THE SOUTH AMERICAN MISSION SOCIETY

England & Wales · Charity number 221328

Details

Other names	SOUTH AMERICAN MISSIONARY SOCIETY, SAMS, SAMS (GB)
Status	Registered
Legal form	Charitable company
Company number	00065048
Registered	1963-07-16
Register	View on the Charity Commission register

Contact

Address	Church Mission Society C M S House Watlington Road Cowley Oxford OX4 6BZ
Phone	01865787400
Email	itsupport_sams@churchmissionsociety.org
Website	churchmissionsociety.org/south-american-mission-society-sams

Activities

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

Activities: Evangelistic mission through: People in Mission,supporting people in cross-cultural mission. Mission Grants,support for key projects and ministries. Leadership Formation,Investing in Christian leaders of the future.

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Classification

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

Geography

- **Area of benefit:** SEE OBJECTS
- Argentina
- Brazil
- Chile
- Ecuador
- Guatemala
- Honduras
- Paraguay
- Peru

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£621,669	£870,150	£1,170,554	22
2024-01-31	£1,758,379	£866,275	£1,419,035	25
2023-01-31	£623,951	£753,758	£526,931	23
2022-01-31	£739,874	£570,785	£-409,752	25
2021-01-31	£759,491	£617,489	£-835,841	29

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Trustees

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

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THE SOUTH AMERICAN MISSION SOCIETY

England & Wales - Charity number 221328

Accounts

THE SOUTH AMERICAN MISSION SOCIETY
REPORT AND ACCOUNTS

For the year ended 31 January 2025

Registered Charity No. 221328

Registered Company No. 00065048

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Address
The South American Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Legal Status
The South American Mission Society (SAMS), registered Charity Number 221328 (England and Wales), is a company limited by guarantee, registered Company Number 00065048 (England and Wales).

Trustees of the Society (and company directors)

Mr Charles Clayton, Chair, to 31 03 2025	Mrs Fiona Lambert
Rev Jeremy Moodey appointed 09 10 2024 Chair from 01 04 2025	Mrs Chloe Louter
Rt Rev Nicholas Drayson appointed 05 12 2024	Dr Kevin McKemey to 31 07 2024
Rev Canon Andrew Bowerman to 09 05 2025	Rev Richard Moy
Rev Sarah Jayne Hewitt	Mr John Stansfeld
Ms Catherine Morgan Hickey	Mr Simon Upcott
Dr Anne Keene	

Senior Management Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer & People and Learning Director	Mrs Debbie James
Mission Director	Canon Andy Roberts MBE
Britain Hub Mission Director	Mr Jonny Baker
Fundraising and Communications Director	Rev Virginia Luckett (to 31 12 2024) Mrs Laura Hayes (from 02 12 2024)
Finance and Corporate Services Director	Mrs Becky Morris

Principal Professional Advisers

Bankers
Barclays Bank PLC
Public Sector - Charities
Level 12
1 Churchill Place
London
E14 5HP

Auditors
Crowe U.K. LLP
R+ Building
2 Blagrave Street
Reading
Berkshire
RG1 1AZ

REPORT OF THE TRUSTEES

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

Since their merger in 2010, SAMS and Church Mission Society (CMS) operate as a single entity, with one vision and leadership. This legal entity is a subsidiary of CMS and reports part of the group's activities in and for Latin America. The consolidated position is given in the CMS report & financial statements [charity 1131655).

OBJECTIVES AND ACTIVITIES

Our vision
We long 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.

Who we are
Jesus spent much of his time with people at the edges, and that's where we want to be too. SAMS 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.

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.

REPORT OF THE TRUSTEES (continued)

OBJECTIVES AND ACTIVITIES (continued)

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

1. 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.
2. We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
3. We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In our 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.

Review of the Year

The South American Mission Society (Latin America region of CMS) has been developing its vision and strategy for mission work in Latin America whilst supporting its existing mission work across the region and beyond. Paul Tester has continued as Manager in Latin America based in Oxford.

The year 2024/25 has seen a development of SAMS / CMS mission work with mission partners very much involved. Within our focus on mission together with Indigenous Peoples we have seen the first year of a three year plan to support formation of missional indigenous leaders completed. There have been 11 indigenous leaders who have completed year-long training programmes with many others equipped through shorter trainings, all of whom are continuing to serve in their local contexts. Others have received sponsorship to complete secondary education to encourage further growth. A highlight from the year was the Indigenous Mission Congress near Temuco in October 2024 focussing on evangelism, discipleship and formation. In the second area of work in Latin America, pioneering mission, the focus is on creativity and innovation in mission in those cultural spaces where Jesus is not well known and draws upon SAMS / CMS mission partners serving in contexts where Jesus is not known from Guatemala and Honduras in the north to Argentina and Chile in the south. This year SAMS / CMS has supported a one year development plan which has led to a new three year plan for the coming years focused on developing Community, Communication, Catalysing and Cultivating of pioneers and pioneer ministries. Central to the strategy is the creation of local pioneering mission centres. We hope to see pioneering mission multiplied across the Latin America region.

SAMS / CMS people in mission, mission partners, mission associates and local partners continue to serve, sharing Jesus in many different and very challenging contexts across the region. In addition, SAMS / CMS grants to strategic partner organisations help our partners to follow the Holy Spirit's lead in sharing Jesus. The principal activity of the society continues to be overseas mission work through 15 mission partner units.

PUBLIC BENEFIT

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

SAMS 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".

REPORT OF THE TRUSTEES (continued)

OBJECTIVES AND ACTIVITIES (continued)

SAMS seeks to demonstrate this benefit through its wide range of mission activities in Latin America.

STRUCTURE, GOVERNANCE & MANAGEMENT

Corporate governance is as relevant in the voluntary sector as it is in the commercial world. The Trustees of SAMS aim to have high standards of accountability as well as a proper and ethical performance of their duties.

Governance arrangements

SAMS has one corporate member, CMS.

- SAMS is an Association of Members, whose business is governed by its Memorandum and Articles of Association and by a Board of Trustees.
- The Board of Trustees of SAMS is made up of a maximum of fifteen appointed trustees, appointed by CMS the sole corporate member of SAMS
- The SAMS board mirrors the CMS board, in which due regard is given to the skills required to promote effective governance

The Board of Trustees meets up to four times a year.

Management structure

The Chief Executive Officer (CEO) is responsible to the Board of Trustees for the executive management of SAMS' affairs. The CEO leads the organisation using services supplied by CMS in relation to ministry and support functions.

Risk management policy and internal control

The Trustees have reviewed the Group's risk register which incorporates SAMS. This register summarises the major risks the Society faces, and we have highlighted the risks most pertinent to SAMS below.

- **Reputation**

  Damage to reputation is a risk for any organisation and particularly important for a society. One key area in this regard is safeguarding. The board reviews and approves the CMS safeguarding policy every year and this is applied equally to SAMS.

- **Critical Incidents**

  In response to the increasing awareness of the security issues faced by SAMS mission partners, robust security procedures have been put in place by CMS, security training has been rolled out to relevant high risk personnel and a Crisis Management Team, with clear contingency plans for emergencies, has been implemented.

The Trustees will continue to review operational and business risks faced by the Society on a regular basis, to ensure that they continue to have systems in place to mitigate significant risks, which are similar to the risks faced by their parent company, CMS.

Fundraising

SAMS does not directly engage in any small or large scale fundraising activities. These are undertaken on its behalf by the CMS fundraising team and consequently, SAMS has not considered it necessary to sign up to any regulatory code of fundraising practice. No complaints regarding fundraising have therefore ever been received.

REPORT OF THE TRUSTEES (continued)

FINANCIAL REVIEW

SAMS continues to employ its mission partners as staff and provide pension benefits to these staff. Previous ministry areas of SAMS have continued as can be seen in the CMS group accounts for the year ended 31 January 2025.

Donations and legacies received directly by SAMS into its bank accounts are accounted for in these financial statements. Income from donations and legacies came to £54,593 (2024: £1,096,662). The majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS.

Each year, CMS transfers a gift to SAMS of restricted funds, which is set against the costs of mission partners who are still employed by the legal entity. CMS, as the parent charity, bears all other SAMS overheads, with the exception of SAMS' audit fee. Much mission work in Latin America is paid for by CMS and in 2024/25 SAMS made a grant of £300,000 to CMS to support this mission activity.

RESERVES POLICY

Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. As SAMS has settled its previous pension liabilities SAMS income and free reserves are solely dedicated to mission activity within South America.

Restricted Funds

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

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit. The Society sometimes needs to react quickly to particular situations and has a policy of keeping any surplus liquid funds in short term deposits, which can be accessed readily.

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The key areas of work for SAMS into 2025-26 and beyond remains the recruitment and placement of long-term mission partners within Latin America and development of a Latin American mission movement together with the Latin American church in two key areas – mission together with Indigenous Peoples and Pioneering mission in edge contexts where Jesus is not known.

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 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 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; and
- 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 has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and was approved by the Board of Trustees on 25 June 2025 and signed on their behalf by:



JEREMY MOODEY - CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY

Opinion

We have audited the financial statements of The South American Mission Society ('the charitable company') for the year ended 31 January 2025 which comprise the statement of comprehensive income, balance sheet 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 charitable company's affairs as at 31 January 2025 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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.

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

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

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 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 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Janette Joyce

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 2 July 2025

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Unrestricted Funds £	Restricted Funds £	Total 2024 £
Income from:							
Donations and legacies	3	30,668	23,925	**54,593**	1,070,623	26,039	**1,096,662**
Gift from parent undertaking	4	-	448,252	**448,252**	-	550,103	**550,103**
Investments	5	20,845	-	**20,845**	19,069	-	**19,069**
Other		206	97,773	**97,979**	495	92,050	**92,545**
Total income		**51,719**	**569,950**	**621,669**	**1,090,187**	**668,192**	**1,758,379**
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities							
People in mission	6	308,545	561,605	**870,150**	208,245	658,030	**866,275**
Total expenditure	6	**308,545**	**561,605**	**870,150**	**208,245**	**658,030**	**866,275**
Net income/(expenditure)		**-256,826**	**8,345**	**-248,481**	**881,942**	**10,162**	**892,104**
Transfers between funds		-	-	-	-	-	-
Other gains/(losses) on pension scheme deficit reduction provision	17	-	-	-	-	-	-
Net movement in funds		**-256,826**	**8,345**	**-248,481**	**881,942**	**10,162**	**892,104**
Total funds brought forward		1,352,049	66,986	**1,419,035**	470,107	56,824	**526,931**
Total funds carried forward		**1,095,223**	**75,331**	**1,170,554**	**1,352,049**	**66,986**	**1,419,035**

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

BALANCE SHEET
As at 31 January 2025

	Note	2025 £	2024 £
Current assets			
Debtors	11	502,431	778,105
Cash and short-term deposits		752,188	669,327
		1,254,619	**1,447,432**
Current Liabilities			
Creditors: amounts falling due within one year	12	(84,065)	(28,397)
Net current assets		**1,170,554**	**1,419,035**
Net assets		**1,170,554**	**1,419,035**
The funds of the charity			
Unrestricted: Free reserves	14	1,095,223	1,352,049
Unrestricted funds		**1,095,223**	**1,352,049**
Restricted funds	14	75,331	66,986
Total charity funds	**14**	**1,170,554**	**1,419,035**

The accompanying notes are an integral part of this Balance Sheet.

The financial statements on pages 11 to 21 were approved by the Board of Trustees and authorised for issue on 25 June 2025 and signed on their behalf by:

Jeremy Moodey - Chair of Trustees

NOTES TO THE ACCOUNTS
At 31 January 2025

1 ORGANISATION

The South American Mission Society (SAMS) is a company limited by guarantee, not having a share capital, and has approval to omit the word 'Limited' from its name. The Society is registered in England and Wales, its company number being 00065048. It is also a Registered Charity, number 221328 (England and Wales). The Society is a subsidiary of Church Mission Society ('CMS'), a registered charity in England and Wales (registered number 1131655) and a registered company limited by guarantee, in England and Wales (registered number 6985330). CMS, is the sole corporate member and is considered the ultimate parent undertaking of the Society.

2 ACCOUNTING POLICIES

Basis of preparation the financial statements have been prepared under the historical cost convention.

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. SAMS is considered to be a public benefit entity under FRS 102.

Assessment of going concern

The Trustees have reviewed the level of free reserves and have a reasonable expectation that the society 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 19.

Financial Instruments

The 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 and bank in hand and the Society's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the Society's long and short term creditors, excluding deferred income.

Income recognition for donations and legacies and gift from CMS

Income is recognised in the period in which the Society 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.

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 the amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Society is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably measured.

NOTES TO THE ACCOUNTS
At 31 January 2025

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.

Donations and legacies receivable by SAMS, are accounted for in these financial statements, however, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. As a consequence, certain income that would historically have been credited to SAMS is now received and accounted for by the parent charity. Each year, CMS transfers a gift to SAMS of restricted funds (see note 4) relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

Fund accounting and the allocation of income and expenditure by fund

Income and expenditure are allocated to two categories of funds: Unrestricted Funds and Restricted Funds.

Unrestricted funds are available for use at the discretion of the trustees to further the Society's general purposes and objectives. All income and expenditure associated with the general operation of the Society has been dealt with in the Unrestricted Funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve was included in the prior year comparatives within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area.

Resources expended

CMS, as the parent charity, bears all SAMS overheads, with the exception of the employment costs of SAMS' mission partners and its governance costs.

Expenditure borne by SAMS is recognised once there is a legal or constructive obligation committing the society 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 Society 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.

Pensions

The Society has members in two defined benefit pension schemes. For certain mission partners the Society 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 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.

NOTES TO THE ACCOUNTS
At 31 January 2025

Clergy Pension Scheme

The Society participates in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board also known as the Clergy Pension Scheme (see note 17A), which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Society is unable to identify its share of the underlying assets and liabilities. No funding liability currently arises for the Society in respect of them.

Statement of Cash Flows

The Society is a wholly owned subsidiary of CMS and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption.

NOTES TO THE ACCOUNTS
At 31 January 2025

3 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£	£	£	£
Donations from churches and groups	-	18,245	**18,245**	-	17,661	**17,661**
Donations from individuals	5,619	5,680	**11,299**	6,276	8,378	**14,654**
Legacies	25,049	-	**25,049**	1,064,347	-	**1,064,347**
	30,668	**23,925**	**54,593**	**1,070,623**	**26,039**	**1,096,662**

Legacies of which South American Mission Society has been notified but not recognised as income are estimated at £17,800 (2024: £20,700).

4 GIFT FROM PARENT UNDERTAKING

	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£	£	£	£
Gift from parent undertaking	-	448,252	**448,252**	-	550,103	**550,103**
	-	**448,252**	**448,252**	-	**550,103**	**550,103**

5 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
	£	£	£	£	£	£
Interest on cash balances	20,845	-	**20,845**	19,069	-	**19,069**
	20,845	-	**20,845**	**19,069**	-	**19,069**

NOTES TO THE ACCOUNTS
At 31 January 2025

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2025 £	Direct Costs £	Support Costs £	Total 2024 £
Charitable activities						
People in mission						
Mission Partners	861,605	8,545	**870,150**	858,030	8,245	**866,275**
Total Expenditure	**861,605**	**8,545**	**870,150**	**858,030**	**8,245**	**866,275**

7 SUPPORT COSTS ALLOCATION

	Finance & Administration £	Total 2025 £	Total 2024 £
Charitable activities			
People in mission			
Mission Partners	145	**145**	**200**
Pension scheme administration costs	-	-	-
Governance (Note 8)	8,400	**8,400**	**8,045**
Total Support Costs	**8,545**	**8,545**	**8,245**

The support costs relate entirely to the activity of supporting Mission Partners. Governance costs related to the running of the Society, consist almost entirely of the costs of the external audit (Note 8), which is shown gross of VAT.

8 AUDITORS' REMUNERATION

	2025 £	2024 £
Audit Fees	8,400	7,866
Fees for non-audit services	0	179
	8,400	**8,045**

NOTES TO THE ACCOUNTS
At 31 January 2025

9 STAFF EMOLUMENTS

	2025	2024
	£	£
Salaries and allowances	424,620	487,610
Social security cost	461	6,915
Employer's pension contribution – defined contribution scheme	87,481	108,095
Employer's pension contribution – defined benefit multi-employer scheme	-	-
	512,562	**602,620**

Average monthly number of employees was 22 (2024: 25), all of whom are Mission Partners in Latin America.

One employee during year received emoluments of between £80,000 to £90,000 (2024: One employee received emoluments of between £70,000 to £80,000). No employee benefits were received by key management personnel for their services during the year or prior year.

10 FINANCIAL INSTRUMENTS

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

	2025	2024
	£	£
Financial assets measured at amortised cost		
Cash at bank and in hand	752,188	669,327
Amounts due from group undertakings		44,695
Other receivables	564,845	733,410
Financial liabilities measured at amortised cost		
Other creditors due within one year (excluding tax and deferred income)	(10,757)	(19,602)
Amounts due to group undertakings	(62,414)	-

11 DEBTORS

	2025	2024
	£	£
Trade debtors	8,148	8,148
Taxation recoverable	1,369	541
Amounts due from group undertakings		44,695
Accrued income	492,914	724,721
	502,431	**778,105**

NOTES TO THE ACCOUNTS
At 31 January 2025

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	2,353	8,970
Accruals	8,400	5,466
Taxes and social security costs	10,893	8,795
Amounts due to group undertakings	62,414	-
Other creditors	5	5,166
	84,065	**28,397**

Included in "other creditors" are pension contributions of £0.00 (2024: £5,161) in respect of the society's pension schemes.

13 NET ASSETS/(LIABILITIES) BY FUND

Net Assets/(Liabilities) by Fund - 2025	Unrestricted	Restricted	Total
	£	£	£
Current assets	1,179,288	75,331	1,254,619
Current liabilities less than one year	(84,065)	-	(84,065)
Net Assets 2025	**1,095,223**	**75,331**	**1,170,554**

Net Assets/(Liabilities) by Fund - 2024	Unrestricted	Restricted	Total
	£	£	£
Current assets	1,380,446	66,986	1,447,432
Current liabilities less than one year	(28,397)	-	(28,397)
Net Assets 2024	**1,352,049**	**66,986**	**1,419,035**

NOTES TO THE ACCOUNTS
At 31 January 2025

14 RECONCILIATION OF FUNDS

	At 1 February 2024	Income	Expenditure	Other gains and losses	Transfers	At 31 January 2025
	£	£	£	£	£	£
Free reserves	1,352,049	51,719	(308,545)	-	-	1,095,223
Unrestricted funds	1,352,049	51,719	(308,545)	-	-	1,095,223
Mission Personnel funds (Restricted)	66,986	569,950	(561,605)	-	-	75,331
Total	**1,419,035**	**621,669**	**(870,150)**	-	-	**1,170,554**

Restricted funds
Mission Personnel funds are held as individual restricted funds for the support of SAMS Mission Partners.

15 TRUSTEES' EXPENSES

The Trustees receive no remuneration for their services, there were no expenses to reimburse in respect of expenses attending meetings (2024: £0) and there were no other costs (2024: £0) relating to trustee meetings.

16 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The Society has taken advantage of the exemptions allowed by FRS102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year. Church Mission Society is the sole corporate member of the society, which is the controlling party. The registered address of Church Mission Society is CMS House, Watlington Road, Oxford, OX4 6BZ. A copy of the group financial statements is also available from this address.

17 RETIREMENT BENEFITS

A. Defined Benefit Schemes - Church of Funded Pensions Scheme England

The Society has no active members of the Church of England Funded Pensions Scheme (also known as the Clergy Scheme) (2024:1) 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 Society, so the expense recognised in the SOFA is £Nil (2024: £Nil). Employer's contributions to this scheme amounting to some £6000 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.

NOTES TO THE ACCOUNTS
At 31 January 2025

18 CUSTODIAN TRUSTEESHIP

The Society acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:-

	2025	2024
	£	£
Value at 31 January 2025	5,854	5,559
	5,854	**5,559**

These funds are not part of the Society's net assets and therefore are not included in the Society's accounts. 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.

19 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.

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.

THE SOUTH AMERICAN MISSION SOCIETY

England & Wales - Charity number 221328

Accounts

THE SOUTH AMERICAN MISSION SOCIETY
REPORT AND ACCOUNTS

For the year ended 31 January 2024

Registered Charity No. 221328

Registered Company No. 00065048

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Address
The South American Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Legal Status
The South American Mission Society (SAMS), registered Charity Number 221328 (England and Wales), is a company limited by guarantee, registered Company Number 00065048 (England and Wales).

Trustees of the Society (and company directors)
Chair of Trustees - Mr Charles Clayton

Rev Canon Andrew Bowerman
Mr Beauman Chong (to 31/12/23)
Rev Sarah Jane Hewitt
Ms Catherine Morgan Hickey
Dr Anne Keene
Mrs Fiona Lambert
Mrs Chloe Louter
Dr Kevin McKemey
Rev Richard Moy
Mr John Stansfeld
Mr Simon Upcott

Senior Management Team

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

Principal Professional Advisers

Bankers
Barclays Bank PLC
Public Sector - Charities
Level 12
1 Churchill Place
London
E14 5HP

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

REPORT OF THE TRUSTEES

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

Since their merger in 2010, SAMS and Church Mission Society (CMS) operate as a single entity, with one vision and leadership. This legal entity is a subsidiary of CMS and reports part of the group's activities in and for Latin America. The consolidated position is given in the CMS report & financial statements [charity 1131655).

OBJECTIVES AND ACTIVITIES

Our vision
We long 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.

Who we are
Jesus spent much of his time with people at the edges, and that's where we want to be too. SAMS 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.

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.

REPORT OF THE TRUSTEES (continued)

OBJECTIVES AND ACTIVITIES (continued)

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

1. 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.
2. We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
3. We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In our 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.

Review of the Year

The South American Mission Society (Latin America region of CMS) has been developing its vision and strategy for mission work in Latin America whilst supporting its existing mission work across the region and beyond. Paul Tester has continued as Manager in Latin America (firstly based in Lima, Peru, now from Oxford).

The year 2023 / 24 has seen a real maturing of SAMS / CMS mission work together with Indigenous Peoples with mission partners very much involved. Two key in-person meetings with indigenous leaders from across South America have resulted in a shared 3-year plan for "Indigenous Mission" focussing on the training and forming of emerging indigenous leadership, preparing them for mission in their contexts and beyond. Support has begun for key leadership formation initiatives in place like the Diocese of Northern Argentina where a new indigenous training centre has been launched with SAMS / CMS's help. In the second area of focus in Latin America, pioneering mission, online consultations with key stakeholders from across the region have been held and an in-person consultation planned for early in 2024/25. Here the focus is on creativity and innovation in mission in those cultural spaces where Jesus is not well known and draws upon SAMS / CMS mission partners serving in contexts where Jesus is not known from Guatemala and Honduras in the north to Argentina and Chile in the south. SAMS / CMS people in mission, mission partners, mission associates and local partners continue to serve across the region, sharing Jesus in many different and very challenging contexts across the region. In addition, SAMS / CMS grants to strategic partner organisations help our partners to follow the Holy Spirit's lead in sharing Jesus.

The principal activity of the society continues to be overseas mission work through 16 mission partner units.

PUBLIC BENEFIT

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

SAMS 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".

SAMS seeks to demonstrate this benefit through its wide range of mission activities in Latin America.

REPORT OF THE TRUSTEES (continued)

STRUCTURE, GOVERNANCE & MANAGEMENT

Corporate governance is as relevant in the voluntary sector as it is in the commercial world. The Trustees of SAMS aim to have high standards of accountability as well as a proper and ethical performance of their duties.

Governance arrangements

SAMS has one corporate member, CMS.

- SAMS is an Association of Members, whose business is governed by its Memorandum and Articles of Association and by a Board of Trustees.
- The Board of Trustees of SAMS is made up of a maximum of fifteen appointed trustees, appointed by CMS the sole corporate member of SAMS
- The SAMS board mirrors the CMS board, in which due regard is given to the skills required to promote effective governance

The Board of Trustees meets up to four times a year.

Management structure

The Chief Executive Officer (CEO) is responsible to the Board of Trustees for the executive management of SAMS' affairs. The CEO leads the organisation using services supplied by CMS in relation to ministry and support functions.

Risk management policy and internal control

The Trustees have reviewed the Group's risk register which incorporates SAMS. This register summarises the major risks the Society faces, and we have highlighted the risks most pertinent to SAMS below.

- **Reputation**

  Damage to reputation is a risk for any organisation and particularly important for a society. One key area in this regard is safeguarding. The board reviews and approves the CMS safeguarding policy every year and this is applied equally to SAMS.

- **Critical Incidents**

  In response to the increasing awareness of the security issues faced by SAMS mission partners, robust security procedures have been put in place by CMS, security training has been rolled out to relevant high risk personnel and a Crisis Management Team, with clear contingency plans for emergencies, has been implemented.

The Trustees will continue to review operational and business risks faced by the Society on a regular basis, to ensure that they continue to have systems in place to mitigate significant risks, which are similar to the risks faced by their parent company, CMS.

Fundraising

SAMS does not directly engage in any small or large scale fundraising activities. These are undertaken on its behalf by the CMS fundraising team and consequently, SAMS has not considered it necessary to sign up to any regulatory code of fundraising practice. No complaints regarding fundraising have therefore ever been received.

REPORT OF THE TRUSTEES (continued)

FINANCIAL REVIEW

SAMS continues to employ its mission partners as staff and provide pension benefits to these staff. Previous ministry areas of SAMS have continued as can be seen in the CMS group accounts for the year ended 31 January 2024.

Donations and legacies received directly by SAMS into its bank accounts are accounted for in these financial statements. Income from donations and legacies came to £1,096,662 (2023: £111,189). The main reason for the increase in income was an exceptional legacy. The majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS.

Each year, CMS transfers a gift to SAMS of restricted funds, which is set against the costs of mission partners who are still employed by the legal entity. CMS, as the parent charity, bears all other SAMS overheads, with the exception of SAMS' audit fee. Much mission work in Latin America is paid for by CMS and in 2023/4 SAMS made a grant of £200,000 to CMS to support this mission activity.

RESERVES POLICY

Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. As SAMS has settled its previous pension liabilities SAMS income and free reserves are solely dedicated to mission activity within South America.

Restricted Funds

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

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit. The Society sometimes needs to react quickly to particular situations and has a policy of keeping any surplus liquid funds in short term deposits, which can be accessed readily.

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The key areas of work for SAMS into 2024-25 and beyond remains the recruitment and placement of long-term mission partners within Latin America and development of a Latin American mission movement together with the Latin American church in two key areas – mission together with Indigenous Peoples and Pioneering mission in edge contexts where Jesus is not known.

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

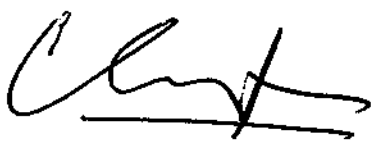
In so far as each of the trustees is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- 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 has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and 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 TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY

Opinion

We have audited the financial statements of The South American Mission Society ('the charitable company') for the year ended 31 January 2024 which comprise the statement of comprehensive income, balance sheet 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 charitable company's affairs as at 31 January 2024 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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. 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 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 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income 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, sample testing of income to supporting documentation and reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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.

Alastair Lyon.

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 28 June 2024

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Income from:							
Donations and legacies	3	1,070,623	26,039	**1,096,662**	83,550	27,639	**111,189**
Gift from parent undertaking	4	-	550,103	**550,103**	-	413,591	**413,591**
Investments	5	19,069	-	**19,069**	9,692	-	**9,692**
Other		495	92,050	**92,545**	537	88,942	**89,479**
Total income		**1,090,187**	**668,192**	**1,758,379**	**93,779**	**530,172**	**623,951**
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities							
People in mission	6	208,245	658,030	**866,275**	173,968	579,790	**753,758**
Total expenditure	6	**208,245**	**658,030**	**866,275**	**173,968**	**579,790**	**753,758**
Net income/(expenditure)		**881,942**	**10,162**	**892,104**	**(80,189)**	**(49,618)**	**(129,807)**
Transfers between funds		-	-	-	-	-	-
Other gains/(losses) on pension scheme deficit reduction provision	17	-	-	-	1,066,490	-	**1,066,490**
Net movement in funds		**881,942**	**10,162**	**892,104**	**986,301**	**(49,618)**	**936,683**
Total funds brought forward		470,107	56,824	**526,931**	**(516,194)**	**106,442**	**(409,752)**
Total funds carried forward		**1,352,049**	**66,986**	**1,419,035**	**470,107**	**56,824**	**526,931**

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

BALANCE SHEET
As at 31 January 2024

	Note	2024 £	2023 £
Current assets			
Debtors	11	778,105	10,302
Cash and short-term deposits		669,327	589,970
		1,447,432	**600,272**
Current Liabilities			
Creditors: amounts falling due within one year	12	(28,397)	(73,341)
Net current assets		**1,419,035**	**526,931**
Net assets		**1,419,035**	**526,931**
The funds of the charity			
Unrestricted: Free reserves	14	1,352,049	470,107
Unrestricted funds		**1,352,049**	**470,107**
Restricted funds	14	66,986	56,824
Total charity funds	**14**	**1,419,035**	**526,931**

The accompanying notes are an integral part of this Balance Sheet.

The financial statements on pages 11 to 21 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

NOTES TO THE ACCOUNTS
At 31 January 2024

1 ORGANISATION

The South American Mission Society (SAMS) is a company limited by guarantee, not having a share capital, and has approval to omit the word 'Limited' from its name. The Society is registered in England and Wales, its company number being 00065048. It is also a Registered Charity, number 221328 (England and Wales). The Society is a subsidiary of Church Mission Society ('CMS'), a registered charity in England and Wales (registered number 1131655) and a registered company limited by guarantee, in England and Wales (registered number 6985330). CMS, is the sole corporate member and is considered the ultimate parent undertaking of the Society.

2 ACCOUNTING POLICIES

Basis of preparation the financial statements have been prepared under the historical cost convention.

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. SAMS is considered to be a public benefit entity under FRS 102.

Assessment of going concern

The Trustees have reviewed the level of free reserves and have a reasonable expectation that the society 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 19.

Financial Instruments

The 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 and bank in hand and the Society's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the Society's long and short term creditors, excluding deferred income.

Income recognition for donations and legacies and gift from CMS

Income is recognised in the period in which the Society 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.

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 the amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Society is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably measured.

NOTES TO THE ACCOUNTS
At 31 January 2024

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.

Donations and legacies receivable by SAMS, are accounted for in these financial statements, however, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. As a consequence, certain income that would historically have been credited to SAMS is now received and accounted for by the parent charity. Each year, CMS transfers a gift to SAMS of restricted funds (see note 4) relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

Fund accounting and the allocation of income and expenditure by fund

Income and expenditure are allocated to two categories of funds: Unrestricted Funds and Restricted Funds.

Unrestricted funds are available for use at the discretion of the trustees to further the Society's general purposes and objectives. All income and expenditure associated with the general operation of the Society has been dealt with in the Unrestricted Funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve was included in the prior year comparatives within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area.

Resources expended

CMS, as the parent charity, bears all SAMS overheads, with the exception of the employment costs of SAMS' mission partners and its governance costs.

Expenditure borne by SAMS is recognised once there is a legal or constructive obligation committing the society 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 Society 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.

Pensions

The Society has members in two defined benefit pension schemes. For certain mission partners the Society 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 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.

NOTES TO THE ACCOUNTS
At 31 January 2024

Clergy Pension Scheme

The Society participates in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board also known as the Clergy Pension Scheme (see note 17A), which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Society is unable to identify its share of the underlying assets and liabilities. No funding liability currently arises for the Society in respect of them.

Statement of Cash Flows

The Society is a wholly owned subsidiary of CMS and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption.

NOTES TO THE ACCOUNTS
At 31 January 2024

3 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2024	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£	£	£	£
Donations from churches and groups	-	17,661	**17,661**	-	17,939	**17,939**
Donations from individuals	6,276	8,378	**14,654**	6,754	9,700	**16,454**
Legacies	1,064,347	-	**1,064,347**	76,796	-	**76,796**
	1,070,623	**26,039**	**1,096,662**	**83,550**	**27,639**	**111,189**

Legacies of which South American Mission Society has been notified but not recognised as income are estimated at £20,700 (2023: £28,800).

4 GIFT FROM PARENT UNDERTAKING

	Unrestricted Funds	Restricted Funds	Total 2024	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£	£	£	£
Gift from parent undertaking	-	550,103	**550,103**	-	413,591	**413,591**
	-	**550,103**	**550,103**	**-**	**413,591**	**413,591**

5 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2024	Unrestricted Funds	Restricted Funds	Total 2023
	£	£	£	£	£	£
Interest on cash balances	19,069	-	**19,069**	9,692	-	**9,692**
	19,069	**-**	**19,069**	**9,692**	**-**	**9,692**

NOTES TO THE ACCOUNTS
At 31 January 2024

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2024 £	Direct Costs £	Support Costs £	Total 2023 £
Charitable activities						
People in mission						
Mission Partners	858,030	8,245	**866,275**	579,790	21,857	**601,647**
Pension contributions	-	-	-	152,110	-	**152,110**
Total Expenditure	**858,030**	**8,245**	**866,275**	**731,900**	**21,857**	**753,757**

7 SUPPORT COSTS ALLOCATION

	Finance & Administration £	Total 2024 £	Total 2023 £
Charitable activities			
People in mission			
Mission Partners	200	**200**	**221**
Pension scheme administration costs	-	-	**14,580**
Governance (Note 8)	8,045	**8,045**	**7,056**
Total Support Costs	**8,245**	**8,245**	**21,857**

The support costs relate entirely to the activity of supporting Mission Partners. Governance costs related to the running of the Society, consist almost entirely of the costs of the external audit (Note 8), which is shown gross of VAT.

8 AUDITORS' REMUNERATION

	2024 £	2023 £
Audit Fees	7,866	6,840
Fees for non-audit services	179	-
	8,045	**6,840**

NOTES TO THE ACCOUNTS
At 31 January 2024

9 STAFF EMOLUMENTS

	2024	2023
	£	£
Salaries and allowances	487,610	417,411
Social security cost	6,915	3,583
Employer's pension contribution – defined contribution scheme	108,095	15,252
Employer's pension contribution – defined benefit multi-employer scheme	-	76,670
	602,620	**512,916**

Average monthly number of employees was 25 (2023: 23), all of whom are Mission Partners in Latin America.

One employee during year received emoluments of between £70,000 to £80,000 (2023: One employee received emoluments of between £60,000 to £70,000). No employee benefits were received by key management personnel for their services during the year or prior year.

10 FINANCIAL INSTRUMENTS

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

	2024	2023
	£	£
Financial assets measured at amortised cost		
Cash at bank and in hand	669,327	589,970
Amounts due from group undertakings	44,695	-
Other receivables	733,410	10,302
Financial liabilities measured at amortised cost		
Other creditors due within one year (excluding tax and deferred income)	(19,602)	(16,916)
Amounts due from group undertakings	-	(33,158)

11 DEBTORS

	2024	2023
	£	£
Trade debtors	8,148	7,303
Taxation recoverable	541	301
Amounts due from group undertakings	44,695	-
Accrued income	724,721	2,698
	778,105	**10,302**

NOTES TO THE ACCOUNTS
At 31 January 2024

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	8,970	6,908
Accruals	5,466	6,840
Taxes and social security costs	8,795	23,367
Amounts due to group undertakings	-	33,158
Other creditors	5,166	3,068
	28,397	**73,341**

Included in "other creditors" are pension contributions of £5,161 (2023: £3,063) in respect of the society's pension schemes.

13 NET ASSETS/(LIABILITIES) BY FUND

Net Assets/(Liabilities) by Fund - 2024	Unrestricted	Restricted	Total
	£	£	£
Current assets	1,380,446	66,986	1,447,432
Current liabilities less than one year	(28,397)	-	(28,397)
Net Assets 2024	**1,352,049**	**66,986**	**1,419,035**

Net Assets/(Liabilities) by Fund - 2023	Unrestricted	Restricted	Total
	£	£	£
Current assets	510,110	90,162	600,272
Current liabilities less than one year	(40,003)	(33,338)	(73,341)
Net Assets 2023	**470,107**	**56,824**	**526,931**

NOTES TO THE ACCOUNTS
At 31 January 2024

14 RECONCILIATION OF FUNDS

	At 1 February 2023	Income	Expenditure	Other gains and losses	Transfers	At 31 January 2024
	£	£	£	£	£	£
Free reserves	470,107	1,090,187	(208,245)	-	-	1,352,049
Unrestricted funds	470,107	1,090,187	(208,245)	-	-	1,352,049
Mission Personnel funds (Restricted)	56,824	668,192	(658,030)	-	-	66,986
Total	**526,931**	**1,758,379**	**(866,275)**	**-**	**-**	**1,419,035**

Restricted funds
Mission Personnel funds are held as individual restricted funds for the support of SAMS Mission Partners.

15 TRUSTEES' EXPENSES

The Trustees receive no remuneration for their services, there were no expenses to reimburse in respect of expenses attending meetings (2023: £0) and there were no other costs (2023: £0) relating to trustee meetings.

16 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The Society has taken advantage of the exemptions allowed by FRS102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year. Church Mission Society is the sole corporate member of the society, which is the controlling party. The registered address of Church Mission Society is CMS House, Watlington Road, Oxford, OX4 6BZ. A copy of the group financial statements is also available from this address.

17 RETIREMENT BENEFITS

A. Defined Benefit Schemes - Church of Funded Pensions Scheme England

The Society has 1 active members of the Church of England Funded Pensions 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 Society, so the expense recognised in the SOFA is £Nil (2023: £Nil). Employer's contributions to this scheme amounting to some £6000 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.

NOTES TO THE ACCOUNTS
At 31 January 2024

18 CUSTODIAN TRUSTEESHIP

The Society acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:-

	2024	2023
	£	£
Value at 31 January 2024	5,559	5,387
	5,559	**5,387**

These funds are not part of the Society's net assets and therefore are not included in the Society's accounts. 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.

19 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.

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.

THE SOUTH AMERICAN MISSION SOCIETY

England & Wales - Charity number 221328

Accounts

THE SOUTH AMERICAN MISSION SOCIETY
REPORT AND ACCOUNTS

For the year ended 31 January 2023

Registered Charity No. 221328

Registered Company No. 00065048

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Address
The South American Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Legal Status
The South American Mission Society (SAMS), registered Charity Number 221328 (England and Wales), is a company limited by guarantee, registered Company Number 00065048 (England and Wales).

Trustees of the Society (and company directors)
Chair of Trustees - Mr Charles Clayton

Rev Canon Andrew Bowerman
Dr Ian Bromilow (Resigned 24 March 2022)
Mr Beauman Chong
Rev Sarah Jane Hewitt (Appointed 1 January 2023)
Ms Catherine Morgan Hickey (Appointed 1 January 2023)
Mrs Rini Ingleby (Resigned 24 March 2022)
Dr Anne Keene
Rev Canon John Kafwanka (Resigned 29 September 2022)
Mrs Fiona Lambert
Mrs Chloe Louter
Dr Kevin McKemey
Rev Richard Moy (Appointed 1 January 2023)
Mr John Stansfeld
Mr Simon Upcott

Senior Management Team

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

Principal Professional Advisers

Bankers
Barclays Bank PLC
Public Sector - Charities
Level 12
1 Churchill Place
London
E14 5HP

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

REPORT OF THE TRUSTEES

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

Since their merger in 2010, SAMS and Church Mission Society (CMS) operate as a single entity, with one vision and leadership. This legal entity is a subsidiary of CMS and reports part of the group's activities in and for Latin America. The consolidated position is given in the CMS report & financial statements [charity 1131655).

OBJECTIVES AND ACTIVITIES

Our vision
We long 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.

Who we are
Jesus spent much of his time with people at the edges, and that's where we want to be too. SAMS 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.

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.

REPORT OF THE TRUSTEES (continued)
OBJECTIVES AND ACTIVITIES (continued)

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

1. 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.
2. We train people for ground-breaking, transformational and sustainable mission in the UK and overseas.
3. We equip churches to look around, see what God is doing among people at the edges within their communities and join in.

In our 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.

Review of the Year

The South American Mission Society (Latin America region of CMS) has been developing its vision and strategy for mission work in Latin America whilst supporting its existing mission work across the region and beyond. Paul Tester has continued as Manager in Latin America (based in Lima, Peru) supported by two people in the Oxford office.

The year 2022 / 23 has seen a consolidation of SAMS / CMS mission work together with Indigenous Peoples with mission partners very much involved. Online consultations were followed up by visits to Northern Argentina and Paraguay and the Indigenous Peoples Mission Congress in October and the declaration produced by the Indigenous Peoples represented is guiding the development of this mission work into the new year. New mission partner units were placed in Brazil with a particular focus on Pioneering Mission which is the second focus area for SAMS / CMS mission work across the region. This mission focus is just beginning to take but involves CMS mission partners across the region. Here the focus is on creativity and innovation in mission in those cultural spaces where Jesus is not well known and draws upon SAMS / CMS mission partners serving in contexts where Jesus is not known from Guatemala and Honduras in the north to Argentina and Chile in the south.

The principal activity of the society continues to be overseas mission work through 15 mission partner units.

PUBLIC BENEFIT

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

SAMS 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".

SAMS seeks to demonstrate this benefit through its wide range of mission activities in Latin America.

REPORT OF THE TRUSTEES (continued)

STRUCTURE, GOVERNANCE & MANAGEMENT

Corporate governance is as relevant in the voluntary sector as it is in the commercial world. The Trustees of SAMS aim to have high standards of accountability as well as a proper and ethical performance of their duties.

Governance arrangements

SAMS has one corporate member, CMS.

- SAMS is an Association of Members, whose business is governed by its Memorandum and Articles of Association and by a Board of Trustees.
- The Board of Trustees of SAMS is made up of a maximum of fifteen appointed trustees, appointed by CMS the sole corporate member of SAMS
- The SAMS board mirrors the CMS board, in which due regard is given to the skills required to promote effective governance

The Board of Trustees meets up to four times a year.

Management structure

The Chief Executive Officer (CEO) is responsible to the Board of Trustees for the executive management of SAMS' affairs. The CEO leads the organisation using services supplied by CMS in relation to ministry and support functions.

Risk management policy and internal control

The Trustees have reviewed the Group's risk register which incorporates SAMS. This register summarises the major risks the Society faces, and we have highlighted the risks most pertinent to SAMS below.

- **Reputation**

Damage to reputation is a risk for any organisation and particularly important for a society. One key area in this regard is safeguarding. The board reviews and approves the CMS safeguarding policy every year and this is applied equally to SAMS.

- **Critical Incidents**

In response to the increasing awareness of the security issues faced by SAMS mission partners, robust security procedures have been put in place by CMS, security training has been rolled out to relevant high risk personnel and a Crisis Management Team, with clear contingency plans for emergencies, has been implemented.

The Trustees will continue to review operational and business risks faced by the Society on a regular basis, to ensure that they continue to have systems in place to mitigate significant risks, which are similar to the risks faced by their parent company, CMS.

Fundraising

SAMS does not directly engage in any small or large scale fundraising activities. These are undertaken on its behalf by the CMS fundraising team and consequently, SAMS has not considered it necessary to sign up to any regulatory code of fundraising practice. No complaints regarding fundraising have therefore ever been received.

REPORT OF THE TRUSTEES (continued)

FINANCIAL REVIEW

SAMS continues to employ its mission partners as staff and provide pension benefits to these staff. Previous ministry areas of SAMS have continued as can be seen in the CMS group accounts for the year ended 31 January 2023.

Donations and legacies received directly by SAMS, into its bank accounts, are accounted for in these financial statements. Income from donations and legacies came to £111,189 (2022: £236,535). The main reason for the decrease in income was the £116,063 decrease in legacies compared to prior year. The majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS.

Each year, CMS transfers a gift to SAMS of restricted funds, which is set against the costs of mission partners who are still employed by the legal entity. CMS, as the parent charity, bears all other SAMS overheads, with the exception of SAMS' audit fee.

SAMS took advantage of changed underlying market conditions during the year and took the opportunity to settle all its liabilities in the Church Workers Pension Fund with nil cost or debt on 30 November 2022. Pension deficit contributions continued to be paid until exit. The reversal of the prior year deficit previously included in the financial statements led to a £1,066,490 gain in the year, and led to an overall £936,683 net increase in funds.

RESERVES POLICY

Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. During the financial year 2022-23 SAMS held unrestricted general funds (free reserves) to support pension liabilities in relation to its participation within the CWPF pension scheme. Under the previous contribution plan, a deficit was being paid off over 7 years until March 31 2028, and the reserve was deemed necessary to support years when income streams were not sufficient to meet the annual liability.

Changes in market conditions provided the opportunity during the year to settle its liabilities in the CWPF Pension Scheme on 30 November 2022. Notification was received post year end that the exit cost was nil, and thus all future SAMS income and free reserves will be solely dedicated to mission activity within South America.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2023.

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit. The Society sometimes needs to react quickly to particular situations and has a policy of keeping any surplus liquid funds in short term deposits, which can be accessed readily.

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The key areas of work for SAMS into 2023-24 and beyond remains the recruitment and placement of long-term mission partners within Latin America. It also involves the developing of a Latin American mission movement together with the Latin American church in two key areas – mission together with Indigenous Peoples and Pioneering mission in edge contexts where Jesus is not known.

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 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 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; and
- 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 has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and was approved by the Board of Trustees on 22 June 2023 and signed on their behalf by:



CHARLES CLAYTON - CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY

Opinion

We have audited the financial statements of The South American Mission Society ('the charitable company') for the year ended 31 January 2023 which comprise the statement of comprehensive income, balance sheet 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 charitable company's affairs as at 31 January 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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. 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 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 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income 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, sample testing of income to supporting documentation and reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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.

Alastair Lyon

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 6 July 2023

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Income from:							
Donations and legacies	3	83,550	27,639	**111,189**	201,012	35,523	**236,535**
Gift from parent undertaking	4	-	413,591	**413,591**	-	421,782	**421,782**
Investments	5	9,692	-	**9,692**	1,126	-	**1,126**
Other		537	88,942	**89,479**	-	80,431	**80,431**
Total income		**93,779**	**530,172**	**623,951**	**202,138**	**537,736**	**739,874**
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities							
People in mission	6	173,968	579,790	**753,758**	30,546	540,239	**570,785**
Total expenditure	6	**173,968**	**579,790**	**753,758**	**30,546**	**540,239**	**570,785**
Net income/(expenditure)		**(80,189)**	**(49,618)**	**(129,807)**	**171,592**	**(2,503)**	**169,089**
Transfers between funds		-	-	-	-	-	-
Other gains/(losses) on pension scheme deficit reduction provision	17	1,066,490	-	**1,066,490**	257,000	-	**257,000**
Net movement in funds		**986,301**	**(49,618)**	**936,683**	**428,592**	**(2,503)**	**426,089**
Total funds brought forward		**(516,194)**	**106,442**	**(409,752)**	**(944,786)**	**108,945**	**(835,841)**
Total funds carried forward		**470,107**	**56,824**	**526,931**	**(516,194)**	**106,442**	**(409,752)**

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

BALANCE SHEET
As at 31 January 2023

	Note	2023 £	2022 £
Current assets			
Debtors	11	10,302	45,508
Cash and short term deposits		589,970	661,807
		600,272	**707,315**
Current Liabilities			
Creditors: amounts falling due within one year	12	(73,341)	(50,577)
Net current assets		**526,931**	**656,738**
Defined benefit pension scheme liability	17	-	(1,066,490)
Net assets/(liabilities)		**526,931**	**(409,752)**
The funds of the charity			
Unrestricted: Free reserves	14	470,107	550,296
Unrestricted: Pension deficit	14	-	(1,066,490)
Unrestricted funds		**470,107**	**(516,194)**
Restricted funds	14	56,824	106,442
Total charity funds	**14**	**526,931**	**(409,752)**

The accompanying notes are an integral part of this Balance Sheet.

The financial statements on pages 11 to 23 were approved by the Board of Trustees and authorised for issue on 22 June 2023 and signed on their behalf by:

Charles Clayton - Chair of Trustees

NOTES TO THE ACCOUNTS
At 31 January 2023

1 ORGANISATION

The South American Mission Society (SAMS) is a company limited by guarantee, not having a share capital, and has approval to omit the word 'Limited' from its name. The Society is registered in England and Wales, its company number being 00065048. It is also a Registered Charity, number 221328 (England and Wales). The Society is a subsidiary of Church Mission Society ('CMS'), a registered charity in England and Wales (registered number 1131655) and a registered company limited by guarantee, in England and Wales (registered number 6985330). CMS, is the sole corporate member and is considered the ultimate parent undertaking of the Society.

2 ACCOUNTING POLICIES

Basis of preparation the financial statements have been prepared under the historical cost convention.

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. SAMS is considered to be a public benefit entity under FRS 102.

Assessment of going concern

The Trustees have reviewed the level of free reserves and have a reasonable expectation that the society 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 19.

Financial Instruments

The 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 and bank in hand and the Society's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the Society's long and short term creditors, excluding deferred income.

Income recognition for donations and legacies and gift from CMS

Income is recognised in the period in which the Society 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.

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 the amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Society is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably measured.

NOTES TO THE ACCOUNTS
At 31 January 2023

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.

Donations and legacies receivable by SAMS, are accounted for in these financial statements, however, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. As a consequence, certain income that would historically have been credited to SAMS is now received and accounted for by the parent charity. Each year, CMS transfers a gift to SAMS of restricted funds (see note 4) relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

Fund accounting and the allocation of income and expenditure by fund

Income and expenditure are allocated to two categories of funds: Unrestricted Funds and Restricted Funds.

Unrestricted funds are available for use at the discretion of the trustees to further the Society's general purposes and objectives. All income and expenditure associated with the general operation of the Society has been dealt with in the Unrestricted Funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve was included in the prior year comparatives within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area.

Resources expended

CMS, as the parent charity, bears all SAMS overheads, with the exception of the employment costs of SAMS' mission partners and its governance costs.

Expenditure borne by SAMS is recognised once there is a legal or constructive obligation committing the society 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 Society 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.

Pensions

The Society has members in two defined benefit pension schemes. For certain mission partners the Society 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 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.

NOTES TO THE ACCOUNTS
At 31 January 2023

Defined benefit schemes – multi employer schemes
Until 30 November 2022 the Society participated in the Church of England Defined Benefits Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF) (see note 17B). The assets of the funds are held separately from those of the Society. In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Society participates in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board also known as the Clergy Pension Scheme (see note 17A), which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Society is unable to identify its share of the underlying assets and liabilities. No funding liability currently arises for the Society in respect of them.

Statement of Cash Flows

The Society is a wholly owned subsidiary of CMS and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption.

NOTES TO THE ACCOUNTS
At 31 January 2023

3 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Donations from churches and groups	-	17,939	**17,939**	-	24,816	**24,816**
Donations from individuals	6,754	9,700	**16,454**	8,370	10,490	**18,860**
Legacies	76,796	-	**76,796**	192,642	217	**192,859**
	83,550	**27,639**	**111,189**	**201,012**	**35,523**	**236,535**

Legacies of which South American Mission Society has been notified but not recognised as income are estimated at £28,800 (2022: £18,000).

4 GIFT FROM PARENT UNDERTAKING

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Gift from parent undertaking	-	413,591	**413,591**	-	421,782	**421,782**
	-	**413,591**	**413,591**	**-**	**421,782**	**421,782**

5 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Interest on cash balances	9,692	-	**9,692**	1,126	-	**1,126**
	9,692	**-**	**9,692**	**1,126**	**-**	**1,126**

NOTES TO THE ACCOUNTS
At 31 January 2023

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2023 £	Direct Costs £	Support Costs £	Total 2022 £
Charitable activities						
People in mission						
Mission Partners	579,790	21,857	**601,647**	540,238	23,547	**563,785**
Pension contributions	152,110	-	**152,110**			
Interest cost	-	-	-	7,000	-	**7,000**
Total Expenditure	**731,900**	**21,857**	**753,757**	**547,238**	**23,547**	**570,785**

7 SUPPORT COSTS ALLOCATION

	Finance & Administration £	Total 2023 £	Total 2022 £
Charitable activities			
People in mission			
Mission Partners	221	**221**	**149**
Pension scheme administration costs	14,580	**14,580**	**17,230**
Governance (Note 8)	7,056	**7,056**	**6,168**
Total Support Costs	**21,857**	**21,857**	**23,547**

The support costs relate entirely to the activity of supporting Mission Partners. Governance costs related to the running of the Society, consist almost entirely of the costs of the external audit (Note 8), which is shown gross of VAT.

8 AUDITORS' REMUNERATION

	2023 £	2022 £
Audit Fees	6,840	5,952
Fees for non-audit services	-	-
	6,840	**5,952**

NOTES TO THE ACCOUNTS
At 31 January 2023

9 STAFF EMOLUMENTS

	2023	2022
	£	£
Salaries and allowances	417,411	410,429
Social security cost	3,583	1,534
Employer's pension contribution – defined contribution scheme	15,252	2,293
Employer's pension contribution – defined benefit multi-employer scheme	76,670	85,006
	512,916	**499,262**

Average monthly number of employees was 23 (2022: 25), all of whom are Mission Partners in Latin America.

One employee during year received emoluments of between £60,000 to £70,000 (2022: One employee earned in excess of £60,000). No employee benefits were received by key management personnel for their services during the year or prior year.

10 FINANCIAL INSTRUMENTS

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

	2023	2022
	£	£
Financial assets measured at amortised cost		
Cash at bank and in hand	589,970	661,807
Amounts due from group undertakings	-	23,815
Other receivables	10,302	21,694
Financial liabilities measured at amortised cost		
Other creditors due within one year (excluding tax and deferred income)	(16,916)	(32,866)
Amounts due from group undertakings	(33,158)	-

11 DEBTORS

	2023	2022
	£	£
Trade debtors	7,303	6,625
Taxation recoverable	301	211
Amounts due from group undertakings	-	17,189
Accrued income	2,698	21,483
	10,302	**45,508**

NOTES TO THE ACCOUNTS
At 31 January 2023

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,908	1,623
Accruals	6,840	5,952
Taxes and social security costs	23,367	17,711
Amounts due to group undertakings	33,158	-
Other creditors	3,068	25,291
	73,341	**50,577**

Included in "other creditors" are pension contributions of £3,063 (2022: £8,618) in respect of the society's pension schemes.

13 NET ASSETS/(LIABILITIES) BY FUND

Net Assets/(Liabilities) by Fund - 2023	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	510,110	90,162	600,272
Current liabilities less than one year	(40,003)	(33,338)	(73,341)
Defined benefit pension scheme liability	-	-	-
Net Assets 2023	**470,107**	**56,824**	**526,931**

Net Assets/(Liabilities) by Fund - 2022	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	572,921	134,394	707,315
Current liabilities less than one year	(22,625)	(27,952)	(50,577)
Defined benefit pension scheme liability	(1,066,490)	-	(1,066,490)
Net Liabilities 2022	**(516,194)**	**106,442**	**(409,752)**

NOTES TO THE ACCOUNTS
At 31 January 2023

14 RECONCILIATION OF FUNDS

	At 1 February 2022	Income	Expenditure	Other gains and losses	Transfers	At 31 January 2023
	£	£	£	£	£	£
Free reserves	550,296	93,779	(173,968)	-		470,107
Pension deficit	(1,066,490)	-	-	1,066,490	-	-
Unrestricted funds	(516,194)	93,779	(173,968)	1,066,490	-	470,107
Mission Personnel funds (Restricted)	106,442	530,172	(579,790)	-	-	56,824
Total	**(409,752)**	**623,951**	**(753,758)**	**1,066,490**	**-**	**526,931**

Designated funds
The pension deficit related to the defined benefit pension scheme (see note 17B for further details), but during the year the charity exited the scheme so no further debt remains.

Restricted funds
Mission Personnel funds are held as individual restricted funds for the support of SAMS Mission Partners.

15 TRUSTEES' EXPENSES

The Trustees receive no remuneration for their services, there were no expenses to reimburse in respect of expenses attending meetings (2022: £0) and there were no other costs (2022: £0) relating to trustee meetings.

16 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The Society has taken advantage of the exemptions allowed by FRS102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year. Church Mission Society is the sole corporate member of the society, which is the controlling party. The registered address of Church Mission Society is CMS House, Watlington Road, Oxford, OX4 6BZ. A copy of the group financial statements is also available from this address.

17 RETIREMENT BENEFITS

A. Defined Benefit Schemes - Church of Funded Pensions Scheme England

The Society has 1 active members of the Church of England Funded Pensions 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 Society, so the expense recognised in the SOFA is £Nil (2022: £Nil). Employer's contributions to this scheme amounting to some £10,000 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.

B. Multi-Employer Defined Benefit Schemes – Church of England Defined Benefits Scheme

Until 30 November 2022 the Society participated in the Defined Benefits Scheme section of Church Workers Pension Fund (CWPF) for lay staff. SAMS settled liabilities due to the Scheme as at 30 November 2022. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

NOTES TO THE ACCOUNTS
At 31 January 2023

17 RETIREMENT BENEFITS (CONTINUED)

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. The Defined Benefits Scheme (DBS) section of the CWPF provides benefits for lay staff based on final pensionable salaries.

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year (2023: £14,000, 2022: £17,000), plus any impact of deficit contributions (see below) giving a total net charge in the year ended 31 January 2023 of £167,000 (2022: net charge of £232,700).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m.

Following the valuation, the Employer entered into an agreement with the CWPF to pay expenses of £17,500 per year from April 1st 2021.

From April 1st 2021 a new annual deficit payment of £182,533 was agreed and payable until 31st March 2028 in respect of the shortfall in the Employer sub-pool. This obligation was previously recognised as a liability within the financial statements, until SAMS exited the Scheme on 30 November 2022.

During the year, deficit contributions in accordance with Section 28.11A of FRS 102 to the scheme were paid totalling £152,110 up until 30 November when the Charity settled all of its liabilities to the Church Workers Pension Fund. The admin expenses paid up to 30 November 22 were £14,580. The pension contributions and admin expense contributions were expensed in the SOFA for the final year.

NOTES TO THE ACCOUNTS
At 31 January 2023

17 RETIREMENT BENEFITS (CONTINUED)

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments are recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	2023	2022
	£	£
Balance sheet liability at 1 February	1,066,489	1,504,283
Deficit contributions paid	-	(187,794)
Interest cost (recognised in SOFA)	-	7,000
Remaining change to the balance sheet liability*(recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	(1,066,489)	(257,000)
Balance sheet liability at 31 January	-	1,066,489

C. Multi-Employer Defined Benefit Schemes – Church of England Pension Builder Scheme

The Society also participated in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff until SAMS settled liabilities due to the Scheme as at 30 November 2022. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Pension Builder Scheme is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. During the 2017-18 year, following consultation with our scheme members it was decided to transfer all members from the Pension Builder Classic section to the Pension Builder 2014.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2023 are contributions payable of £76,670 (2022: £85,006).

NOTES TO THE ACCOUNTS
At 31 January 2023

18 CUSTODIAN TRUSTEESHIP

The Society acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:-

	2023	2022
	£	£
Value at 31 January 2023	5,387	5,316
	5,387	**5,316**

These funds are not part of the Society's net assets and therefore are not included in the Society's accounts. 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.

19 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.

Cost allocation

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

Pension scheme deficit reduction payments

The following applies to the prior year comparatives:

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with section 28 of FRS102. The Trustees are satisfied that CWPF met the definition of multi-employer scheme and therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained in Note 17B, there is no longer a deficit as all liabilities to the scheme were settled on 30 November 22.

THE SOUTH AMERICAN MISSION SOCIETY

England & Wales - Charity number 221328

Accounts

THE SOUTH AMERICAN MISSION SOCIETY
REPORT AND ACCOUNTS

For the year ended 31 January 2022

Registered Charity No. 221328

Registered Company No. 00065048

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Address
The South American Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Legal Status
The South American Mission Society (SAMS), registered Charity Number 221328 (England and Wales), is a company limited by guarantee, registered Company Number 00065048 (England and Wales).

Trustees of the Society (and company directors)
Chair of Trustees - Mr Charles Clayton

Rev Ian Wallace (Resigned 31 December 2021)
Dr Ian Bromilow (Resigned 24 March 2022)
Rev Canon Andrew Bowerman
Mr Beauman Chong
Mr Peter Hyatt (Resigned 31 December 2021)
Mrs Rini Ingleby (Resigned 24 March 2022)
Dr Anne Keene
Rev Canon John Kafwanka (Appointed 1 January 2022)
Mrs Fiona Lambert
Mrs Chloe Louter (Appointed 1 January 2022)
Dr Kevin McKemey
Mr Salim Munayer (Resigned 31 December 2021)
Mr John Stansfeld
Rev Jane Shaw (Resigned 31 December 2021)
Mr Simon Upcott

Senior Management Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer	Mrs Debbie James
Director of International Mission	Canon Andy Roberts (from September 2021)
Director of Mission Transformation	Mrs Debbie James
Director of Mission Education	Mr Jonny Baker
Director of Fundraising for Mission	Mr Jim Barker
Director of Finance and Corporate Services	Mr Charles Walker (to January 2022)
Director of Finance and Corporate Services	Mrs Becky Morris (from March 2022)

Principal Professional Advisers

Bankers
Barclays Bank PLC
Public Sector - Charities
Level 12
1 Churchill Place
London
E14 5HP

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

REPORT OF THE TRUSTEES

The Trustees of SAMS, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 January 2021.

Since their merger in 2010, SAMS and Church Mission Society (CMS) operate as a single entity, with one vision and leadership. This legal entity is a subsidiary of CMS and reports part of the group's activities in and for Latin America. The consolidated position is given in the CMS report & financial statements [charity 1131655). The Trustees present their report along with the financial statements for the year ended 31 January 2021.

SAMS is 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.

What do we want to see? Our Vision

Our vision is to see all God's people engaged in God's mission, bringing challenge, change, hope and freedom to the world.

As we join in God's mission, through Jesus and in the power of the Spirit we see that:

- The love of Christ renews people and places
- Pioneering leaders forge new paths of transformation
- People on the margins flourish
- The healing of creation begins

Who are we? Our Identity

We are a community of people set free to follow God's call in mission.

As a community it is God's mission that is our passion. Our common commitment is:

- To participate in mission
- To learn from mission
- To pray for mission

What are our values?

We are people who are:

- Pioneering: we try new things, asks questions, cross boundaries
- Evangelistic: we share Jesus in word and action
- Relational: we get alongside people, becoming a genuine part of the communities where we find ourselves
- Faithful: where others have left or given up, we remain committed for the long haul to play their part in the mission of God.

God calls people, both individually and together, to engage in his mission. Our focus is to see both individual disciples and communities of disciples set free to play their part in the mission of God.

REPORT OF THE TRUSTEES (continued)

What do we do? Our Call

We believe that all God's people are called to join in God's mission, whether that means going overseas or over the road, and we work to set people free to put that call into action.

Put simply, we spend most of our time getting people into mission and mission into people.

Strategically we deliver our purpose in three ways:

- Raising disciples in mission
- Partnering churches in mission
- Maximising our effectiveness in mission

Our Activities

To achieve our mission, we work through:

Mission Partners: Our mission partners are members of the community who feel called to serve alongside local Christians in other cultures, wherever in the world that may take them.

Mission Grants: Grants provide seed money and ongoing financial support for key projects and ministries.

Review of the Year

The South American Mission Society (Latin America region of CMS) has been continuing the forging of vision and strategy for mission work in Latin America whilst supporting its existing mission work across the region and beyond. Paul Tester has continued as Mission Development Manager for Latin America (based in Lima, Peru) supported by two people in the Oxford office.

The year 2021 / 22 has been a one of the opening up of new possibilities. As the impact of the Covid-19 pandemic has lessened, travel has become more possible allowing for more movement of staff and mission partners. The society's renewed vision (Our world made new through the love of God as we follow Jesus to the edges) and strategy has also begun to be implemented in Latin America with two particular areas of focus. The first is mission together with indigenous peoples and the last year has included online dialogue with indigenous peoples and relevant strategic partners to prepare the way for how we can work together in this area going forward. This work will continue into next year with plans for in person consultations and an Indigenous People's congress which we trust will then translate to a way forward to serve in mission together. The second area is just beginning to take shape and is entitled Pioneering mission on the edge. Here the focus is on creativity and innovation in mission in those cultural spaces where Jesus is not well known. Mission partners are engaging with development of both of these areas of focus.

The principal activity of the society continues to be overseas mission work through 15 mission partner units.

REPORT OF THE TRUSTEES (continued)

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', SAMS works out its Public Benefit in a number of ways.

SAMS 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. Most 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".

SAMS seeks to demonstrate this benefit through its mission activity in Latin America.

Structure, Governance and Management
Corporate governance is as relevant in the voluntary sector as it is in the commercial world. The Trustees of SAMS aim to have high standards of accountability as well as a proper and ethical performance of their duties.

SAMS' governance arrangements

SAMS has one corporate member, CMS.

- SAMS is an Association of Members, whose business is governed by its Memorandum and Articles of Association and by a Board of Trustees.
- The Board of Trustees of SAMS is made up of a maximum of fifteen appointed trustees, appointed by CMS the sole corporate member of SAMS
- The SAMS board mirrors the CMS board, in which due regard is given to the skills required to promote effective governance

The Board of Trustees meets up to four times a year.

Management structure

The Chief Executive Officer (CEO) is responsible to the Board of Trustees for the executive management of SAMS' affairs. The CEO leads the organisation using services supplied by CMS in relation to ministry and support functions.

Risk management policy and internal control

The Trustees have reviewed the Group's risk register which incorporates SAMS. This register summarises the major risks the Society faces, and we have highlighted the risks most pertinent to SAMS below.

- **Pensions**

SAMS' participation in the Church Workers Pension Fund, a multi-employer defined benefit scheme means it is exposed to negative movements in the scheme's liabilities and assets. SAMS' deficit repayments have now come down following the reduction in the overall deficit at 31/12/2019. The funding position does remain volatile, though, and could result in increased repayments from SAMS in the future. SAMS works with members and where possible the scheme trustees to understand and mitigate these risks wherever possible.

- **Reputation**

Damage to reputation is a risk for any organisation and particularly important for a society. One key area in this regard is safeguarding. The board reviews and approves the CMS safeguarding policy every year and this is applied equally to SAMS.

REPORT OF THE TRUSTEES (continued)

- **Critical Incidents**

In response to the increasing awareness of the security issues faced by SAMS mission partners, robust security procedures have been put in place by CMS, security training has been rolled out to relevant high risk personnel and a Crisis Management Team, with clear contingency plans for emergencies, has been implemented.

The Trustees will continue to review operational and business risks faced by the Society on a regular basis, to ensure that they continue to have systems in place to mitigate significant risks, which are similar to the risks faced by their parent company, CMS.

Fundraising

SAMS does not directly engage in any small or large scale fundraising activities. These are undertaken on its behalf by the CMS fundraising team and consequently, SAMS has not considered it necessary to sign up to any regulatory code of fundraising practice. No complaints regarding fundraising have therefore ever been received.

FINANCIAL REVIEW

SAMS continues to employ its mission partners as staff and provide pension benefits to these staff. Previous ministry areas of SAMS have continued in a significant way as can be seen in the CMS group accounts for the year ended 31 January 2022. Donations and legacies received directly by SAMS, into its bank accounts, are accounted for in these financial statements. Income from donations and legacies came to £236,535 (2021: £205,185). The main reason for the increase in income was the £38,873 increase in legacies compared to prior year, donation income was down compared to the prior year. However, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. Each year, CMS transfers a gift to SAMS of restricted funds, which is set against the costs of mission partners who are still employed by the legal entity. CMS, as the parent charity, bears all other SAMS overheads, with the exception of SAMS' audit fee. The overall result for the year ended 31 January 2022 shows an increase in net funds of £426,089. SAMS, however, still ended the year with negative reserves of £409,752. This is occasioned by the continuing need to comply with the Charities SORP (FRS 102), under which SAMS is required to show the liability of the defined benefit pension scheme with the Church Workers Pension Fund (CWPF) on the balance sheet (see note 17B). At the Balance Sheet date, the Society has 3 active members in Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see note 17A). The Society is grateful for the contributions paid by the Archbishop's Council, which amounts to some £40,000.

IMPACT OF COVID-19

The main financial impact of COVID-19 is the potential impact this will have on the funding of the defined benefit pension scheme with the Church Workers Pension Fund (CWPF) in which the Society participates. The actuarial valuation of the scheme is 31 December 2019 has now concluded and has shown a significant improvement in the funding level, with the deficit reducing from £2.05m to £1.33m. As a result SAMS deficit payments have also reduced from £230,000 to £200,033 per annum until 31 March 2028. The trustees, following a forecast review of SAMS reserves consider there to be sufficient reserves to pay the pension deficit contributions as they fall due over the next 12 months and for the foreseeable future.

RESERVES POLICY

Unrestricted: General Funds (Free Reserves)

The reserves policy is reviewed annually, by the Trustees, in light of the specific risks faced by the charity. In 2021-22 SAMS held unrestricted general funds (free reserves) for the following reason:

To pay off its pension liabilities in relation to its participation within the CWPF pension scheme. The liability is being paid off over 7 years until March 31 2028, but the reserve is deemed necessary because existing income streams are not sufficient to meet the liability. A separate calculation has been performed to work out the target reserve required

As such the target level of free reserves for SAMS is £460,799. The free reserves at 31 January 2022 are £550,296, which is 21% above the stated target. The surplus against the target is material, but given the volatility of the funding within the CWPF pension scheme coupled with ongoing uncertainty of the impact of COVID-19 on that funding level, the trustees consider it wise to hold that excess in reserves until the liability has been fully paid off.

Once this liability has been paid off all future SAMS income will be solely dedicated to mission activity within South America.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2022.

These risks are specific to SAMS and will change each year, as such the overall target is reviewed, adjusted and approved annually by trustees.

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit. The Society sometimes needs to react quickly to particular situations and has a policy of keeping any surplus liquid funds in short term deposits, which can be accessed readily.

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The key areas of work for SAMS into 2021-22 and beyond remains the recruitment and placement of long-term mission partners within Latin America. It also involves the developing of a Latin American mission movement together with the Latin American church as part of our commitment to take forward the process of decentralisation, internationalisation and regionalisation.

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 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 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; and
- 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 has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and was approved by the Board of Trustees on 23 June 2022 and signed on their behalf by:



CHARLES CLAYTON - CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY

Opinion

We have audited the financial statements of The South American Mission Society ('the charitable company') for the year ended 31 January 2022 which comprise the statement of comprehensive income, balance sheet 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 charitable company's affairs as at 31 January 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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. 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 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 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income 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, sample testing of income to supporting documentation and reading minutes of meetings of those charged with governance.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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.

Alastair Lyon.

Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 26/7/2022

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income from:							
Donations and legacies	3	201,012	35,523	**236,535**	163,224	41,960	**205,184**
Gift from parent undertaking	4	-	421,782	**421,782**	-	497,096	**497,096**
Investments	5	1,126	-	**1,126**	1,940	-	**1,940**
Other		-	80,431	**80,431**	-	55,271	**55,271**
Total income		**202,138**	**537,736**	**739,874**	**165,164**	**594,327**	**759,491**
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities							
People in mission	6	30,546	540,239	**570,785**	43,907	573,582	**617,489**
Total expenditure	6	**30,546**	**540,239**	**570,785**	**43,907**	**573,582**	**617,489**
Net income/(expenditure)		**171,592**	**(2,503)**	**169,089**	**121,257**	**20,745**	**142,002**
Transfers between funds							
Other gains/(losses) on pension scheme deficit reduction provision	17	257,000	-	**257,000**	(56,000)	-	**(56,000)**
Net movement in funds		**428,592**	**(2,503)**	**426,089**	**65,257**	**20,745**	**86,002**
Total funds brought forward		**(944,786)**	**108,945**	**(835,841)**	(1,010,043)	88,200	**(921,843)**
Total funds carried forward		**(516,194)**	**106,442**	**(409,752)**	**(944,786)**	**108,945**	**(835,841)**

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

BALANCE SHEET
As at 31 January 2022

	Note	2022 £	2021 £
Current assets			
Debtors	11	45,508	85,798
Cash and short term deposits		661,807	636,464
		707,315	**722,262**
Current Liabilities			
Creditors: amounts falling due within one year	12	(50,577)	(53,820)
Net current assets		**656,738**	**668,442**
Defined benefit pension scheme liability	17	(1,066,490)	(1,504,283)
Net liabilities		**(409,752)**	**(835,841)**
The funds of the charity			
Unrestricted: Free reserves	14	550,296	559,497
Unrestricted: Pension deficit	14	(1,066,490)	(1,504,283)
Unrestricted funds		**(516,194)**	**(944,786)**
Restricted funds	14	106,442	108,945
Total charity funds	**14**	**(409,752)**	**(835,841)**

The accompanying notes are an integral part of this Balance Sheet.

The financial statements on pages 12 to 23 were approved by the Board of Trustees and authorised for issue on 23rd June 2022 and signed on their behalf by:



Charles Clayton - Chair of Trustees

NOTES TO THE ACCOUNTS
At 31 January 2022

1 ORGANISATION

The South American Mission Society (SAMS) is a company limited by guarantee, not having a share capital, and has approval to omit the word 'Limited' from its name. The Society is registered in England and Wales, its company number being 00065048. It is also a Registered Charity, number 221328 (England and Wales). The Society is a subsidiary of Church Mission Society ('CMS'), a registered charity in England and Wales (registered number 1131655) and a registered company limited by guarantee, in England and Wales (registered number 6985330). CMS, is the sole corporate member and is considered the ultimate parent undertaking of the Society.

2 ACCOUNTING POLICIES

Basis of preparation the financial statements have been prepared under the historical cost convention.

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. SAMS is considered to be a public benefit entity under FRS 102.

Assessment of going concern

The Trustees have reviewed the financial position in light of the impact of COVID-19 and the detrimental impact on the funding level of the Church Workers Pension Fund in which SAMS has a share of the pension deficit (Note 17B). The impact of this would only be realised in 3 years' time after the 31/12/2022 valuation has been completed at which point the funding position may have improved. The Trustees have reviewed the free reserve forecast for the next 3 years and given both the surplus of reserves against the target level required and that the latest recovery plan has improved following the conclusion of the 31/12/2019 valuation, they have a reasonable expectation that the society 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 19.

Financial Instruments

The 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 and bank in hand and the Society's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the Society's long and short term creditors, excluding deferred income.

Income recognition for donations and legacies and gift from CMS

Income is recognised in the period in which the Society 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.

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 the amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Society is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably measured.

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.

Donations and legacies receivable by SAMS, are accounted for in these financial statements, however, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. As a consequence, certain income that would historically have been credited to SAMS is now received and accounted for by the parent charity. Each year, CMS transfers a gift to SAMS of restricted funds (see note 4) relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

NOTES TO THE ACCOUNTS
At 31 January 2022

Fund accounting and the allocation of income and expenditure by fund

Income and expenditure are allocated to two categories of funds: Unrestricted Funds and Restricted Funds.

Unrestricted funds are available for use at the discretion of the trustees to further the Society's general purposes and objectives. All income and expenditure associated with the general operation of the Society has been dealt with in the Unrestricted Funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve is included within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area.

Resources expended

CMS, as the parent charity, bears all SAMS overheads, with the exception of the employment costs of SAMS' mission partners and its governance costs.

Expenditure borne by SAMS is recognised once there is a legal or constructive obligation committing the society 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 Society 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.

Pensions

The Society has members in two defined benefit pension schemes. For certain mission partners the Society 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 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 schemes – multi employer schemes
The Society participates in the Church of England Defined Benefits Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF) (see note 17B). The assets of the funds are held separately from those of the Society. In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Society participates in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board also known as the Clergy Pension Scheme (see note 17A), which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Society is unable to identify its share of the underlying assets and liabilities. No funding liability currently arises for the Society in respect of them.

NOTES TO THE ACCOUNTS
At 31 January 2022

Statement of Cash Flows

The Society is a wholly owned subsidiary of CMS and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption.

3 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Donations from churches and groups	-	24,816	**24,816**	-	31,066	**31,066**
Donations from individuals	8,370	10,490	**18,860**	9,238	10,894	**20,132**
Legacies	192,642	217	**192,859**	153,986	-	**153,986**
	201,012	**35,523**	**236,535**	**163,224**	**41,960**	**205,184**

Legacies of which South American Mission Society has been notified but not recognised as income are estimated at £18,000 (2021: £42,000).

4 GIFT FROM PARENT UNDERTAKING

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Gift from parent undertaking	-	421,782	**421,782**	-	497,096	**497,096**
	-	**421,782**	**421,782**	**-**	**497,096**	**497,096**

5 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Interest on cash balances	1,126	-	**1,126**	1,940	-	**1,940**
	1,126	**-**	**1,126**	**1,940**	**-**	**1,940**

NOTES TO THE ACCOUNTS
At 31 January 2022

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs	Support Costs	Total 2022	Direct Costs	Support Costs	Total 2021
	£	£	£	£	£	£
Charitable activities						
People in mission						
Mission Partners	540,238	23,547	**563,785**	573,582	21,907	**595,489**
Interest cost	7,000	-	**7,000**	22,000	-	**22,000**
Total Expenditure	**547,238**	**23,547**	**570,785**	**595,582**	**21,907**	**617,489**

7 SUPPORT COSTS ALLOCATION

	Finance & Administration	Total 2022	Total 2021
	£	£	£
Charitable activities			
People in mission			
Mission Partners	149	**149**	**127**
Pension scheme administration costs	17,230	**17,230**	**15,900**
Governance (Note 8)	6,168	**6,168**	**5,880**
Total Support Costs	**23,547**	**23,547**	**21,907**

The support costs relate entirely to the activity of supporting Mission Partners. Governance costs related to the running of the Society, consist almost entirely of the costs of the external audit (Note 8), which is shown gross of VAT.

8 AUDITORS' REMUNERATION

	2022	2021
	£	£
Audit Fees	5,952	5,664
Fees for non-audit services	-	-
	5,952	**5,664**

NOTES TO THE ACCOUNTS
At 31 January 2022

9 STAFF EMOLUMENTS

	2022	2021
	£	£
Salaries and allowances	410,429	428,959
Social security cost	1,534	3,631
Employer's pension contribution – defined contribution scheme	2,293	3,891
Employer's pension contribution – defined benefit multi-employer scheme	85,006	91,304
	499,262	**527,785**

Average monthly number of employees was 25 (2021: 29), all of whom are Mission Partners in Latin America.

One employee during year received emoluments of between 60,000 to 70,000 (2021: No employee received emoluments equal to or in excess of £60,000). No employee benefits were received by key management personnel for their services during the year or prior year.

10 FINANCIAL INSTRUMENTS

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

	2022	2021
	£	£
Financial assets measured at amortised cost		
Cash at bank and in hand	661,807	636,464
Amounts due from group undertakings	23,815	85,479
Other receivables	21,694	319
Financial liabilities measured at amortised cost		
Other creditors due within one year (excluding tax and deferred income)	(32,866)	(36,080)

11 DEBTORS

	2022	2021
	£	£
Trade debtors	6,625	-
Taxation recoverable	211	202
Amounts due from group undertakings	17,189	85,479
Accrued income	21,483	117
	45,508	**85,798**

NOTES TO THE ACCOUNTS
At 31 January 2022

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	1,623	3,141
Accruals	5,952	5,664
Taxes and social security costs	17,711	17,740
Other creditors	25,291	27,275
	50,577	**53,820**

Included in "other creditors" are pension contributions of £8,618 (2021: £8,104) in respect of the society's pension schemes.

13 NET ASSETS BY FUND

Net Assets by Fund - 2022	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	572,921	134,394	707,315
Current liabilities less than one year	(22,625)	(27,952)	(50,577)
Defined benefit pension scheme liability	(1,066,490)	-	(1,066,490)
Net Liabilities 2022	**(515,194)**	**106,442**	**(409,752)**
Net Liabilities 2021	**(944,786)**	**108,945**	**(835,841)**

Net Assets by Fund - 2021	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	584,333	137,929	722,262
Current liabilities less than one year	(24,836)	(28,984)	(53,820)
Defined benefit pension scheme liability	(1,504,283)	-	(1,504,283)
Net Liabilities 2021	**(944,786)**	**108,945**	**(835,841)**
Net Liabilities 2020	**(1,010,043)**	**88,200**	**(921,843)**

NOTES TO THE ACCOUNTS
At 31 January 2022

14 RECONCILIATION OF FUNDS

	At 1 February 2021	Income	Expenditure	Other gains and losses	Transfers	At 31 January 2022
	£	£	£	£	£	£
Free reserves	559,497	202,138	(23,546)	-	(187,793)	550,296
Pension deficit	(1,504,283)	-	(7,000)	257,000	187,793	(1,066,490)
Unrestricted funds	(944,786)	202,138	(30,546)	257,000	-	(516,194)
Mission Personnel funds (Restricted)	108,945	537,736	(540,239)	-	-	106,442
Total	**835,741**	**739,874**	**(570,785)**	**257,000**	**-**	**(409,752)**

Designated funds

The pension deficit relates to the defined benefit pension scheme (see note 17B for further details).

Restricted funds
Mission Personnel funds are held as individual restricted funds for the support of SAMS Mission Partners.

15 TRUSTEES' EXPENSES

The Trustees receive no remuneration for their services, there were no expenses to reimburse in respect of expenses attending meetings (2021: £0) and there were no other costs (2021: £0) relating to trustee meetings.

16 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The Society has taken advantage of the exemptions allowed by FRS102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year. Church Mission Society is the sole corporate member of the society, which is the controlling party. The registered address of Church Mission Society is CMS House, Watlington Road, Oxford, OX4 6BZ. A copy of the group financial statements is also available from this address.

17 RETIREMENT BENEFITS

A. Defined Benefit Schemes - Church of Funded Pensions Scheme England

The Society has 3 active members of the Church of England Funded Pensions 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 Society, so the expense recognised in the SOFA is £Nil (2021: £Nil). Employer's contributions to this scheme amounting to some £40,000 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.

B. Multi-Employer Defined Benefit Schemes – Church of England Defined Benefits Scheme

The Society participates in the Defined Benefits Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.
The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. The Defined Benefits Scheme (DBS) section of the CWPF provides benefits for lay staff

based on final pensionable salaries.

NOTES TO THE ACCOUNTS
At 31 January 2022

17 RETIREMENT BENEFITS (CONTINUED)

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year (2022: £17,000, 2021: £16,000), plus any impact of deficit contributions (see below) giving a total net credit in the year ended 31 January 2022 of £232,700 (2021: net charge of £93,900).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11.3m.

Following the valuation, the Employer has entered into an agreement with the CWPF to pay expenses of £17,500 per year from April 1st 2021.

From April 1st 2021 a new annual deficit payment of £182,533 has been agreed and payable until 31st March 2028 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments are recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	**2022**	**2021**
	£	£
Balance sheet liability at 1 February	1,504,283	1,640,383
Deficit contributions paid	(187,794)	(214,100)
Interest cost (recognised in SOFA)	7,000	22,000
Remaining change to the balance sheet liability*(recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	(257,000)	56,000
Balance sheet liability at 31 January	1,066,489	1,504,283

NOTES TO THE ACCOUNTS
At 31 January 2022

17 RETIREMENT BENEFITS (CONTINUED)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following discount rates, set by reference to the duration of the deficit recovery payments.

	2021 %pa	2020 %pa
Discount Rate at end of year	1.50	0.50
Discount Rate at start of year	0.50	1.40

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

The next actuarial valuation of the scheme is at 31 December 2022.

C. Multi-Employer Defined Benefit Schemes – Church of England Pension Builder Scheme

The Society also participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Pension Builder Scheme is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2022 are contributions payable of £85,006 (2021: £95,195).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. For the Pension Builder Classic section, the valuation revealed a deficit of £4.7m on the assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation as at 31 December 2019 revealed a surplus of £5.5m on a technical provisions basis. The legal structure of the scheme is such that if another employer fails, SAMS could become responsible for paying a share of that employer's pension liabilities.

During the 2017-18 year, following consultation with our scheme members it was decided to transfer all members from the Pension Builder Classic section to the Pension Builder 2014.

NOTES TO THE ACCOUNTS
At 31 January 2022

18 CUSTODIAN TRUSTEESHIP

The Society acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:-

	2022	2021
	£	£
Value at 31 January 2022	5,316	5,314
	5,316	**5,314**

These funds are not part of the Society's net assets and therefore are not included in the Society's accounts. 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.

19 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.

Cost allocation

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

Pension scheme deficit reduction payments

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with section 28 of FRS102. The Trustees are satisfied that CWPF meets the definition of multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained at note 17B there is a deficit reduction plan in place relating to SAMS' membership of the Defined Benefits Scheme section of the CWPF.

THE SOUTH AMERICAN MISSION SOCIETY

England & Wales - Charity number 221328

Accounts

THE SOUTH AMERICAN MISSION SOCIETY
REPORT AND ACCOUNTS

For the year ended 31 January 2021

Registered Charity No. 221328

Registered Company No. 00065048

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

Principal Address
The South American Mission Society
Watlington Road
Cowley
Oxford OX4 6BZ

Legal Status
The South American Mission Society (SAMS), registered Charity Number 221328 (England and Wales), is a company limited by guarantee, registered Company Number 00065048 (England and Wales).

Trustees of the Society (and company directors)
Chair of Trustees - Mr Charles Clayton

Rev Ian Wallace
Dr Ian Bromilow
Rev Canon Andrew Bowerman
Mr Beauman Chong
Mr Peter Hyatt
Mrs Rini Ingleby
Dr Anne Keene
Mrs Fiona Lambert
Dr Kevin McKemey
Mr Salim Munayer
Mr John Stansfeld
Rev Jane Shaw
Mr Simon Upcott (Appointed 25 June 2020)

Trustees who also served during the year were:
Mrs Naomi Aidoo (Resigned 27 March 2020)

Senior Management Team

Chief Executive Officer	Mr Alastair Bateman
Deputy Chief Executive Officer	Mrs Debbie James
Director of International Mission	Rev Paul Thaxter (Resigned 31 January 2021)
Director of Mission Transformation	Mrs Debbie James
Director of Mission Education	Mr Jonny Baker
Director of Fundraising for Mission	Mr Jim Barker
Director of Finance and Corporate Services	Mr Charles Walker

Principal Professional Advisers

Bankers
Barclays Bank PLC
Oxford Team
Wytham Court
11 West Way
Oxford
OX2 0JB

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

REPORT OF THE TRUSTEES

The Trustees of SAMS, who are Directors of the Charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 January 2021.

Since their merger in 2010, SAMS and Church Mission Society (CMS) operate as a single entity, with one vision and leadership. This legal entity is a subsidiary of CMS and reports part of the group's activities in and for Latin America. The consolidated position is given in the CMS report & financial statements [charity 1131655). The Trustees present their report along with the financial statements for the year ended 31 January 2021.

SAMS is 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.

What do we want to see? Our Vision

Our vision is to see all God's people engaged in God's mission, bringing challenge, change, hope and freedom to the world.

As we join in God's mission, through Jesus and in the power of the Spirit we see that:

- The love of Christ renews people and places
- Pioneering leaders forge new paths of transformation
- People on the margins flourish
- The healing of creation begins

Who are we? Our Identity

We are a community of people set free to follow God's call in mission.

As a community it is God's mission that is our passion. Our common commitment is:

- To participate in mission
- To learn from mission
- To pray for mission

What are our values?

We are people who are:

- Pioneering: we try new things, asks questions, cross boundaries
- Evangelistic: we share Jesus in word and action
- Relational: we get alongside people, becoming a genuine part of the communities where we find ourselves
- Faithful: where others have left or given up, we remain committed for the long haul to play their part in the mission of God.

God calls people, both individually and together, to engage in his mission. Our focus is to see both individual disciples and communities of disciples set free to play their part in the mission of God.

REPORT OF THE TRUSTEES (continued)

What do we do? Our Call

We believe that all God's people are called to join in God's mission, whether that means going overseas or over the road, and we work to set people free to put that call into action.

Put simply, we spend most of our time getting people into mission and mission into people.

Strategically we deliver our purpose in three ways:

- Raising disciples in mission
- Partnering churches in mission
- Maximising our effectiveness in mission

Our Activities

To achieve our mission, we work through:

Mission Partners: Our mission partners are members of the community who feel called to serve alongside local Christians in other cultures, wherever in the world that may take them.

Mission Grants: Grants provide seed money and ongoing financial support for key projects and ministries.

Review of the Year

The South American Mission Society (Latin America region of CMS) has been continuing the forging of vision and strategy for mission work in Latin America whilst supporting its existing mission work across the region and beyond. Paul Tester has continued as Mission Development Manager for Latin America (based in Lima, Peru) supported by two people in the Oxford office.

The year 2020 / 21 has been a very different year for the society due to the global Covid-19 pandemic. The priority for UK staff has been to support SAMS people in mission across Latin America and enable them to support others and continue in mission with those whom they serve. Through online connections staff have walked through the pandemic together with our people in mission. Many of those people in mission have found creative ways to support those around them affected by illness or economic hardship brought on by lockdowns and restrictions. As the pandemic has continued some people in mission have been unwell with Covid-19 and two have been hospitalized but we praise God that all have recovered.

Travel during the year has been greatly restricted but some people in mission have been able to travel between their location in Latin America and the UK and vice versa whilst others have been unable to travel and have had to seek out alternative ways to continue to serve in mission. The Mission Development Manager has remained in region but has not been able to proceed with the visits that were planned for the year. However, much work has been done on the strategic review of the organization and a new vision and strategy will shortly be unveiled and its implementation begun.

The principal activity of the society continues to be overseas mission work through 19 mission partner units.

REPORT OF THE TRUSTEES (continued)

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', SAMS works out its Public Benefit in a number of ways.

SAMS 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. Most 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".

SAMS seeks to demonstrate this benefit through its mission activity in Latin America.

Structure, Governance and Management
Corporate governance is as relevant in the voluntary sector as it is in the commercial world. The Trustees of SAMS aim to have high standards of accountability as well as a proper and ethical performance of their duties.

SAMS' governance arrangements

SAMS has one corporate member, CMS.

- SAMS is an Association of Members, whose business is governed by its Memorandum and Articles of Association and by a Board of Trustees.
- The Board of Trustees of SAMS is made up of a maximum of fifteen appointed trustees, appointed by CMS the sole corporate member of SAMS
- The SAMS board mirrors the CMS board, in which due regard is given to the skills required to promote effective governance

The Board of Trustees meets up to four times a year.

Management structure

The Chief Executive Officer (CEO) is responsible to the Board of Trustees for the executive management of SAMS' affairs. The CEO leads the organisation using services supplied by CMS in relation to ministry and support functions.

Risk management policy and internal control

The Trustees have reviewed the Group's risk register which incorporates SAMS. This register summarises the major risks the Society faces, and we have highlighted the risks most pertinent to SAMS below.

- **Pensions**

SAMS' participation in the Church Workers Pension Fund, a multi-employer defined benefit scheme means it is exposed to negative movements in the scheme's liabilities and assets. SAMS' deficit repayments have now come down following the reduction in the overall deficit at 31/12/2019. The impact of COVID-19 did result in the funding level worsening during the first half of 2020, although this has now been offset by both market improvements since October 2020 and positive movement in gilt yields in the first quarter of 2021. The funding position does remain volatile, though, and could result in increased repayments from SAMS in the future. SAMS works with members and where possible the scheme trustees to understand and mitigate these risks wherever possible.

- **Reputation**

Damage to reputation is a risk for any organisation and particularly important for a society. One key area in this regard is safeguarding. The board reviews and approves the CMS safeguarding policy every year and this is applied equally to SAMS.

REPORT OF THE TRUSTEES (continued)

- **Critical Incidents**

In response to the increasing awareness of the security issues faced by SAMS mission partners, robust security procedures have been put in place by CMS, security training has been rolled out to relevant high risk personnel and a Crisis Management Team, with clear contingency plans for emergencies, has been implemented.

The Trustees will continue to review operational and business risks faced by the Society on a regular basis, to ensure that they continue to have systems in place to mitigate significant risks, which are similar to the risks faced by their parent company, CMS.

Fundraising

SAMS does not directly engage in any small or large scale fundraising activities. These are undertaken on its behalf by the CMS fundraising team and consequently, SAMS has not considered it necessary to sign up to any regulatory code of fundraising practice. No complaints regarding fundraising have therefore ever been received.

FINANCIAL REVIEW

SAMS continues to employ its mission partners as staff and provide pension benefits to these staff. Previous ministry areas of SAMS have continued in a significant way as can be seen in the CMS group accounts for the year ended 31 January 2021. Donations and legacies received directly by SAMS, into its bank accounts, are accounted for in these financial statements. Income from donations and legacies came to £205,185 (2020: £185,213). The main reason for the increase in income was the £24,283 increase in legacies compared to prior year, donation income was down compared to the prior year. However, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. Each year, CMS transfers a gift to SAMS of restricted funds, which is set against the costs of mission partners who are still employed by the legal entity. CMS, as the parent charity, bears all other SAMS overheads, with the exception of SAMS' audit fee. The overall result for the year ended 31 January 2021 shows an increase in net funds of £86,003. SAMS, however, still ended the year with negative reserves of £835,841. This is occasioned by the continuing need to comply with the Charities SORP (FRS 102), under which SAMS is required to show the liability of the defined benefit pension scheme with the Church Workers Pension Fund (CWPF) on the balance sheet (see note 17B). At the Balance Sheet date, the Society has 5 active members in Church of England Funded Pension Scheme (also known as the Clergy Scheme) (see note 17A). The Society is grateful for the contributions paid by the Archbishop's Council, which amounts to some £65,000.

IMPACT OF COVID-19

During March 2020 the crisis management team was convened (in line with our policy) as a result of COVID-19. Its objective was to ensure the safety of all staff and the business continuity of SAMS. Since then we have increased our contact and support with all our people in mission across South America. From March 23 2020 we have operated with a skeleton team at CMS house, and the Mission Development Manager for South America is based in Lima, Peru.

The main financial impact of COVID-19 is the potential impact this will have on the funding of the defined benefit pension scheme with the Church Workers Pension Fund (CWPF) in which the Society participates. The actuarial valuation of the scheme is 31 December 2019 has now concluded and has shown a significant improvement in the funding level, with the deficit reducing from £2.05m to £1.33m. As a result SAMS deficit payments have also reduced from £230,000 to £200,033 per annum until 31 March 2028. The trustees, following a forecast review of SAMS reserves consider there to be sufficient reserves to pay the pension deficit contributions as they fall due over the next 12 months and for the foreseeable future.

RESERVES POLICY

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 2020-21 SAMS held unrestricted general funds (free reserves) for the following reason:

To pay off its pension liabilities in relation to its participation within the CWPF pension scheme. The liability is being paid off over 7 years until March 31 2028, but the reserve is deemed necessary because existing income streams are not sufficient to meet the liability. A separate calculation has been performed to work out the target reserve required

As such the target level of free reserves for SAMS is £460,799. The free reserves at 31 January 2021 are £559,498, which is 21% above the stated target. The surplus against the target is material, but given the volatility of the funding within the CWPF pension scheme coupled with ongoing uncertainty of the impact of COVID-19 on that funding level, the trustees consider it wise to hold that excess in reserves until the liability has been fully paid off.

Once this liability has been paid off all future SAMS income will be solely dedicated to mission activity within South America.

Restricted Funds

The reserves policy for restricted funds is for sufficient assets to be held to meet the obligations of each fund and this is the case as at 31 January 2021.

These risks are specific to SAMS and will change each year, as such the overall target is reviewed, adjusted and approved annually by trustees.

INVESTMENT POLICY

The Trustees have the power to invest in such assets as they see fit. The Society sometimes needs to react quickly to particular situations and has a policy of keeping any surplus liquid funds in short term deposits, which can be accessed readily.

REPORT OF THE TRUSTEES (continued)

FUTURE PLANS

The key areas of work for SAMS into 2021-22 and beyond remains the recruitment and placement of long-term mission partners within Latin America. It also involves the developing of a Latin American mission movement together with the Latin American church as part of our commitment to take forward the process of decentralisation, internationalisation and regionalisation.

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures 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 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 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; and
- 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 has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies and was approved by the Board of Trustees on 16 June 2021 and signed on their behalf by:



CHARLES CLAYTON - CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY

Opinion

We have audited the financial statements of The South American Mission Society ('the charitable company') for the year ended 31 January 2021 which comprise the statement of comprehensive income, balance sheet 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 charitable company's affairs as at 31 January 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report 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 charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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. 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 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 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations and taxation legislation.

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

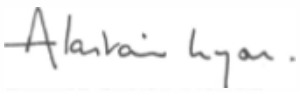
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOUTH AMERICAN MISSION SOCIETY (CONTINUED)

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.



Alastair Lyon

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Reading

Date: 21 July 2021

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 January 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from:							
Donations and legacies	3	163,224	41,960	**205,184**	140,223	44,990	**185,213**
Gift from parent undertaking	4	-	497,096	**497,096**	-	503,629	**503,629**
Investments	5	1,940	-	**1,940**	5,437	-	**5,437**
Other		-	55,271	**55,271**	302	61,511	**61,813**
Total income		**165,164**	**594,327**	**759,491**	**145,962**	**610,130**	**756,092**
Expenditure on:							
Raising funds		-	-	-	-	-	-
Charitable activities							
People in mission	6	43,907	573,582	**617,489**	59,760	619,526	**679,286**
Total expenditure	**6**	**43,907**	**573,582**	**617,489**	**59,760**	**619,526**	**679,286**
Net income/(expenditure)		**121,257**	**20,745**	**142,002**	**86,202**	**(9,396)**	**76,806**
Transfers between funds					-	-	-
Other (losses) on pension scheme deficit reduction provision	17	(56,000)	-	**(56,000)**	(67,000)	-	**(67,000)**
Net movement in funds		**65,257**	**20,745**	**86,002**	**19,202**	**(9,396)**	**9,806**
Total funds brought forward		(1,010,043)	88,200	**(921,843)**	(1,029,245)	97,596	**(931,649)**
Total funds carried forward		**(944,786)**	**108,945**	**(835,841)**	**(1,010,043)**	**88,200**	**(921,843)**

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

BALANCE SHEET
As at 31 January 2021

	Note	2021 £	2020 £
Current assets			
Debtors	11	85,798	78,545
Cash and short term deposits		636,464	695,186
		722,262	**773,731**
Current Liabilities			
Creditors: amounts falling due within one year	12	(53,820)	(55,191)
Net current assets		**668,442**	**718,540**
Defined benefit pension scheme liability	17	(1,504,283)	(1,640,383)
Net liabilities		**(835,841)**	**(921,843)**
The funds of the charity			
Unrestricted: Free reserves	14	559,497	630,340
Unrestricted: Pension deficit	14	(1,504,283)	(1,640,383)
Unrestricted funds		**(944,786)**	**(1,010,043)**
Restricted funds	14	108,945	88,200
Total charity funds	**14**	**(835,841)**	**(921,843)**

The accompanying notes are an integral part of this Balance Sheet.

The financial statements on pages 12 to 23 were approved by the Board of Trustees and authorised for issue on 16th June 2021 and signed on their behalf by:



Charles Clayton - Chair of Trustees

NOTES TO THE ACCOUNTS
At 31 January 2021

1 ORGANISATION

The South American Mission Society (SAMS) is a company limited by guarantee, not having a share capital, and has approval to omit the word 'Limited' from its name. The Society is registered in England and Wales, its company number being 00065048. It is also a Registered Charity, number 221328 (England and Wales). The Society is a subsidiary of Church Mission Society ('CMS'), a registered charity in England and Wales (registered number 1131655) and a registered company limited by guarantee, in England and Wales (registered number 6985330). CMS, is the sole corporate member and is considered the ultimate parent undertaking of the Society.

2 ACCOUNTING POLICIES

Basis of preparation the financial statements have been prepared under the historical cost convention.

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. SAMS is considered to be a public benefit entity under FRS 102.

Assessment of going concern

The Trustees have reviewed the financial position in light of the impact of COVID-19 and the detrimental impact on the funding level of the Church Workers Pension Fund in which SAMS has a share of the pension deficit (Note 17B). The impact of this would only be realised in 3 years' time after the 31/12/2022 valuation has been completed at which point the funding position may have improved. The Trustees have reviewed the free reserve forecast for the next 3 years and given both the surplus of reserves against the target level required and that the latest recovery plan has improved following the conclusion of the 31/12/2019 valuation, they have a reasonable expectation that the society 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 19.

Financial Instruments

The 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 and bank in hand and the Society's trade and other debtors, excluding prepayments. Financial liabilities held at amortised cost include the Society's long and short term creditors, excluding deferred income.

Income recognition for donations and legacies and gift from CMS

Income is recognised in the period in which the Society 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.

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 the amount of the legacy can be measured reliably. In accordance with this policy, legacies are included when the Society is notified by the Personal Representatives of an estate from which a distribution is to be made and the amount involved can be reliably measured.

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.

Donations and legacies receivable by SAMS, are accounted for in these financial statements, however, the majority of donations by churches and individuals for the work in Latin America are now received and accounted for by SAMS' parent entity, CMS. As a consequence, certain income that would historically have been credited to SAMS is now received and accounted for by the parent charity. Each year, CMS transfers a gift to SAMS of restricted funds (see note 4) relating to mission partners who are still employed by its legal entity to reflect the income received by the parent charity.

NOTES TO THE ACCOUNTS
At 31 January 2021

Fund accounting and the allocation of income and expenditure by fund

Income and expenditure are allocated to two categories of funds: Unrestricted Funds and Restricted Funds.

Unrestricted funds are available for use at the discretion of the trustees to further the Society's general purposes and objectives. All income and expenditure associated with the general operation of the Society has been dealt with in the Unrestricted Funds, including donations and legacies where the donor attaches no specific conditions. A pension reserve is included within unrestricted funds to reflect the pension liability. Designated funds are a portion of unrestricted funds that have been set aside by the trustees for a particular project or purpose.

Restricted funds represent income and donations, the use of which has been specified by the donor. Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that purpose or area.

Resources expended

CMS, as the parent charity, bears all SAMS overheads, with the exception of the employment costs of SAMS' mission partners and its governance costs.

Expenditure borne by SAMS is recognised once there is a legal or constructive obligation committing the society 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 Society 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.

Pensions

The Society has members in two defined benefit pension schemes. For certain mission partners the Society 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 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 schemes – multi employer schemes
The Society participates in the Church of England Defined Benefits Scheme (DBS) and the Church of England Pension Builder Scheme (PBS), both of which are separate sections of the Church Workers Pension Fund (CWPF) (see note 17B). The assets of the funds are held separately from those of the Society. In both cases, the schemes are considered to be multi-employer schemes as described in Section 28 of FRS 102 and as the Society is unable to identify its share of the underlying assets and liabilities, contributions are accounted for as if the Scheme were a defined contribution scheme. In accordance with FRS 102, the pensions costs charged to the Statement of Financial Activities in the year are the contributions payable towards benefits and expenses accrued in that year, plus any charge in respect of the impact of deficit contributions. Where a provision is recognised in respect of any agreed deficit recovery payments, this liability represents the present value of the deficit contributions agreed as at the accounting date and is presented after other net assets on the face of the balance sheet.

In addition to these schemes the Society participates in the Church of England Funded Pensions Scheme, administered by the Church of England Pensions Board also known as the Clergy Pension Scheme (see note 17A), which provides pensions for clergy and licensed lay workers. The Church of England Funded Pensions Scheme is a multi-employer defined benefit scheme but the Society is unable to identify its share of the underlying assets and liabilities. No funding liability currently arises for the Society in respect of them.

NOTES TO THE ACCOUNTS
At 31 January 2021

Statement of Cash Flows

The Society is a wholly owned subsidiary of CMS and, in accordance with paragraph 1.12(b) of FRS 102, is therefore exempt from the requirement to include a Statement of Cash Flows in its financial statements. The trustees have taken advantage of this exemption.

3 DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Donations from churches and groups	-	31,066	**31,066**	-	32,637	**32,637**
Donations from individuals	9,238	10,894	**20,132**	10,520	12,353	**22,873**
Legacies	153,986	-	**153,986**	129,703	-	**129,703**
	163,224	**41,960**	**205,184**	**140,223**	**44,990**	**185,213**

Legacies of which South American Mission Society has been notified but not recognised as income are estimated at £42,000 (2020: £89,000).

4 GIFT FROM PARENT UNDERTAKING

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Gift from parent undertaking	-	497,096	**497,096**	-	503,629	**503,629**
	-	**497,096**	**497,096**	**-**	**503,629**	**503,629**

5 INCOME FROM INVESTMENTS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Interest on cash balances	1,940	-	**1,940**	5,437	-	**5,437**
	1,940	**-**	**1,940**	**5,437**	**-**	**5,437**

NOTES TO THE ACCOUNTS
At 31 January 2021

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs £	Support Costs £	Total 2021 £	Direct Costs £	Support Costs £	Total 2020 £
Charitable activities						
People in mission						
Mission Partners	573,582	21,907	**595,489**	619,526	21,760	**641,286**
Interest cost	22,000	-	**22,000**	38,000	-	**38,000**
Total Expenditure	**595,582**	**21,907**	**617,489**	**657,526**	**21,760**	**679,286**

7 SUPPORT COSTS ALLOCATION

	Finance & Administration £	Total 2021 £	Total 2020 £
Charitable activities			
People in mission			
Mission Partners	127	**127**	**142**
Pension scheme administration costs	15,900	**15,900**	**15,900**
Governance (Note 8)	5,880	**5,880**	**5,718**
Total Support Costs	**21,907**	**21,907**	**21,760**

The support costs relate entirely to the activity of supporting Mission Partners. Governance costs related to the running of the Society, consist almost entirely of the costs of the external audit (Note 8), which is shown gross of VAT.

8 AUDITORS' REMUNERATION

	2021 £	2020 £
Audit Fees	5,664	5,502
Fees for non-audit services	-	-
	5,664	**5,502**

NOTES TO THE ACCOUNTS
At 31 January 2021

9 STAFF EMOLUMENTS

	2021	2020
	£	£
Salaries and allowances	428,959	447,481
Social security cost	3,631	2,260
Employer's pension contribution – defined contribution scheme	3,891	3,852
Employer's pension contribution – defined benefit multi-employer scheme	91,304	92,630
	527,785	**546,223**

Average monthly number of employees was 29 (2020: 31), all of whom are Mission Partners in Latin America.

No employees received emoluments equal to or in excess of £60,000 during the year or prior year. No employee benefits were received by key management personnel for their services during the year or prior year.

10 FINANCIAL INSTRUMENTS

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

	2021	2019
	£	£
Financial assets measured at amortised cost		
Cash at bank and in hand	636,464	695,186
Amounts due from group undertakings	85,479	72,521
Other receivables	319	6,024
Financial liabilities measured at amortised cost		
Other creditors due within one year (excluding tax and deferred income)	(36,080)	(35,320)

11 DEBTORS

	2021	2020
	£	£
Taxation recoverable	202	455
Amounts due from group undertakings	85,479	72,521
Accrued income	117	5,569
	85,798	**78,545**

NOTES TO THE ACCOUNTS
At 31 January 2021

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	3,141	2,381
Accruals	5,664	5,502
Taxes and social security costs	17,740	19,871
Other creditors	27,275	27,437
	53,820	**55,191**

Included in "other creditors" are pension contributions of £8,104 (2020: £8,266) in respect of the society's pension schemes.

13 NET ASSETS BY FUND

Net Assets by Fund - 2021	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	584,333	137,929	722,262
Current liabilities less than one year	(24,836)	(28,984)	(53,820)
Defined benefit pension scheme liability	(1,504,283)	-	(1,504,283)
Net Liabilities 2021	**(944,786)**	**108,945**	**(835,841)**
Net Liabilities 2020	**(1,010,043)**	**88,200**	**(921,843)**

Net Assets by Fund - 2020	**Unrestricted**	**Restricted**	**Total**
	£	£	£
Current assets	655,013	118,718	773,731
Current liabilities less than one year	(24,673)	(30,518)	(55,191)
Defined benefit pension scheme liability	(1,640,383)	-	(1,640,383)
Net Liabilities 2020	**(1,010,043)**	**88,200**	**(921,843)**
Net Liabilities 2019	**(1,029,245)**	**97,596**	**(931,649)**

NOTES TO THE ACCOUNTS
At 31 January 2021

14 RECONCILIATION OF FUNDS

	At 1 February 2020	Incoming Resources	Outgoing Resources	Other gains and losses	Transfers	At 31 January 2021
	£	£	£	£	£	£
Free reserves	630,340	165,164	(21,907)		(214,100)	559,497
Pension deficit	(1,640,383)		(22,000)	(56,000)	214,100	(1,504,283)
Unrestricted funds	(1,010,043)	165,164	(43,907)	(56,000)	-	(944,786)
Mission Personnel funds (Restricted)	88,200	594,327	(573,582)	-	-	108,945
Total	**(921,843)**	**759,491**	**(617,489)**	**(56,000)**	**-**	**835,741**

Designated funds

The pension deficit relates to the defined benefit pension scheme (see note 17B for further details).

Restricted funds
Mission Personnel funds are held as individual restricted funds for the support of SAMS Mission Partners.

15 TRUSTEES' EXPENSES

The Trustees receive no remuneration for their services, there were no expenses to reimburse in respect of expenses attending meetings (2020: £0) and there were no other costs (2020: £0) relating to trustee meetings.

16 RELATED PARTY TRANSACTIONS AND CONTROLLING PARTY

The Society has taken advantage of the exemptions allowed by FRS102 not to disclose transactions with other group members. There were no related party transactions requiring disclosure during the year. Church Mission Society is the sole corporate member of the society, which is the controlling party. The registered address of Church Mission Society is CMS House, Watlington Road, Oxford, OX4 6BZ. A copy of the group financial statements is also available from this address.

17 RETIREMENT BENEFITS

A. Defined Benefit Schemes - Church of Funded Pensions Scheme England

The Society has 5 active members of the Church of England Funded Pensions 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 Society, so the expense recognised in the SOFA is £Nil (2020: £Nil). Employer's contributions to this scheme amounting to some £65,000 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.

B. Multi-Employer Defined Benefit Schemes – Church of England Defined Benefits Scheme

The Society participates in the Defined Benefits Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.
The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014. The Defined Benefits Scheme (DBS) section of the CWPF provides benefits for lay staff based on final pensionable salaries.

NOTES TO THE ACCOUNTS
At 31 January 2020

17 RETIREMENT BENEFITS (CONTINUED)

For funding purposes, the DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. This does not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

It is not possible to attribute the scheme's assets and liabilities to specific employers, since each employer, through the Life Risk Pool, is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102 and as such contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year are contributions payable towards benefits and expenses accrued in that year (2021: £56,000, 2020: £67,000), plus any impact of deficit contributions (see below) giving a total charge in the year ended 31 January 2021 of £93,900 (2020: net charge of £120,900).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of the DBS is carried out once every three years, the scheme valuation completed was as at 31 December 2019. In this valuation, the Life Risk Section was shown to be in deficit by £7.7m and £7.7m was notionally transferred from the employers' sub-pools to the Life Risk Pool. This increased the Employer contributions that would otherwise have been payable. The overall deficit in the DBS was £11m.

Following the valuation, the Employer has entered into an agreement with the CWPF to pay expenses of £17,500 per year from April 1st 2021.

From April 1st 2021 a new annual deficit payment of £182,533 has been agreed and payable until 31st March 2028 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

In accordance with Section 28.11A of FRS 102 the agreed deficit recovery payments are recognised as a liability. The movement in the provision is set out below:

Pension scheme deficit reduction provision	2021	2020
	£	£
Balance sheet liability at 1 February	1,640,383	1,749,483
Deficit contributions paid	(214,100)	(214,100)
Interest cost (recognised in SOFA)	22,000	38,000
Remaining change to the balance sheet liability*(recognised in SOFA), comprising the change in agreed deficit recovery plan and the change in discount rate between year-ends	56,000	67,000
Balance sheet liability at 31 January	1,504,283	1,640,383

NOTES TO THE ACCOUNTS
At 31 January 2020

17 RETIREMENT BENEFITS (CONTINUED)

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following discount rates, set by reference to the duration of the deficit recovery payments.

	2021 %pa	2020 %pa
Discount Rate at end of year	0.50	1.40
Discount Rate at start of year	1.40	2.30

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

The next actuarial valuation of the scheme is at 31 December 2022.

C. Multi-Employer Defined Benefit Schemes – Church of England Pension Builder Scheme

The Society also participates in the Pension Builder Scheme section of Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

The Pension Builder Scheme is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and accordingly contributions are accounted for as if the Scheme were a defined contribution scheme.

The pensions costs charged to the SOFA in the year ended 31 January 2021 are contributions payable of £95,195 (2020: £96,482).

A valuation of the scheme is carried out once every three years. The most recent scheme valuation completed was carried out as at 31 December 2019. For the Pension Builder Classic section, the valuation revealed a deficit of £4.7m on the assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation as at 31 December 2019 revealed a surplus of £5.5m on a technical provisions basis. The legal structure of the scheme is such that if another employer fails, SAMS could become responsible for paying a share of that employer's pension liabilities.

During the 2017-18 year, following consultation with our scheme members it was decided to transfer all members from the Pension Builder Classic section to the Pension Builder 2014.

NOTES TO THE ACCOUNTS
At 31 January 2021

18 CUSTODIAN TRUSTEESHIP

The Society acts as Custodian Trustee of funds belonging to the Diocese of Uruguay:-

	2021	2020
	£	£
Value at 31 January 2021	5,314	5,292
	5,314	**5,292**

These funds are not part of the Society's net assets and therefore are not included in the Society's accounts. 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.

19 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.

Cost allocation

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

Pension scheme deficit reduction payments

FRS 102 makes the distinction between a group and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as CWPF. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in the SOFA in accordance with section 28 of FRS102. The Trustees are satisfied that CWPF meets the definition of multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements. As explained at note 17B there is a deficit reduction plan in place relating to SAMS' membership of the Defined Benefits Scheme section of the CWPF.