of the charity is to enhance the generosity that enriches the life of the Church and its ministry in each community. The principal activity of PGS is the provision of a professional and cost-effective scheme to enable givers to support their local church. PGS became a subsidiary from 1 January 2024

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

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#### **Staff Remuneration and Executive Pay**

The staff working for ChECS are covered by a unified pay policy that operates across all the NCIs. The policy is designed to ensure the same level of pay for all staff in posts with work of equal value which is based on a comprehensive job evaluation scheme, with staff being placed in one of eight 'bands'. For certain staff with specialist skills, typically those whose role requires them to hold a professional qualification, a market adjustment may be applied, the value of which is determined by reference to the lower quartile and median of market related salaries and is subject to regular review.

The NCIs use a range of appropriate external data tools and internal dedicated resources to advise on market rates. Staff pay is reviewed annually and any increases as a result of the annual pay negotiations are awarded with effect from 1 January each year. The NCIs are committed to being a Living Wage employer, and, for those roles based in London, a London Living Wage employer for all staff including apprenticeships, interns and those on training schemes.

Certain senior roles sit outside the banding system, as the skill set required to fulfil the role is not readily measured within the NCIs' standard job evaluation system. Salaries for these roles are set individually with reference to the wider employment market, typically comparing to the charity and public sector, and overseen by the Remuneration Committee comprising senior trustees from each of the main NCIs. In general these staff can expect the same percentage annual uplift for cost of living as other staff.

The "key management personnel" for ChECS are the three chief executives of the other NCIs (as well as the six trustees, who are appointed by the other NCIs), therefore none are paid by ChECS. The "key management personnel" for ChECS Trading Limited are directors employed and paid by ChECS. "Key management personnel" for PGS comprises of the chief executive and management who are directly employed and paid by PGS.

#### **Pensions**

All ChECS staff members are eligible to join the Church Administrators Pension Fund – those whose employment commenced before July 2006 accrue pension on a defined benefit basis, and those employed subsequently are part of the defined contribution section with employer contribution rates ranging from 8% to 18% depending on the age of the employee and any personal contribution that they make. ChECS staff who have joined from 1 January 2024, are eligible to join the Church Workers Pension Fund – Pension Builder 2014 scheme, which is a cash balance classified scheme both in respect of tax and pensions legislation.

PGS staff members are eligible to join PGS' own separate defined contribution pension scheme it operates.

#### **Safeguarding**

The trustees recognise the vital role they play in ensuring that ChECS operates effectively and safely. By collaborating closely with management, they ensure regular reviews and the implementation of appropriate safeguarding standards. This provides assurance that all activities and services provided by ChECS are safe for beneficiaries, staff, and volunteers, and comply with legal, ethical, and national safeguarding requirements. Trustees are committed to prioritising safeguarding in their meetings, demonstrating their unwavering commitment to protecting the well-being of everyone involved with ChECS and its subsidiaries.

## **STRATEGIC REPORT**

### **PUBLIC BENEFIT**

In exercising their responsibilities, the trustees have had regard to the Charity Commission's published advice on public benefit, in accordance with the requirements of s17(5) of the Charities Act 2011. ChECS' activities provide public benefit by reducing the support costs of the NCIs, dioceses and other charities with a Church ethos which allows them to better provide their charitable services.

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

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#### ACTIVITIES AND BUSINESS REVIEW

##### Activities

The Charity's objects are to enhance the efficiency and effectiveness of the NCIs, dioceses and other charities with a Church ethos by providing cost-effective shared financial, legal and other support services including payroll, and to promote the charitable purposes of the NCIs.

The day-to-day management of the Charity's departments has been delegated to the three chief executives of the NCIs. Management is shared across the NCIs as follows:

##### Archbishops' Council managed

- Communications & Digital
- Legal

##### Church Commissioners managed

- Technology
- Office Services
- Data Services
- Finance, Procurement & Project Management
- Human Resources
- Giving & Stewardship
- Assurance, Internal audit and Risk Management

The NCIs are managed respectively by:

- William Nye (AC – Secretary General)
- Gareth Mostyn (CC – Secretary and Chief Executive)
- John Ball (PB – Chief Executive)

The costs of operating these functions are recovered from those receiving the services according to their proportionate usage of the shared services. The ChECS senior leadership team has met regularly during 2024 and reports quarterly progress to the ChECS Board.

The ChECS Group comprises ChECS (the parent) and its subsidiaries, ChECS Trading (ChECST) and the Parish Giving Scheme (PGS). Below is a summary of the subsidiaries:

ChECS Trading (ChECST) operates two key business activities: the Parish Buying Scheme and the Pathways recruitment portal. Any surplus profit generated, after covering administrative, audit, and tax costs, is donated to the Archbishops' Council, effectively reducing taxable profit to zero.

Parish Giving Scheme (PGS) supports the Church of England and other Christian charities by promoting their work and raising funds. It also enhances the efficiency of charity administration. Trustees regularly review the charity's public benefit in line with Charity Commission guidelines. In 2024, PGS helped over 5,500 Church of England parishes access funds from more than 88,000 donors, improving donation efficiency. The service also provided crucial support during the cost-of-living crisis by maintaining or increasing regular giving, bolstering the Church's local mission.

##### Business Review

In 2024, ChECS continued to drive a dynamic programme of change aligned with the Church of England's Vision & Strategy for the 2020s. Focused on key priorities like Net Zero, Safeguarding, and church estate modernisation, ChECS successfully supported dioceses and cathedrals, making significant strides despite a challenging geopolitical and economic environment. This year marked substantial progress in enhancing the organisation's resilience, enabling it to be more modern and fit for the future.

In terms of technology, 2024 saw major improvements in governance, incident response, and disaster recovery under the leadership of a new Director of Technology. With a renewed focus on Cyber Security, key areas that had previously scored poorly in audits are now on track for significant improvements.

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

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Looking ahead to 2025, ChECS is committed to strengthening the foundations of its systems for a more secure future.

The Data Services team achieved several milestones, including launching a pilot for Centralised Mapping Services, developing an Automated Salary Payment System, and beginning the Diversity Data Collection Project. Their efforts also included GDPR training, decommissioning outdated systems, and creating resources like new census dashboards and updated Data Retention Schedules.

The Finance Transformation Programme made significant progress, with key projects entering the implementation phase in 2025. These projects, including Pension Finance Automation and Grants Management, align closely with the Governance Programme, which will help redefine the future of the NCIs. Additionally, full recruitment of the Finance function in 2024 strengthened the team, leading to more flexible and reliable delivery of services, enhanced performance, and improved year-end statutory account closures.

With regard to internal controls, the ChECS Risk & Assurance team made notable contributions by delivering risk-based audit plans and facilitating risk management across multiple NCIs, providing regular updates to key governance meetings, managed the annual insurance renewals and claims processing, and developed comprehensive counter-fraud arrangements throughout the pan-NCI network. These efforts have helped ensure that ChECS continues to operate with transparency and accountability.

HR has led on significant achievements included the successful Pay award, Gender Pay report publication, and the completion of the 2024 Engagement Survey. Recruitment efforts were strengthened with the launch of new careers webpages, while the HR team restructured to better meet the NCIs' evolving needs. Notable initiatives included a diocesan pilot on Bullying and an expanded HR Diocesan Network, including cathedrals, with plans for external service provision beyond 2025.

ChECS trading has broken even in 2024, with Parish Buying showing a £14.9k deficit and Pathways a £9.4k surplus. The company has strong prospects for the future due to a more cost-efficient operating model and new energy broker Mitie Energy.

While the core business activities remained unchanged in 2024, significant changes were made to the operational model for the Parish Buying scheme. These adjustments have been designed to reduce energy broker fees and other operating costs, thereby boosting potential surpluses.

The most significant development this year has been ChECS becoming sole member, with full control, of Parish Giving Scheme (PGS) as at 1 January 2024. PGS's main activity is managing a regular giving scheme that collects donations via Direct Debit, with funds allocated to specified churches within 10 days. Gift Aid is claimed monthly and forwarded to churches promptly. The administrative costs are covered by Diocesan Boards of Finance, and by the end of 2024, the scheme was supporting 38 dioceses.

PGS's objective is to support the Church of England and other Christian charities, promoting their work and raising funds. It also works to enhance the efficiency of charity administration that supports these purposes. Trustees review the charity's public benefit regularly, following the Charity Commission's guidelines. In 2024, the charity's PGS service helped over 5,500 Church of England parishes access funds from 88,000+ donors, making contributions more efficient. This service also supported churches during the cost-of-living crisis by maintaining or increasing regular giving to help the Church's mission locally.

Parish Giving had a standout year, with our ChECS PGS subsidiary generating £99.9m through the Parish Giving Scheme, with an additional £19.7m donated through the ChECS online and contactless giving. Generosity Week saw 7.5k downloads of resources, and the Parish Resources website attracted 35k new visitors. The success of over 400 new energy accounts opened via Parish Buying further contributed to cost savings and sustainability, as electricity was sourced from the Hornsea 1 wind farm. These achievements highlight a year of growth in supporting parishes to fund a sustainable ministry, to the benefit of all the communities they serve.

Finally, the Digital Communications team provided robust support across several initiatives, including securing fair media coverage on the Rwanda Bill, managing the LLF debate, launching the #PrayYourPart

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

campaign, and introducing the Everyday Faith App. They also organized a successful Diocesan Communicators conference and coordinated responses to the UK riots and new anti-bullying guidance.

These combined efforts reflect a year of transformation, progress, and strengthening the NCIs to better support the mission of the Church of England.

### **FINANCIAL PERFORMANCE**

This financial year is the first year of the inclusion of PGS within the consolidated financial results of the Charity. With the inclusion of PGS, the Charity Group recorded an annual income of £130.7m (2023: £23.4m) and annual expenditure of £127.7m (2023: £23.4m). Majority of the annual income and expenditure comprise of restricted PGS' received donations and related restricted expenditure. For further details, see Note 2 (page 24).

Excluding PGS, ChECS generated an unrestricted annual expenditure amounting to £26.6m (2023: £23.4m) which was fully recovered from the primary recipients of the services from the Charity.

The Charity's results are set out in the Consolidated Statement of Financial Activities (page 17), the Balance Sheets (page 18) and the Consolidated Cash Flow Statement (page 19).

Financial results of subsidiaries, ChECS Trading Limited and PGS, are set out in Notes to the Financial Statements - Note 9 (page 32).

### **Funds**

As all the Charity's resources are spent in pursuit of its primary charitable objects, ChECS' resources are categorised under Unrestricted Funds.

The subsidiary, PGS, has resources that are categorised under Restricted Funds, as well as Unrestricted Funds. Restricted Funds are in relation to the amounts collected from givers to the PGS and returned in full to the relevant parish.

Total reserves at the year end were £2.97m (2023: nil), comprising of designated reserves of £2,843k and free reserves of £129k, with nil restricted reserves. Whole of free reserves represent PGS free reserves at the year end. ChECS, as a single charity, together with its trading subsidiary ChECS Trading Limited, does not hold any reserves.

PGS free reserves of £129k are available for PGS' day-to-day requirements and are held with the aim to cover the costs of unforeseen contingencies. This level of free reserves is below PGS' agreed policy outlined below, however PGS' trustees will look to take steps in future budgeting to address this, as well as looking to enhance other income and funding sources where possible.

### **Reserves**

ChECS, as a single entity charity, does not hold reserves as all of its expenditure is recoverable from those receiving its services in the period in which the service was provided. As such, there is no need for reserves to be held.

PGS has separate unrestricted funds, one which represents carrying value of PGS's intangible fixed assets on the basis that these intangible assets are essential to the day-to-day operations of PGS, and for that reason not available, therefore it is kept separate to the free unrestricted fund reserves. Trustees of PGS have agreed that free unrestricted fund reserves should be maintained to meet unforeseen operational costs equivalent to a minimum of 3 months of operating costs (£200k).

### **Measures of performance**

As a provider of shared services to the NCIs and wider church, the main performance indicators for ChECS are an increased use of shared services plus the ability of the charity to recoup its costs. Both objectives were satisfactorily met during 2024.

### **Funding sources and Going concern**

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### *Trustees' Report (incorporating a Strategic Report) (continued)*

The majority of the Charity's income is received from the three main National Church Institutions in the form of recharged expenditure and from fund raising activities through the PGS subsidiary which is included in the consolidated group position A small proportion of its income comes from other bodies to which it provides services (such as IT services and payroll). The Charity prepares annual budgets and regular re-forecasts, and in addition, in formulating its strategy for future development, considers a longer-term period beyond that for which formal budgets and forecasts are prepared.

The trustees have assessed the key risks and uncertainties which impact upon immediate liquidity and longer-term solvency for both ChECS and the ChECS Group (which includes ChECS trading and PGS). The trustees have specifically considered the effect of the geo-political turbulence, the energy and continued cost of living crises on the Charity, and the Charity Group's primary income streams and have reviewed the material cash flows, and the availability of mitigating actions which could be taken to reduce expenditure. The trustees have assessed the continued demand for the Charity and the Charity Group's services from the three main NCIs, which depend upon the Charity and Charity Group to provide key support services to enable them to deliver their charitable activities. They have considered the relative financial strength of the three main NCIs, including cash reserves and the availability of liquid resources, and consider that planned expenditure remains recoverable from them. The trustees have also considered how activities could be reprioritised if mitigating action becomes necessary to reduce expenditure.

Having due regard to the above, the trustees have a reasonable expectation that ChECS and its subsidiaries have adequate resources and cash flows to meet spending commitments for a period in excess of twelve months from the date of signing the financial statements, and do not consider there to be material uncertainty over the Charity's ability to meet its future obligations and commitments. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

#### **Plans for future periods**

The Charity's plans for 2025 are described below. The aims of the Charity are to continue to provide, and to expand, cost-effective shared-services in the form of products, services and advice to the National Church Institutions and both directly and indirectly to dioceses, parishes and the wider Church. Future objectives for ChECS include:

- To support the delivery of commitments made in the Business Plans of each of the NCIs, notably this includes:
  - supporting a range of objectives aligned to enabling the Church of England Vision & Strategy for the 2020s, including supporting new triennium funding streams and development of digital resources
  - continuing to support the work undertaken through the Safeguarding programme to improve Safeguarding arrangements in the Church of England, with key projects including Independence, Redress and Casework Management
  - supporting the Church of England Pensions Board in developing its Housing service to meet the needs of retiring clergy within a complex financial and regulatory context
  - supporting the expansion of the work of the National Society, particularly in relation to the NPQ Developing Leaders programme and the Archbishops' Young Leaders Award
- To provide stronger financial management and a robust control environment; and to improve the quality of financial analysis and insight to support decision-making; this objective includes the delivery of new Finance, Pensions payments and Grant Management systems for the NCIs.
- To develop and embed an ongoing and continuous efficiency programme to ensure limited resources are spent wisely to support the NCIs purpose and strategic objectives.
- To facilitate effective people leadership and staff engagement, leading to high performance levels, whilst embedding NCI values and behaviours, promoting belonging and inclusion, and enabling effective ways of working; thereby providing "cultural glue" across the NCI and wider Church.
- To deliver stronger and more joined up Data, Technology and Digital services, with a particular focus on cyber security and data protection, and the delivery of a range of key technology projects to enhance security and reliability of transactional processing.
- To improve and join up customer support across a range of key services.
- To plan and implement the recommendations of the Governance Review Group Report which focuses on the governance of the National church bodies



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### *Trustees' Report (incorporating a Strategic Report) (continued)*

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- To deliver key areas of Transforming Effectiveness and to develop opportunities for more effective services to the wider Church (including through Parish Buying)
  - To equip dioceses and parishes with the tools and knowledge to create the best environment for encouraging giving and generosity in their churches
  - To improve the NCIs' maturity in Project Management and the effectiveness of strategy execution

#### **ChECS Trading**

ChECS Trading's objective moving forward remains to expand and enhance its procurement and recruitment services on behalf of the Church of England. Despite the turbulence and uncertainty in the energy market in recent years, the Parish Buying energy basket has continued to provide significant value to Church customers and is expected to do so moving forward. Additionally, Pathways recruitment activity has seen positive growth, approaching pre-pandemic levels, and this trend is expected to continue into 2025 and beyond.

The activities of ChECS Trading remain strategically important to ChECS as a whole. The long-term business model for Parish Buying is being further developed to support the expansion of services. It is viewed as a sustainable and viable model for the future.

#### **Parish Giving Scheme (PGS)**

The PGS subsidiary anticipates significant income growth in 2025, that will be driven by:

- Central funding supporting all Church of England parishes.
- Close collaboration with the National Giving Team to maximize PGS launches in dioceses and parishes.
- Ongoing attraction of new givers by existing parishes.
- Continued use of regular, one-off, and contactless giving methods.

These combined with the completion of the PGS digital platform (currently under development) is expected to greatly enhance the digital giving experience for parishes and dioceses. This platform will expand PGS's reach and significantly improve service delivery. Amortisation of this asset will begin once the platform is live, with the anticipated go-live date of summer 2025. PGS expects continued growth beyond 2026 as adoption of the PGS service expands.

#### **FUNDRAISING**

ChECS itself does not undertake any fundraising from the general public, and neither does it employ any person on its behalf to do so. The PGS subsidiary itself is a fundraising enabling body providing a means for donations for the benefit of Parishes and dioceses, it is included within the ChECS Group and it is as part of the consolidated Group position. Grants may be awarded occasionally from the other NCIs in order to further the effectiveness of ChECS' shared activities.

With a clear separation of responsibilities between ChECS and its subsidiaries, ChECS is pleased to report that no complaints have been received by ChECS, its subsidiaries, or any person acting on its behalf in relation to its activities. Regarding fundraising plans, ChECS maintains close engagement with the National Safeguarding Team to ensure that best practices are consistently followed such that the protection and fair consideration of vulnerable individuals remain a top priority in all actions and decision-making processes.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

2024 has provided a number of challenges contributing to the increase in geopolitical instability and the continuing cost of living pressures in the UK, despite inflation subsiding to more manageable levels. These issues contribute to ongoing global uncertainty, which is also keenly felt within the UK. Cybersecurity also remains a major concern, with efforts to bolster systems resilience actively underway. Given the evolving landscape, these efforts will require sustained attention. ChECS is committed to

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

addressing this challenge by prioritising extensive training, education, and the implementation of robust system controls to mitigate the risk of harm or loss.

The ChECS risk management process supports effective management by enabling the identification and assessment of significant risks that could impact the achievement of objectives for ChECS and for each of its subsidiaries (ChECS trading and PGS). This support ensures that resources are utilised efficiently, threats and dangers are identified early, and communication is streamlined between staff, management, and the Board of Trustees. The roles and responsibilities of directors, trustees, management, and staff are clearly outlined in the NCIs' risk management policies, which also include the overall risk management process.

Each strategic (principal) risk identified has an assigned risk owner responsible for ensuring that the risk assessment accurately reflects the current risk environment. Risk scoring is reviewed regularly using the methodology recommended by the Charity Commission. The Risk & Assurance Department facilitates and monitors the NCIs' risk management process, employing the Rhiza risk management tool for ongoing monitoring and updates.

The strategic risk register and risk management arrangements are reviewed by the ChECS Board at least annually. These reviews, conducted in collaboration with risk owners, are supported by the Risk & Assurance Department, ensuring an accurate reflection of existing risks and providing ongoing assurance about the effectiveness of current risk management strategies. Independent reviews are carried out through Internal Audit processes and reported to the three Audit & Risk Committees of the NCIs. This allows ChECS to continue supporting the vision and strategy of the Church of England.

The ChECS Board has identified the strategic (principal) inherent risks outlined below as the primary obstacles to achieving ChECS and its subsidiaries key objectives. These risks are subject to ongoing mitigation and management actions to reduce residual risk to a tolerable level.

Principal Risk Area	Key Management Actions and Plans
<b>Operational Challenges</b>  The significant increase in workload coupled with a reduction in budget in real terms along with significant major change programmes may lead to mistakes or errors or compliance issues.	<ul style="list-style-type: none"> <li>• Regular communications with staff in relation to the Transforming Effectiveness Programme, which focuses on increasing effectiveness and efficiency across ChECS and the wider Church.</li> <li>• Processes and controls developed for pan-NCI approach to project management</li> <li>• Emerging Church Steering Group in place to co-ordinate and prioritise workstreams.</li> <li>• Regular Governance Review update meetings</li> <li>• ChECS Project Board meeting monthly.</li> <li>• Robust application of Procurement Policy</li> <li>• Governance Project Director in place and timeline established for Governance Review</li> </ul>
<b>People</b> Inability to attract/recruit and/or retain high quality staff with the requisite skills.	<ul style="list-style-type: none"> <li>• Pay &amp; Reward package implemented</li> <li>• Mediacash Healthcare Plan introduced</li> <li>• Internal Mobility Project</li> <li>• Recruitment policy refresh</li> <li>• Succession Planning for key posts</li> </ul>

## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

<p>Loss of institutional knowledge, leading to a significant disparity between employee skills and the skills demanded by a given position</p> <p>Central Services under resourced, undervalued or underutilised, leading to an undermining of service delivery.</p>	<ul style="list-style-type: none"> <li>• Portfolio management process</li> <li>• Transforming Effectiveness to provide a clear vision of the value of ChECS and its services</li> <li>• Career development and learning schemes</li> <li>• 2025 Pay award agreed</li> </ul>
<p><b>Culture</b></p> <p>Risk that organisational staff profile does not reflect wider society and is not welcoming.</p> <p>Inability to lead and handle change results in lack of resilience and inability to adapt to changing demands.</p>	<ul style="list-style-type: none"> <li>• Health &amp; Wellbeing Strategy agreed</li> <li>• Internal Mobility Project</li> <li>• Recruitment policy refresh</li> <li>• NCI Staff Survey completed with corporate action plan launched in response.</li> </ul>
<p><b>Cyber/Data-Security</b></p> <p>The information security management system is not robust/ of a sufficient standard to prevent NCIs being the target of a cyber attack and impact on staff morale</p> <p>Unauthorised third-party software use by staff.</p> <p>Staff neglecting cyber security training.</p>	<ul style="list-style-type: none"> <li>• A 'Zero trust' continuous authentication and monitoring network utilised.</li> <li>• Mandatory IT Security Awareness staff training.</li> <li>• Penetration testing scheduled.</li> <li>• Regular random phishing testing.</li> <li>• Quarterly Cyber Security Steering group meetings.</li> <li>• Dedicated Cyber Security Analyst in post</li> <li>• External 24/7 Security Operations Centre (SOC)</li> <li>• Cyber Insurance Policy</li> <li>• Cyber Security retainer with AON</li> <li>• 2 year Cyber Security strengthening programme initiated</li> <li>• Phishing email reporting tool</li> </ul>
<p><b>Provisions of Service to wider Church</b></p> <p>Insufficient capacity within ChECS Trading Limited to serve and support the wider Church.</p>	<ul style="list-style-type: none"> <li>• Well established vehicle to deliver change via ChECS Trading Limited.</li> <li>• Internal Mobility Project</li> </ul>

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### *Trustees' Report (incorporating a Strategic Report) (continued)*

<p><b>Finance Transformation Programme</b></p> <p>Introduction of new finance system is delayed, over budget and does not meet service user needs.</p>	<ul style="list-style-type: none"> <li>• Experienced Programme Lead.</li> <li>• Established Programme Board.</li> <li>• External advisor to the Board from Gartner</li> <li>• Regular updates to ChECS Board.</li> <li>• Appropriate Project Scoping.</li> <li>• Utilisation of NCI Programme methodology.</li> <li>• Lessons learned from historic projects.</li> <li>• Key project team members recruited</li> <li>• Director of Finance Transformation in post</li> </ul>
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## Church of England Central Services

### *Trustees' Report (incorporating a Strategic Report) (continued)*

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#### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements are prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and Charity and of incoming resources and application of resources of the Group and Charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Charity will continue in business.

The trustees are responsible for keeping adequate accounting records that show and explain the Group and Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Group and Charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and Charity and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

#### **Provision of information to auditor**

All of the current trustees (who are also the directors of the company) have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Group and Charity's auditor for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any relevant audit information of which the auditors are unaware.

#### **Approval**

20 May 2025

This report was approved by the board of trustees on ..... and signed on its behalf by:

Signed by:  
  
 89AB7E50447646D...

Clive Mather, Chairman

## Church of England Central Services

### *Independent Auditor's Report to the members of Church of England Central Services*

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#### **Opinion**

We have audited the financial statements of Church of England Central Services ('the charitable company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity only Balance Sheets, the 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 December 2024 and the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company / group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's 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.

## Church of England Central Services

### *Independent Auditor's Report to the members of Church of England Central Services*

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#### **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 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 requires 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 13, 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**

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](http://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.

## Church of England Central Services

### *Independent Auditor's Report to the members of Church of England Central Services*

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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 and the Charities Act 2011 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 taxation and employment legislation.

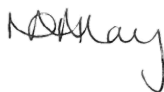
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission 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. 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, for our audit work, for this report, or for the opinions we have formed.



Nicola May  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

London

Date ~~20 May 2025~~...



## Church of England Central Services

*Consolidated Statement of Financial Activities  
(including consolidated income and expenditure account)  
For the year ended 31 December 2024*

		Restricted	Unrestricted	All	All
	Note	Funds	Funds	Funds	Funds
		2024	2024	2024	2023
		£'000	£'000	£'000	£'000
<b>Income from:</b>					
Charitable activities	2	-	26,624	26,624	23,415
		-	26,624	26,624	23,415
<b>Voluntary Income:</b>					
Grant income	2	2,107	900	3,007	-
Donations income	2	99,926	-	99,926	-
		102,033	900	102,933	-
<b>Other:</b>					
Other income	2	-	38	38	-
Transfer of funds from Parish Giving Scheme	13	-	1,102	1,102	-
		-	1,140	1,140	-
<b>Total income</b>		<b>102,033</b>	<b>28,664</b>	<b>130,697</b>	<b>23,415</b>
<b>Expenditure on:</b>					
Charitable activities	3	(99,926)	(27,799)	(127,725)	(23,415)
<b>Total expenditure</b>		<b>(99,926)</b>	<b>(27,799)</b>	<b>(127,725)</b>	<b>(23,415)</b>
Transfer between funds	12	(2,107)	2,107	-	-
<b>Net movement in funds</b>		<b>-</b>	<b>2,972</b>	<b>2,972</b>	<b>-</b>
Total funds at 1 January		-	-	-	-
<b>Total funds at 31 December</b>		<b>-</b>	<b>2,972</b>	<b>2,972</b>	<b>-</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

All activities in prior year 2023 were classified as unrestricted fund as PGS was not part of consolidation group.

Movement in funds are disclosed in note 12 to the financial statements


## Church of England Central Services

### *Consolidated and Charity only Balance Sheets As at 31 December 2024*

	Notes	Consolidated 31-Dec-24 £'000	Consolidated 31-Dec-23 £'000	Charity Only 31-Dec-24 £'000	Charity Only 31-Dec-23 £'000
<b>Fixed assets</b>					
Intangible assets	6	5,668	3,673	3,011	3,673
<b>Total fixed assets</b>		<b>5,668</b>	<b>3,673</b>	<b>3,011</b>	<b>3,673</b>
<b>Non-Current asset</b>					
Amounts due from subsidiary undertaking	7	-	-	212	212
<b>Total Non-Current assets</b>		<b>-</b>	<b>-</b>	<b>212</b>	<b>212</b>
<b>Current assets</b>					
Stock		1	-	-	-
Debtors	7	1,709	2,171	1,504	1,848
Cash at bank and in hand		2,996	4,272	1,717	4,147
<b>Total current assets</b>		<b>4,706</b>	<b>6,443</b>	<b>3,221</b>	<b>5,995</b>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	8	(5,534)	(7,487)	(4,576)	(7,251)
<b>Net current liabilities</b>		<b>(828)</b>	<b>(1,044)</b>	<b>(1,355)</b>	<b>(1,256)</b>
<b>Total assets less current liabilities</b>		<b>4,840</b>	<b>2,629</b>	<b>1,868</b>	<b>2,629</b>
Creditors: amounts falling due after one year	8	(1,868)	(2,629)	(1,868)	(2,629)
<b>Net assets / (liabilities)</b>		<b>2,972</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funds of the Charity</b>					
<b>Restricted Funds</b>	12	-	-	-	-
<b>Unrestricted Funds</b>	12				
Designated funds - Intangible fixed assets		2,657	-	-	-
Designated funds - IT fund		186	-	-	-
Designated funds - Development fund		-	-	-	-
General fund		129	-	-	-
<b>Total funds</b>		<b>2,972</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prior year consolidated figures do not include PGS given it was not part of consolidation group. Parent charity, ChECS, recorded a Nil (2023: Nil) net surplus/deficit.

The Financial Statements of Church of England Central Services (Company No. 08776679) were approved and authorised for issue by the Board on ..... and signed on its behalf by:

Signed by:  
  
 Clive Mather, Chair

20 May 2025

# Church of England Central Services

## Consolidated statement of cash flows for the year ended 31 December 2024

		2024 £'000	2023 £'000
<b>Cash generated from operating activities</b>	<b>A</b>	1,973	2,750
<b>Cash flows from investment activities</b>			
Purchase of intangible asset		(3,249)	(515)
Change in cash, cash equivalents and net debt in the year		(1,276)	2,235
Cash, cash equivalents and net debt at 1 January		4,272	2,037
<b>Cash, cash equivalents and net debt at 31 December</b>	<b>B</b>	<b>2,996</b>	<b>4,272</b>
<b>A. Net cash generated by operating activities</b>			
		2024 £'000	2023 £'000
Net (expenditure)/income for the year (as per the statement of financial activities)		2,972	-
Amortisation		1,254	978
Decrease/(increase) in stock		(1)	-
Decrease/(increase) in debtors		462	(780)
(Decrease)/increase in creditors		(2,714)	2,552
<b>Net cash generated by operating activities</b>		<b>1,973</b>	<b>2,750</b>
<b>B. Analysis of cash, cash equivalents and net debt</b>			
		2024 £'000	2023 £'000
Cash at bank and in hand		2,996	4,272
<b>Total cash, cash equivalents and net debt</b>		<b>2,996</b>	<b>4,272</b>

# Church of England Central Services

## *Notes to the Financial Statements for the year ended 31 December 2024*

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### 1. ACCOUNTING POLICIES

Church of England Central Services (ChECS) is a company limited by guarantee, incorporated on 15 November 2013 and registered with the Charity Commission on 31 December 2013. The Charity's governing document is its Memorandum and Articles of Association.

#### a) Basis of Preparation of Accounts

ChECS' financial information has been prepared in accordance with:

- Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102");
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("the SORP"); and
- The Companies Act 2006.

ChECS meets the definition of a Public Benefit Entity ("PBE") as set out in FRS 100, and therefore applies the PBE prefixed paragraphs in FRS 102.

The financial information has been prepared on the historical cost basis and on the accruals basis.

#### b) Consolidation

The consolidated statement of financial activities ('SOFA') and balance sheet include the financial activities of ChECS and its subsidiaries ChECS Trading Ltd and Parish Giving Scheme (PGS) made up to 31 December 2024. PGS became a subsidiary of ChECS from 1 January 2024. The subsidiaries have been consolidated on a line-by-line basis. Intra-group balances and transactions are eliminated on consolidation. The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Statement of Financial Activities in these financial statements. The parent company's profit for the year was £nil (2023: £nil).

#### c) Going concern

The trustees have a reasonable expectation that ChECS and the ChECS Group have adequate resources and cash flows to meet its spending commitments for a period of twelve months from date of signing the financial statements. In making this assessment, they have assessed the key risks and uncertainties which impact upon immediate liquidity and longer-term solvency for both ChECS and ChECS Group (which includes ChECS Trading and PGS). The trustees have specifically considered the effect of the geo-political turbulence, the energy and cost of living crises on the Charity, and Charity Group's primary income streams and have reviewed the material cash flows, and the availability of mitigating actions which could be taken to reduce expenditure. The trustees have assessed the continued demand for the Charity and the Charity Group's services from the three main NCIs, which depend upon the Charity and Charity Group to provide key support services to enable them to deliver their charitable activities. They have considered the relative financial strength of the three main NCIs, including cash reserves and the availability of liquid resources, and consider that planned expenditure remains recoverable from them. The trustees have also considered how activities could be reprioritised if mitigating action becomes necessary to reduce expenditure.

Having due regard to the above, the trustees have a reasonable expectation that ChECS and its subsidiaries have adequate resources and cash flows to meet spending commitments for a period of twelve months from date of signing the financial statements, and do not consider there to be material uncertainty over the Charity's ability to meet its future obligations and commitments. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and accounts.

#### d) Income

All income is recognised on the accruals basis. It is recognised when ChECS is entitled to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Income from Charitable Activities predominantly represents recharged expenditure from the shared service departments and income generated by ChECS-run courses and conferences.

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

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#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **d) Income (continued)**

It also includes income generated from procurement and recruitment services via ChECS Trading, as well as including voluntary income and revenue grants via Parish Giving Scheme (PGS).

Voluntary income received as contributions from member dioceses represent the initial amounts received from members when they join PGS. These amounts are included in full in the statement of financial activities when receivable. The main income for PGS is gifts received for parishes, with the gift aid being claimed on such gifts as appropriate.

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

##### **e) Expenditure**

All expenditure is accounted for on an accruals basis.

Charitable activity costs are the cost of operating the shared service departments, including staff costs and accommodation costs.

Restricted fund expenditure are the costs incurred for specific purposes as laid down by the giver.

Governance costs include costs associated with the governance arrangements of the Charity including external audit.

##### **f) Taxation**

ChECS is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, it is exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The Charity is registered for VAT and recovers all that it incurs.

One of the Charity's subsidiary, ChECS Trading Ltd is a non-charitable subsidiary and is subject to taxation, but does not generally pay UK Corporation tax because its policy is to pay any taxable profits to the Archbishops' Council.

The Charity's other subsidiary, PGS, is a charity and therefore, for the same reasons that apply to parent charity ChECS, it is also exempt from taxation.

##### **g) Pension Costs**

As set out in Note 5, pension benefits to staff employed by ChECS are provided through the Church Administrators Pensions Fund (CAPF) defined benefit pension scheme, CAPF defined contribution scheme, or through the Church Workers Pension Fund - Pension Builder 2014 (CWPF-PB14) scheme.

The defined benefit scheme is considered to be a multi-employer scheme and consequently is accounted for as if it were a defined contribution scheme, where employer contributions payable in the year are charged to expenditure. The NCIs' pension scheme liability is calculated by actuaries Lane, Clark and Peacock LLP (LCP). The Church of England Pensions Board took advice from LCP and have determined the method and assumptions to use for this valuation in consultation with the employers. The valuation adopts the "projected unit method", under which the technical provisions are calculated as the amount of assets required as at the valuation date to meet the projected benefit cashflows, based on benefits accrued to the valuation date and the various assumptions made.

# Church of England Central Services

## *Notes to the Financial Statements for the year ended 31 December 2024*

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### **1. ACCOUNTING POLICIES (CONTINUED)**

#### **g) Pension Costs (continued)**

The Fund faces a number of risks. In particular, the actual returns on the Fund's assets may prove to be higher or lower than those anticipated in the calculation of the technical provisions. The greater the returns anticipated, the greater is the chance that actual returns will be lower, leading to the need for additional employer contributions in the future. Similarly, there is the risk that the other assumptions adopted are not borne out by future experience.

PGS charity operates its own separate defined contribution scheme for its own staff. The assets of scheme are held separately from those of the charity in an independent fund. The employer pension contributions represent contributions payable under the scheme. PGS has no liability under the scheme other than for the payments of those contributions.

Contributions are shown in Note 4.

#### **h) Related Parties**

The three members are related to ChECS. Details are given in Note 11.

The Church of England is governed by a large number of legally independent bodies in its parishes, cathedrals and dioceses as well as at national level. These bodies are not related parties as defined in the Charities SORP or FRS 102. Transactions and balances with these bodies are accounted for in the same way as other transactions and, where material, are separately identified in the notes to the financial statements.

#### **i) Funds**

As all the Charity's resources are spent in pursuit of its primary charitable objects, ChECS' and ChECS Trading Ltd 's resources are categorised under Unrestricted Funds.

Parish Giving Scheme's resources are categorised as either Restricted Funds, Unrestricted Funds – General Funds or Unrestricted Funds – Designated Funds.

Restricted funds are to be used for specific purposes as laid down by the giver. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are gifts and other income receivable or generated for the objects of the charity.

Designated funds are those earmarked by the Board of Trustees for particular purposes. Whilst such funds are kept separate for administrative purposes, they do not constitute legally separate funds.

#### **j) Stock**

Stock is held at the lower of cost and net realisable value.

#### **k) Amortisation & Impairment**

ChECS costs incurred on acquiring or enhancing intangible assets for the specific benefit of ChECS are capitalised. ChECS incurred staff costs that relate to the development of those intangible assets are capitalised, including related tax and social security payments.

PGS intangibles assets relate to the development of the PGS specific website and the Digital Platform and are essential to the day-to-day operations of PGS and specifically provide future benefits to PGS, and therefore have been disclosed separately to ChECS intangible assets.

## **Church of England Central Services**

### *Notes to the Financial Statements for the year ended 31 December 2024*

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#### **1. ACCOUNTING POLICIES (CONTINUED)**

##### **k) Amortisation & Impairment (continued)**

Amortisation is charged on a straight line basis over the estimated useful life of the asset, as set out below:

Software	20%
PGS Software	25%

At each reporting date, management assess whether there is any indication that an intangible asset may be impaired. If there is an indication of impairment, the recoverable amount of the asset is estimated, and an impairment loss is recognised, if the recoverable amount is less than its carrying amount.

## Church of England Central Services

*Notes to the Financial Statements for the year ended 31 December 2024*

### 2. INCOME FROM CHARITABLE ACTIVITIES & VOLUNTARY INCOME

	2024	2024	2024	2023
	Restricted	Unrestricted	Total	Total
Charitable Activities by Department	£'000	£'000	£'000	£'000
Comms & Digital	-	3,240	3,240	2,887
Data Services	-	3,722	3,722	3,674
Finance & Project Management Office	-	7,362	7,362	5,628
Giving & Stewardship	-	1,537	1,537	1,475
HR & Office Services	-	2,291	2,291	2,267
Internal Audit	-	1,015	1,015	784
Legal	-	1,592	1,592	1,521
Strategic Development Unit	-	-	-	3
Technology	-	4,115	4,115	3,770
ChECS Trading Limited	-	1,750	1,750	1,406
	-	26,624	26,624	23,415
<b>Voluntary Income</b>				
PGS Grant Income	2,107	900	3,007	-
PGS Donation Income	99,926	-	99,926	-
	102,033	900	102,933	-
<b>Other</b>				
PGS Other Income	-	38	38	-
	-	38	38	-
<b>TOTAL</b>	102,033	27,562	129,595	23,415

All income charitable activities in prior year 2023 were classified as unrestricted given PGS was not part of the consolidation group.



## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 3. CHARITABLE EXPENDITURE

	2024 Restricted	2024 Unrestricted	2024 Total	2023 Total
Department	£'000	£'000	£'000	£'000
Comms & Digital	-	3,240	3,240	2,887
Data Services	-	3,722	3,722	3,674
Finance & Project Management Office	-	7,362	7,362	5,628
Giving & Stewardship	-	1,537	1,537	1,475
HR & Office Services	-	2,291	2,291	2,267
Internal Audit	-	1,015	1,015	784
Legal	-	1,592	1,592	1,521
Strategic Development Unit	-	-	-	3
Technology	-	4,115	4,115	3,770
ChECS Trading Limited	-	1,750	1,750	1,406
Parish Giving Scheme	99,926	1,175	101,101	-
<b>TOTAL</b>	<b>99,926</b>	<b>27,799</b>	<b>127,725</b>	<b>23,415</b>

All charitable expenditure in prior year 2023 were classified as unrestricted given the fact PGS was not part of the consolidation group.

#### Governance costs - auditor's remuneration:

Included within charitable expenditure are governance costs related to audit costs:

	2024 £'000	2023 £'000
Audit of ChECS	8	8
Audit of ChECS Trading Ltd	3	3
Audit of Parish Giving Scheme (PGS)	34	-
Taxation services provided by auditor	-	5
<b>TOTAL</b>	<b>45</b>	<b>16</b>

## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 3. STAFF NUMBERS AND COSTS

The cost of staff for which ChECS was the managing employer and costs of staff for which PGS was the managing employer during the year ended 31 December 2024 was:

	Comms & Digital	Data Services	Finance & PMO	Giving & Stewardship	HR & Office Services	Internal Audit	Legal	Technology	PGS staff	2024 Total	2023 Total
Average No. Employed	23	21	79	22	21	4	15	17	9	211	178
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	1,349	1,016	3,820	1,000	1,236	302	1,109	909	303	11,044	9,121
Social security	157	114	435	114	139	37	135	108	33	1,272	1,046
Pension contributions	169	140	517	133	156	42	151	112	46	1,466	1,263
<b>Total cost of staff</b>	<b>1,675</b>	<b>1,270</b>	<b>4,772</b>	<b>1,247</b>	<b>1,531</b>	<b>381</b>	<b>1,395</b>	<b>1,129</b>	<b>382</b>	<b>13,782</b>	<b>11,430</b>

Total cost of staff includes termination costs of £97,760 (2023: £4,536) in respect of 4 (2023: 1) individuals. The average number of staff employed during the year has increased as a result of filling existing vacancies and team expansion to help support the finance and governance transformation programmes of work that required additional resources to deliver.

The cost of staff for which ChECS was the managing employer during the year ended 31 December 2023 was:

	Comms & Digital	Data Services	Finance & PMO	Giving & Stewardship	HR & Office Services	Internal Audit	Legal	Technology	2023 Total
Average No. Employed	22	20	58	17	26	3	14	18	178
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	1,180	887	2,923	777	1,167	229	1,022	936	9,121
Social security	135	100	335	87	130	28	124	107	1,046
Pension contributions	141	128	418	101	150	29	171	125	1,263
<b>Total cost of staff</b>	<b>1,456</b>	<b>1,115</b>	<b>3,676</b>	<b>965</b>	<b>1,447</b>	<b>286</b>	<b>1,317</b>	<b>1,168</b>	<b>11,430</b>

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

#### 4. STAFF NUMBERS AND COSTS (CONTINUED)

The numbers of staff whose emoluments for the year fell in the following bands were:

	2024	2023
	Number	Number
£60,001 to £70,000	19	15
£70,001 to £80,000	14	9
£80,001 to £90,000	4	8
£90,001 to £100,000	7	1
£100,001 to £110,000	3	4
£110,001 to £120,000	5	2
£120,001 to £130,000	1	-
£130,001 to £140,000	1	1
£140,001 to £150,000	1	1
£150,001 to £160,000	1	-
<b>Total</b>	<b>56</b>	<b>41</b>

All of the staff above, except one, are ChECS employees and one staff is an PGS employee.

Of the ChECS staff within the bands, 46 (2023: 37) accrue benefits under the Church Administrators Pension Fund (Note 5) defined contribution scheme for which contributions for the year were £508,532 (2023: £428,246). 5 (2023: 4) ChECS staff members accrue benefits under the Church Administrators Pension Fund (Note 5) defined benefit scheme and 3 (2023: Nil) ChECS staff members accrued benefits under the Church Workers Pension Fund - Pension Builder 2014 (Note 5).

The highest paid member of staff was the Chief Operating Officer who earned £152,670 (2023: Chief Operating Officer £141,814). ChECS' remuneration policy is in line with that of the other NCIs.

None of the trustees were remunerated and one was reimbursed £223 (2023: £nil) expenses by ChECS during the year.

#### 5. PENSIONS

Pension benefits for staff employed by ChECS are provided either through the Church Administrators Pensions Fund (CAPF) defined benefit pension scheme, CAPF defined contribution scheme or through the Church Workers Pension Fund - Pension Builder 2014 (CWPF-PB14).

The CAPF defined benefit and defined contribution schemes were established for employees commencing service after 30 June 2006.

The CWPF-PB14 scheme has been the default scheme for new employees who joined ChECS in 2024. It has been operating since February 2014, and is classified as a cash balance scheme both in respect of tax and pensions legislation.

All the schemes are administered by the Church of England Pensions Board, which publishes the schemes' financial statements. The contributions to the defined benefit schemes have been assessed by an independent qualified actuary using the projected unit method of valuation and are detailed below.

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

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#### 5. PENSIONS (CONTINUED)

Pension benefits for staff employed by PGS' own separate defined contribution scheme.

##### The Church Administrators Pension Fund

- i) Defined Benefits Section (closed to new members from 30 June 2006)

##### Costs shared between the National Church Institutions

A valuation of this section is carried out every three years, the most recent having been at 31 December 2022. This revealed a deficit of £2.4m for the entire scheme. As agreed prior to the valuation, the employers collectively paid contributions of 27.6% of Pensionable Salaries each month and deficit payments of £2.4m until December 2023, in respect of the shortfall in the Defined Benefit Section. As at 31 December 2024, there is no deficit in relation to the Defined Benefit Section. Future contributions of Pensionable Salaries from 1 January 2024 onwards was agreed to be 16.5%.

The deficit contributions paid by ChECS in 2024 were £Nil (2023: £447,000). The level of additional contributions made by the participating employers as a whole in 2024 was £Nil (2023: £2.4m).

##### Contributions Paid

In 2024 ChECS paid contributions (exclusive of the additional contributions) to the Fund totalling £101,246 (2023: £153,259). The participating employers are also responsible for making contributions towards the administration costs of the scheme of £650,000 (2023: £499,000).

- ii) Defined Contribution Section

Following the closure of the defined benefit section of the Fund on 30 June 2006 a defined contribution section was set up for those commencing service after this date. ChECS paid contributions of £1,086,469 in 2024 (2023: £1,097,042).

##### The Church Workers Pension Fund – Pension Builder 2014

##### Costs shared between the National Church Institutions

A valuation of this section is carried out every three years, the most recent having been at 31 December 2022. This revealed a surplus of £8.5m for the entire scheme. As at 31 December 2024, there is no deficit in relation to the scheme.

##### Contributions Paid

In 2024 ChECS paid contributions (exclusive of the additional contributions) to the Fund totalling £212,816 (2023: Nil).

##### PGS Pension Scheme Fund

PGS operates a defined contribution pension scheme for PGS employed staff. The pension cost charge represents contributions made by PGS payable to the scheme fund. In 2024 PGS paid contributions to the scheme totalling £46,000. PGS has no liability under the scheme other than for the payment of contributions mentioned.

**Church of England Central Services***Notes to the Financial Statements for the year ended 31 December 2024***5. PENSIONS (CONTINUED)****Membership**

The average number of ChECS employees within each scheme was:

	CAPF		CWPF
	Defined Benefit	Defined Contribution	Pension Builder 2014
2024	10	154	31
2023	9	165	-

## Church of England Central Services

Notes to the Financial Statements for the year ended 31 December 2024

### 6. INTANGIBLE ASSETS

Cost	2024			2023			2024	2023
	Consolidated			Consolidated			Charity	Charity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	ChECS	PGS	Total	ChECS	PGS	Total		
At 1 January	5,534	-	5,534	5,019	-	5,019	5,534	5,019
Balance transferred	-	1,097	1,097	-	-	-	-	-
Additions	446	2,107	2,553	515	-	515	446	515
Disposals	-	-	-	-	-	-	-	-
At 31 December	5,980	3,204	9,184	5,534	-	5,534	5,980	5,534
<b>Accumulated amortisation</b>								
At 1 January	(1,861)	-	(1,861)	(883)	-	(883)	(1,861)	(883)
Balance transferred	-	(401)	(401)	-	-	-	-	-
Charged for the year	(1,108)	(146)	(1,254)	(978)	-	(978)	(1,108)	(978)
At 31 December	(2,969)	(547)	(3,516)	(1,861)	-	(1,861)	(2,969)	(1,861)
<b>Net book values</b>								
At 31 December 2024	3,011	2,657	5,668	3,673	-	3,673	3,011	3,673
At 31 December 2023	3,673	-	3,673	4,136	-	4,136	3,673	4,136

In 2024, as part of the Financial Transformation Project (FTP), work costs undertaken by ChECS regarding the Grant Management Programme (GMP) and Pensions Automation Programme (PEN) began to be capitalised in Oct 2024 as both project streams went into delivery phases. The purpose of GMP and PEN projects is to implement a new grant management system for the Archbishops Council and new treasury management system for pensions, respectively. It is GMP and PEN intangible assets that are assets under construction totalling £446,470 and are currently not being amortised as the assets have yet to go live and be used.

PGS has intangible assets which reflect the carrying value of the PGS website development and digital project costs which have been capitalised on the balance sheet. Assets under construction within PGS amount to £2,623,425 and are currently not being amortised.

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

#### 7. DEBTORS

	2024	2023	2024	2023
Current debtors	Consolidated	Consolidated	Charity only	Charity only
	£'000	£'000	£'000	£'000
Trade debtors	461	886	204	264
Other debtors	108	144	32	53
Prepayments and accrued income	1,140	1,141	858	939
Amounts due from subsidiary undertaking	-	-	410	592
	<b>1,709</b>	<b>2,171</b>	<b>1,504</b>	<b>1,848</b>

	2024	2023	2024	2023
Non-current debtors	Consolidated	Consolidated	Charity only	Charity only
	£'000	£'000	£'000	£'000
Amounts due from subsidiary undertaking	-	-	212	212
	<b>-</b>	<b>-</b>	<b>212</b>	<b>212</b>

During the year, the Board considered the status of the amounts loaned to the subsidiary undertaking, and determined that this funding had been provided for the long term benefit of ChECS Trading and is not expected to be repaid within twelve months. As a result, the substance of this debt is considered to be a long term debtor and is therefore presented as such in the financial statements.

## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 8. CREDITORS

	2024	2023	2024	2023
<b>Current liabilities:</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Charity only</b>	<b>Charity only</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts due within 1 year				
Trade creditors	654	957	575	851
Other creditors	432	-	-	-
Related parties (see Note 11)	245	3,847	245	3,828
Taxation & social security	2,232	1,628	2,243	1,630
Accruals & deferred income	1,971	1,055	1,513	942
	<b>5,534</b>	<b>7,487</b>	<b>4,576</b>	<b>7,251</b>

	2024	2023	2024	2023
<b>Non-current liabilities:</b>	<b>Consolidated</b>	<b>Consolidated</b>	<b>Charity only</b>	<b>Charity only</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts due after 1 year				
Related parties (see Note 11)	1,868	2,629	1,868	2,629
	<b>1,868</b>	<b>2,629</b>	<b>1,868</b>	<b>2,629</b>

#### 9. SUBSIDIARY RESULTS

ChECS has a trading subsidiary, ChECS Trading Ltd (company registration no. 08940330), which carries out any activities that are deemed, for tax purposes, to be trading activities. ChECS owns 100% of the share capital in ChECS Trading Ltd. ChECS Trading Ltd is registered at the same address as its parent.

A summary of the profit and loss account of ChECS Trading Ltd is shown below:

<b><u>ChECS Trading Ltd</u></b>	<b>Year Ended 31/12/2024</b>	<b>Year Ended 31/12/2023</b>
	<b>£'000</b>	<b>£'000</b>
Turnover	1,732	1,402
Cost of Sales	(1,678)	(1,387)
<b>GROSS PROFIT</b>	<b>54</b>	<b>15</b>
Administration expenses	(64)	(8)
Interest payable	10	(7)
Charitable donations	-	-
<b>RESULT FOR THE FINANCIAL YEAR</b>	<b>-</b>	<b>-</b>



## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 9. SUBSIDIARY RESULTS (CONTINUED)

A summary of the net assets of ChECS Trading Ltd is shown below:

<b><u>ChECS Trading Ltd</u></b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current assets</b>		
Debtors	519	917
Cash at bank and in hand	252	124
	<u>771</u>	<u>1,041</u>
Creditors: amounts falling due within one year	(559)	(829)
Net current assets	<u>212</u>	<u>212</u>
Creditors: amounts falling due after one year	(212)	(212)
<b>Total reserves</b>	<u><u>-</u></u>	<u><u>-</u></u>

As at 1 January 2024, ChECS became the parent entity of Parish Giving Scheme, a charitable company limited by guarantee (company registration no. 08824540 and charity no. 1156606). The mission of the charity is to enhance the generosity that enriches the life of the Church and its ministry in each community. The principal activity of PGS is the provision of a professional and cost-effective scheme to enable givers to support their local church. The Parish Giving Schemes' registered address is 76 Kingsholm Road, Gloucester, England, GL1 3BD.

A summary of the income and expenditure account of Parish Giving Scheme is shown below:

<b><u>Parish Giving Scheme</u></b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
	<b>Restricted</b>	<b>Unrestricted</b>	<b>TOTAL</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Grant Income	2,107	900	3,007
Donations Income	99,926	-	99,926
Other Income	-	38	38
Expenditure from Charitable activities	(99,926)	(1,175)	(101,101)
<b>Net Income/(Expenditure)</b>	<u><b>2,107</b></u>	<u><b>(237)</b></u>	<u><b>1,870</b></u>
Net Movement in funds	2,107	(237)	1,870
Transfer between funds	(2,107)	2,107	-
<b>Reconciliation of funds:</b>			
Funds at the start of the year	-	1,102	1,102
<b>Funds at the end of the year</b>	<u><b>-</b></u>	<u><b>2,972</b></u>	<u><b>2,972</b></u>

## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 9. SUBSIDIARY RESULTS (CONTINUED)

A summary of the net assets of Parish Giving Scheme is shown below:

<u>Parish Giving Scheme</u>	<b>2024</b>
	<b>£'000</b>
<b>Fixed assets</b>	
Intangible assets	2,657
<b>Current assets</b>	
Stock	1
Debtors	114
Cash at bank and in hand	1,028
	<u>1,143</u>
Creditors: amounts falling due within one year	(828)
Net current assets	<u>315</u>
Net assets	<u>2,972</u>
<b>Reserves</b>	
Restricted funds	-
Unrestricted funds	2,972
<b>Total reserves</b>	<u><u>2,972</u></u>

#### 10. OPERATING LEASES

As at 31 December 2024 the charity group had commitments under non-cancellable operating leases, representing the total minimum future lease payments, as follows:

	<b>Property</b>	<b>Office Equipment</b>	<b>2024 Total</b>	<b>2023 Total</b>
<b>Falling due:</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Within One year	33	192	225	174
Two to Five years	33	177	210	70
	<u>66</u>	<u>369</u>	<u>435</u>	<u>244</u>

The annual lease payments were £435,000 (2023: £244,000). In the comparative year operating leases were that of office equipment only.

# Church of England Central Services

## Notes to the Financial Statements for the year ended 31 December 2024

### 11. RELATED PARTIES

ChECS is a jointly controlled entity between the Archbishops' Council, the Church Commissioners for England, and the Church of England Pensions Board in which the three members hold equal shares. Each member has the right to appoint and remove two of ChECS' trustees and holds equal guarantee rights in ChECS.

The amount charged to each related party during the year was as follows:

	2024	2023
	£'000	£'000
Church Commissioners for England	7,764	7,230
The Archbishops' Council	12,966	10,956
The Church of England Pensions Board	2,970	3,018
<b>Total</b>	<b>23,700</b>	<b>21,204</b>

As at 31 December the following amounts were owed to/(from) related parties:

	2024	2023
	£'000	£'000
Church Commissioners for England	1,544	2,686
The Archbishops' Council	1,456	1,913
The Church of England Pensions Board	(886)	1,877
<b>Total</b>	<b>2,114</b>	<b>6,476</b>

ChECS Trading was owed £140 from the above related parties (2023: £18,000 was owed to the above related parties).

### ChECS Trading

The amount charged to ChECS by ChECS Trading during the year was as follows:

	2024	2023
	£'000	£'000
ChECS	27	38

As at 31 December the following amounts were due from ChECS Trading:

	2024	2023
	£'000	£'000
ChECS Trading	619	808

# Church of England Central Services

*Notes to the Financial Statements for the year ended 31 December 2024*

## 12. MOVEMENT IN FUNDS

Consolidated	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 December 2024 £'000
<b>Unrestricted funds:</b>					
General fund	-	27,782	(27,653)	-	129
Designated funds:					
- Intangible fixed assets fund	-	696	(146)	2,107	2,657
- IT fund	-	186	-	-	186
	-	28,664	(27,799)	2,107	2,972
<b>Restricted funds:</b>					
Parish gifts	-	99,926	(99,926)	-	-
Digital project grant	-	2,107	-	(2,107)	-
	-	102,033	(99,926)	(2,107)	-
<b>Total</b>	-	130,697	(127,725)	-	2,972

Charity	Balance at 1 January 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 December 2024 £'000
<b>Unrestricted funds:</b>					
General fund	-	26,624	(26,624)	-	-
Designated funds:					
- Intangible fixed assets fund	-	-	-	-	-
- IT fund	-	-	-	-	-
	-	26,624	(26,624)	-	-
<b>Restricted funds:</b>					
Parish gifts	-	-	-	-	-
Digital project grant	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 12. MOVEMENT IN FUNDS (CONTINUED)

For comparative purposes, the table below shows the movement in funds for the year ending 31 December 2023:

Consolidated & charity	Balance at 1 January 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31 December 2023 £'000
<b>Unrestricted funds:</b>					
General fund	-	23,415	(23,415)	-	-
Designated funds:					
- Intangible fixed assets fund	-	-	-	-	-
- IT fund	-	-	-	-	-
	-	23,415	(23,415)	-	-
<b>Restricted funds:</b>					
Parish gifts	-	-	-	-	-
Digital project grant	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

#### **Unrestricted funds**

The unrestricted funds general represents the income and expenditure incurred by ChECS and PGS for the objects of each charity.

Designated IT fund is available to support PGS' future investments in IT outside of core operational costs. Designated Intangible fixed asset fund is specifically related to PGS charity and reflects the carrying value of the website development and digital project costs incurred by PGS, and which have been capitalized on the balance sheet. The annual amortization charge is allocated against this fund accordingly.

#### **Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the giver and they relate specifically to PGS. These are comprised of:-

- Parish gifts received through a regular giving scheme which collects gifts through direct debit and makes the gift (including Gift Aid) available only to be spent in a specified church/parish.
- The digital project grant represents a grant from Archbishop' Council and contributes to digital project development phase in line with the giver's wishes (and therefore the restriction discharged), but the asset capitalized is not available for the charity's unrestricted application.

## Church of England Central Services

### Notes to the Financial Statements for the year ended 31 December 2024

#### 12. MOVEMENT IN FUNDS (CONTINUED)

Below is a summary of the net assets/liabilities of each fund as at 31 December 2024:

Consolidated	Fixed Assets	Non-Current & Current Assets/(Liabilities)	Net Assets/(Liabilities) at 31 December 2024
	£'000	£'000	£'000
<b>Unrestricted funds:-</b>			
General fund	3,011	(2,882)	129
Designated funds	2,657	186	2,843
<b>Restricted funds:-</b>	-	-	-
<b>Total</b>	5,668	(2,696)	2,972

Charity	Fixed Assets	Non-Current & Current Assets/(Liabilities)	Net Assets/(Liabilities) at 31 December 2024
	£'000	£'000	£'000
<b>Unrestricted funds:-</b>			
General fund	3,011	(3,011)	-
Designated funds	-	-	-
<b>Restricted funds:-</b>	-	-	-
<b>Total</b>	3,011	(3,011)	-

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

#### 12. MOVEMENT IN FUNDS (CONTINUED)

For comparatives purposes, the table below provides a summary of the net assets/liabilities of each fund as at 31 December 2023:

Consolidated and charity	Fixed Assets	Non-Current & Current Assets/(Liabilities)	Net Assets/(Liabilities) at 31 December 2023
	£'000	£'000	£'000
<b>Unrestricted funds:-</b>			
General fund	3,673	(3,673)	-
Designated funds	-	-	-
<b>Restricted funds:-</b>	-	-	-
<b>Total</b>	3,673	(3,673)	-

## Church of England Central Services

### *Notes to the Financial Statements for the year ended 31 December 2024*

#### 13. TRANSFER OF PGS NET ASSET FUNDS

Following ChECS becoming sole member of Parish Giving Scheme (PGS) on 1 January 2024, all the net assets of PGS have been recognised as transferred fund income. The net asset balances of PGS as at 1 January 2024 were as follows:

<u>Parish Giving Scheme</u>	<b>1 Jan 2024</b>
	<b>£'000</b>
<b>Fixed assets</b>	
Intangible assets	696
<b>Current assets</b>	
Stock	1
Debtors	88
Cash at bank and in hand	629
	<u>718</u>
Creditors: amounts falling due within one year	(312)
Net current assets	<u>406</u>
Net assets	<u><b>1,102</b></u>
<b>Reserves</b>	
Restricted funds	-
Unrestricted funds	1,102
<b>Total reserves</b>	<u><u><b>1,102</b></u></u>

#### 14. CAPITAL COMMITMENTS

As at the year ending 31 December 2024, ChECS had capital commitments of £0.4m in relation to the Finance Transformation Project (FTP) noted as an asset under construction in Note 6. This is to be funded by the relevant NCIs associated with the project.

As at the year ending 31 December 2024, PGS had capital commitments of £0.4m in relation to the IT project. This is to be funded by cash held in PGS at the year end in relation to the restricted and designated funds associated with that project.

#### 15. POST BALANCE SHEET EVENTS

PGS undertook an additional £0.5m of capital commitments post the balance sheet year end date in relation to the digital platform project.