

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales · Charity number 231144

Details

Other names S P C K

Status Registered

Legal form Other

Company number [RC000557](#)

Registered 1971-06-21

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: TO PROMOTE CHRISTIAN KNOWLEDGE IN ANY PART OF THE WORLD BY SUCH MEANS, INCLUDING THE FURTHERANCE OF EDUCATION AT ALL LEVELS, AS THE SOCIETY MAY FROM TIME TO TIME THINK FIT IN ACCORDANCE WITH THE PRINCIPLES OF THE CHURCH OF ENGLAND

Activities: SPCK promotes Christian knowledge through broad-based publishing programmes producing books, electronic products and internet-based resources. Its Assemblies website provides teachers with free downloadable materials for collective worship in school. Materials are produced to reach people outside the church.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-30	£8,055,000	£7,113,000	£14,838,000	46
2024-04-30	£6,854,000	£6,562,000	£13,401,000	42
2023-04-30	£6,341,000	£5,894,000	£9,924,000	52
2022-04-30	£8,405,000	£8,103,000	£12,937,000	58
2021-04-30	£5,781,000	£5,261,000	£12,809,000	47

Trustees

Name	Role	Appointed
Stephen John East	Chair	2023-01-26
Catherine Elizabeth Hamilton		2024-12-12
Dr Sanjeevani Perera		2021-11-18
Elspeth McKinnon		2024-12-12
Eric Thompson		2015-10-01
PAUL BURRAGE		2017-11-23
Rev Mark Nam		2022-11-17
Rev Michael Beasley		2017-11-23
Sue Halliday		2019-11-21

Linked charities

- ALICE BARNES MEMORIAL FUND (231144-1)
- DARLINGTON TRUST (231144-10)
- CHELSEA HOSPITAL (231144-11)
- CHURCH HISTORICAL SOCIETY (231144-12)
- WILLIAM KEMP LOWTHER CLARKE TRUST (231144-13)
- CLERICUS TRUST (231144-14)
- CORDEN TRUST (231144-15)
- MEDICAL MISSION IN SOUTHERN INDIA TRUST (231144-16)
- CRAWFORD'S ARABIC TRUST (231144-17)
- CRAWFORD'S IRISH TRUST (231144-18)
- F N DAVEY MEMORIAL TRUST (231144-19)
- ANNIS BIBLE FUND (231144-2)
- DARRELL TRUST (231144-20)
- DISNEY AND DRAKE TRUST (231144-21)
- FLEMING TRUST (231144-22)
- FOSTER TRUST (231144-23)
- GODFREY ERMEN FUND (231144-24)
- FERRETT TRUST (231144-25)
- JENKINS TRUST (231144-26)
- BISHOP JOHN CHARLES JONES MEMORIAL FUND (231144-27)
- FRENCH TRUST (231144-28)
- EDITH M GOWAN MEMORIAL (231144-29)
- BECKER TRUST (231144-3)
- HITCHIN MEMORIAL PRIZE FUND (231144-30)
- IPSWICH COMMITTEE (231144-31)
- NEGUS WELSH (231144-32)
- ST AUGUSTINE'S COLLEGE (231144-33)
- SETTLE EDUCATIONAL FOUNDATION STAPLEHURST (231144-34)
- REVEREND SAMUEL SETTLE FUND (EXCLUDING THE SETTLE EDUCATIONAL FOUNDATION) (231144-35)
- BEQUEST OF RICHARD RICHARDSON (231144-36)
- REVEREND W H HAVERGAL (231144-37)
- IPSWICH COMMITTEE TRUST (231144-38)
- WALTER HOWARD FRERE FUND (231144-39)

- BELKE GENERAL TRUST (231144-4)
- KNIGHT BEQUEST (231144-40)
- LECTIONES (231144-41)
- MANX FUND (231144-42)
- MC COMAS TRUST (231144-43)
- MARY LEGG MEMORIAL TRUST (231144-44)
- MITCHELL CLARKE TRUST (231144-45)
- MORGAN TRUST (231144-46)
- REVEREND T A MORGAN JONES TRUST (231144-47)
- MUNDEN FUND (231144-48)
- NEGUS ROTHERHITHE TRUST (231144-49)
- BELKE EAST INDIA TRUST (231144-5)
- NOCTON TRUST (231144-50)
- OWEN FUND (231144-51)
- OWEN-SMITH TRUST (231144-52)
- PEACOCK TRUST (231144-53)
- REVEREND W C PIERCY FUND (231144-54)
- REVEREND G C REYNELL (BOMBAY) BEQUEST (231144-55)
- THE H C RICHARDS FUND (231144-56)
- RIGG TRUST (231144-57)
- ST HELENA (ISLAND OF) TRUST (231144-58)
- S P C K GENERAL COMMON INVESTMENT FUND (231144-59)
- H M BLISS TRUST FUND (231144-6)
- S P C K SPECIAL COMMON INVESTMENT FUND (231144-60)
- STOCKLEY TRUST (231144-61)
- STOWMARKET TRUST (231144-62)
- MARY WILCOX TRUST (231144-63)
- PETER VAN VRYHOUVEN TRUST (231144-64)
- BOYD TRUST (IN MEMORY OF MISS ELIZABETH BOYD) (231144-7)
- CANNINGS FUND (231144-8)
- MISS BROMLEY'S FUND (231144-9)

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales - Charity number 231144

Accounts



The Society for Promoting Christian Knowledge

Charity Registration Number: 231144

Consolidated Financial Statements

for the year ended 30 April 2025



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A Message from the Chair

Thank you very much for taking the time to read SPCK's annual report for the year to 30th April 2025. I'm delighted that the period in question was an outstanding one for SPCK, as we bounced back from a difficult previous year to deliver record sales and significant awards success – both of which are good indicators that we are succeeding in fulfilling our vision of creating conversations between Christianity and culture, and our mission of publishing great Christian books around the world.

Our publishing sales for the year increased by just under £1 million (17%), to reach our highest ever level of £6.6m. In our home markets, we saw remarkable success with the English Standard Version Catholic Edition of the Bible (ESV-CE) which is now the official liturgical Bible of the Catholic Church across Great Britain. In export markets, we printed Tom Wright's *My Big Story Bible* for customers in ten different languages.

I was delighted to attend the glamorous British Book Awards, where SPCK was shortlisted for Independent Publisher of the Year. We weren't successful that time, but we did succeed at the Independent Publishing Awards where we won Specialist Consumer Publisher of the Year and the Metadata Award. While we are particularly proud of this recognition from the secular world, we also had success in the Christian awards, with *Brighter Days* by Patrick Regan winning Christian Life Book of the Year and *My Big Story Bible* by Tom Wright winning Children's Book of the Year.

We finished the year with an improved balance sheet. A major factor here is that SPCK has now been able to exit the Church Workers Pension Fund with no debt and with the benefits of all members permanently secured. This has been a long-term process and I'm most grateful to our former trustee Elizabeth Renshaw-Ames and current trustee Elspeth McKinnon for their engagement with the Church of England Pension Board, which has resulted in an excellent outcome for both SPCK and for its pensioners. The pension deficit, which until recently was a £5 million liability on our balance sheet and a £400,000 cost in our annual cashflow, was a major millstone around the neck of SPCK. With this resolved, we are well positioned to continue the excellent growth momentum we have seen in the past ten years.

We are most grateful for the range of support we receive at SPCK, from our charitable partners (individual members, donors, and trusts) and from our authors, customers, and business partners. I was pleased to meet many of you at SPCK's stunning London Book Fair dinner and at the new Book Trade Carol Service, two great events that were put on by SPCK's team and will be repeated this year. My final thanks go to that team for their excellent work and results which are reflected in this annual report.

Stephen East, Chair.



A Message from the CEO

This has been a very rewarding year to lead SPCK's staff team. The publishing business is a lot easier when you publish great books, and we've been doing exactly that. But after years of strong growth driven by acquisitions and by global markets, another unexpected factor has helped with our growth this year – something may just be stirring here in the UK.

In January 2025, Nielsen Bookscan reported that religious books were the fastest-growing category of non-fiction last year. SPCK ourselves, published research this year showing that Bible sales have increased 87% by value and 61% by volume since 2019 – you may have heard me interviewed about this on Radio 2 or seen me quoted in the *Sunday Times*. Then the Bible Society published their report *The Quiet Revival* with robust new data showing that the number of people who attended church in the past month has increased considerably since 2018, especially amongst young men and women.

At first *The Quiet Revival* research doesn't seem to tally with the statistics from the major denominations, which is that Sunday attendance is below pre-Covid levels. But the denominations effectively report weekly attendance, whereas *The Quiet Revival* reports monthly. This circle can be squared if more people are going to church but less often. And perhaps books, such as our hugely successful *Practicing the Way* by John Mark Comer, are filling in the gaps.

The Covid-19 pandemic seems to have kicked off the increase in Bible sales, which were steady for a long time before 2020. Initially there were also big increases in areas like astrology and witchcraft, but these have now tailed off. The growth in Bibles seems to be more sustained, but time will tell. Certainly, church leaders are more confident than ever putting Bibles in people's hands, perhaps encouraged by the *Talking Jesus* report from a few years ago. As an increasingly significant publisher of Bibles in a range of English translations, including now for the Catholic market, we work hard to ensure our Bibles are as attractive, affordable and readable as possible.

Sitting behind both trends – church attendance and the increase in sales of Bibles – is a hunger for answers. Christianity may not necessarily be the first place people turn to anymore, but the intellectual environment is much more open now than it was when I started in Christian publishing – more balanced voices like Tom Holland and Jordan Peterson have replaced the shrill atheism that Richard Dawkins and Christopher Hitchens were putting forward. SPCK's *Sunday Times* Bestseller *The Dawkins Delusion?* played a key part in kicking off the fightback against the new atheists. Now our role is to be ready for those who are looking for answers – the timing and title of Rowan Williams' *Discovering Christianity: A Guide for the Curious*, which we published in February 2025 with a free online accompanying video course, could not be any better.

It is an exciting time to be promoting Christian knowledge. I hope you enjoy the 2025 annual report!

Sam Richardson, Chief Executive



Trustees' report (incorporating the Group Strategic Report)

The Society's accounts for the year ended 30 April 2025 have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019 FRS 102) and Financial Reporting Standard 102 (FRS 102).

Objectives and Activities

Objects

SPCK's objects are to promote Christian knowledge in any part of the world by such means, including the furtherance of education at all levels, as the Society may from time to time think fit, in accordance with the principles of the Church of England in promoting the learning, ministry, fellowship, witness and worship of that Church, or any Church or other Christian body with which the Churches of the Anglican Communion seek or may seek to co-operate.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects.

The Society's activities relate directly to our charitable aims and objects. Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials free of charge to end-users under our charitable programmes. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life. Our offerings include material for children as well as for adults.

Trusts Managed by the Society

Bray Funds – SPCK manages a number of historic endowed trusts. Following an exercise with the Charity Commission, the income from all of these may now be spent in line with SPCK's general purposes. These trusts remain as sub-charities within SPCK and include Becker Trust, H. M. Bliss Trust, Clericus Fund, Crawford Trust, Bishop John Charles Jones Trust, Palmer Trust, Percy Trust, H. C. Richards Fund, St Augustine's Fund, Bray Charity, and D'Allone Educational Foundation.

Structure, Governance and Management

Governance

SPCK is administered by a Governing Body of unpaid members, acting as trustees, who serve alongside paid executives on management committees which oversee the activities of the charity under delegated authority. The Chief Executive is responsible to the Governing Body for the overall administration of the Society and for ensuring that Governing Body policy is carried out.



Committees

The main SPCK committees during 2024-25 were:

- Board Support Group (formally Standing Committee, also acts as Governing Body Membership Committee)
- Audit Committee (also acts as Investment Sub-Committee)
- Publishing Committee

The responsibilities of the first two committees and oversight of the executive functions are defined in Standing Orders. Each committee reports to the Governing Body, which approves major decisions and has overall responsibility for all SPCK's activities.

Trustee Selection, Appointment and Competence

The Governing Body of trustees is elected at the Annual General Meeting by members of the Society from among their number, following submission of nominations not later than 21 days in advance of the meeting. Members are elected for three-year terms of office and may be re-elected up to a maximum period of nine years. In addition to its elected members, the Governing Body may co-opt up to six of the Society's members or Vice-Presidents to serve on the Governing Body.

New trustees receive a comprehensive induction pack to acquaint them with SPCK's aims and activities, policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Trustees are also encouraged to go on relevant trustee training paid for by SPCK.

TRUSTEES

The members of the Governing Body of SPCK who serve as trustees (including past members who served during the year), and the committees on which the current members serve, are:

Stephen East (Chair) – Board Support Group, Audit Committee, Publishing Committee

Sarah Bailey - Publishing oversight, Publishing Committee (to December 2024)

Rt Revd Dr Michael Beasley (Vice-Chair) – Board Support Group, Audit Committee

Paul Burrage – Board Support Group, Chair of Audit Committee

Dr Sue Halliday - Chair of IVP Publishing Board, Publishing Committee

Elsbeth McKinnon - Audit Committee, Pensions oversight (from December 2024)

Dr David Muir (to May 2025)

Revd Mark Nam

Catherine Hamilton - Publishing oversight, Publishing Committee (from December 2024)



Dr Sanjee Perera

Elizabeth Renshaw-Ames - Audit Committee, Pensions oversight (to December 2024)

Eric Thompson - Audit Committee, Staff/HR oversight

Matthew van Duyvenbode (to June 2024)

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day-to-day basis. As such they are considered to be the following:

- Trustees
- Senior Leadership Team
 - Sam Richardson (Chief Executive)
 - Wendy Grisham (Deputy Chief Executive and Group Publishing Director)
 - Gary Carruthers (Interim Finance Director) – to October 2024
 - David Ersapah (Finance Director) – from October 2024
 - Mark Read (Art Director)
 - Christopher Watkins (Production and Supply Chain Director)
 - Jenny Beadle (Human Resources Director)
 - Rowan Miller (Commercial Director)

All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 5 to the financial statements. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Salary levels are benchmarked in line with other similar organizations, including other Christian charities and other publishers, and benchmarking is in place within the organization.



People

Patron

His Majesty The King (from May 2024)

President

The Most Revd and Right Hon Archbishop of Canterbury (until January 2025)

Vice-Patrons

The Bishop of London

The Primates of Ireland, Australia and the USA

The Moderator of the Church of North India

Ex-Officio Vice-Presidents

Archbishops and Bishops of the Anglican Communion who are members of the Society

Elected Vice-Presidents

Mr Paul Chandler

The Ven. Dr William Jacob

Mr LE "Paddy" Linaker

The Revd Canon Michael Moore LVO

The Revd Canon Dr Nicholas Sagovsky

The Revd Sharon Swain

The Rt Revd Lord Williams of Oystermouth

Honorary Life Member

Ian Ferguson

The Revd Dr Ashish Amos



Legal and administrative details

Identity

The Society for Promoting Christian Knowledge (otherwise known as SPCK) is a registered charity, no. 231144, incorporated under Royal Charter in 1969, with its head office currently at Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ. In January 2005, the Privy Council approved amendments to the Royal Charter Bye-laws to reflect the structural and operating changes which had taken place within the Society during the previous 35 years. Further amendments were made in November 2011 to provide greater flexibility to respond to future changes in ways of working. SPCK is a membership organization, founded on 8 March 1698 to promote Christian knowledge through publishing, lending libraries and schools. The Society has been a publisher and distributor of Christian literature since its inception and helps to resource theological education and ministry on a worldwide basis. The number of members at 30 April 2025 was 147 (2024: 149).

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Xeinadin Audit Limited 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	Barclays Bank PLC Floor 27 1 Churchill Place London E14 5HP	
Insurance Brokers	One Broker Insurance 820 The Crescent Colchester Business Park Colchester Essex, CO4 9YQ	
Investment Managers	Sarasin & Partners LLP Juxon House St Paul's Churchyard London EC4M 8BU	Cazenove 1 London Wall Place London EC2Y 5AU
Pension Administrators	The Church of England Pensions Board 29 Great Smith Street London SW1P 3PS	NEST Nene Hall Lynch Wood Business Park Peterborough PE2 6FY
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY	

Achievements and performance

SPCK operates three main business units (General, Kids and IVP) in addition to its charitable projects.

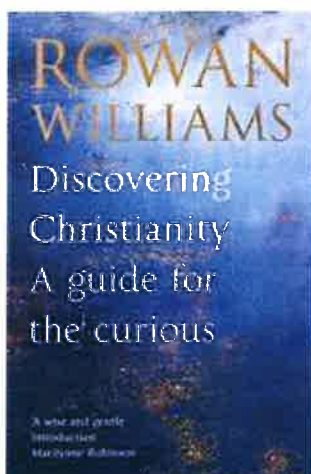
General division – Supporting the Church, Engaging with Culture

The breadth and depth of SPCK's general list continues to be its strength, with new titles appearing in a variety of genres intended for a range of readerships – from Christians of all traditions to people who may only be loosely connected to the Church but who are interested to learn more about the faith.

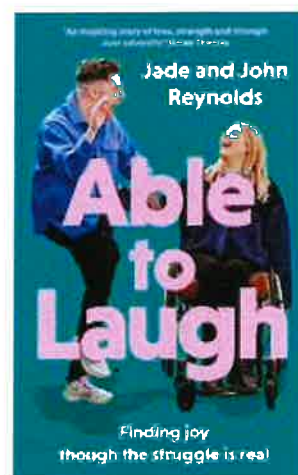
SPCK's General Division publishes titles under four imprints: SPCK Publishing, Form, Lion books and Marylebone House. We also publish Bibles.

SPCK Publishing provides books and resources for all who want to understand the Christian faith and how it relates to all aspects of life and culture.

Highlights last year included Rachel Mann's *Do Not Be Afraid* (the Archbishop of York's Advent book, 2024), Richard Rohr's *The Tears of Things* and Jade and John Reynold's *Able to Laugh* – a book by TikTok's much-loved inter-abled couple that aims to dispel the stigma surrounding disability, one story at a time.



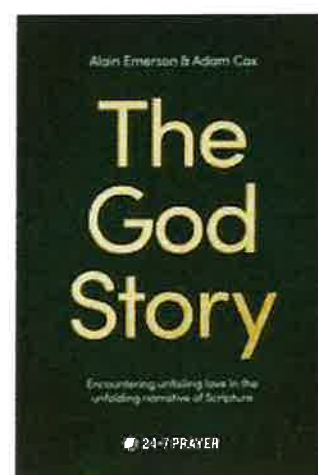
As well as publishing for a variety of readers, the SPCK imprint is proud of its geographical range, with many of our books selling strongly in North America and other parts of the world – whether in English or in translation. Two good examples from last year were Bishop Rose Hudson-Wilkins' autobiography, *The Girl from Montego Bay* and Archbishop Rowan Williams' *Discovering Christianity: A Guide for the Curious*.

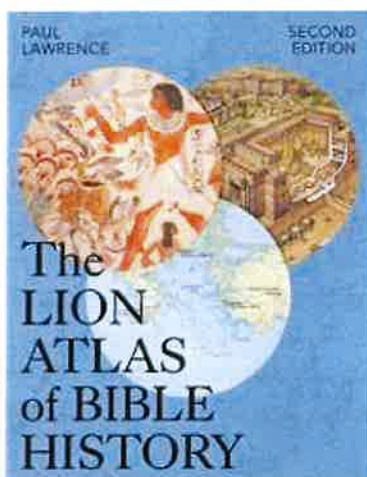


Form is our imprint for books that help readers to cultivate spiritual rhythms and practices in everyday life, covering subjects such as prayer, meditation and spiritual formation.

Last year we extended our range of offerings from John Mark Comer with *The Practicing the Way Course Companion* and the first two volumes in his Practicing the Way series: *The Generosity Practice* and *The Sabbath Practice*.

Another very successful new title for Form was Alain Emerson's and Adam Cox's *The God Story* – a creative retelling of the biblical story by two leaders of the 24-7 Prayer movement.

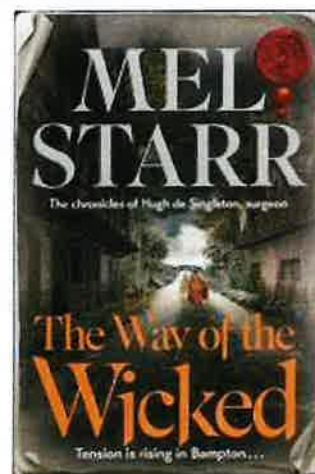




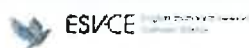
Lion Books is the SPCK Group's imprint for fully illustrated information and reference books. The many critically acclaimed titles on the Lion backlist made it a major player in the world of international co-edition publishing, and we are delighted to be building on that legacy. One such title is *The Lion Atlas of Bible History* (2006), which we redesigned and relaunched in October 2024, along with co-edition printings for publishers in France, Romania, Japan and the USA.

Marylebone House is our imprint for all who like novels with a spiritual dimension. Last year we published Mel Starr's *The Way of the Wicked*: Book 17 in the ever-popular

Chronicles of Hugh de Singleton, Surgeon.



Catholic BIBLE

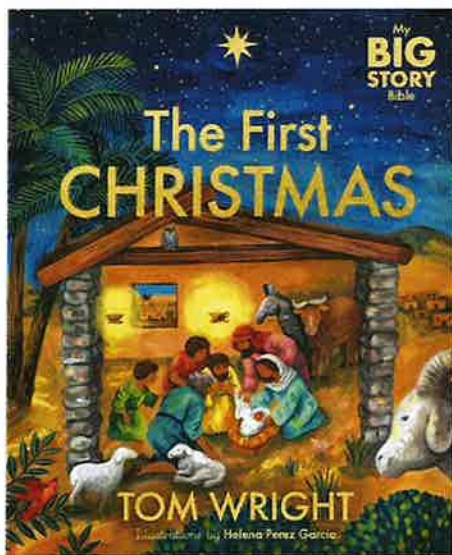


Bibles 2024-25 was a busy year for our Bibles programme, with May 2024 seeing the launch of the New Revised Standard Version updated edition (NRSVue) and the publication in January 2025 of four new editions of the English Standard Version – Catholic Edition. The ESV-CE is now the Catholic Church's official liturgical Bible for use in England, Wales and Scotland, and we are proud to be the publisher entrusted with fulfilling the increasing demand for this popular version.

Commissioning

Looking ahead to 2025-26, we have in store a cornucopia of major books by leading authors, including Nick Baines, Rhidian Brook, John Mark Comer, Gill Duff, David F. Ford, Guli Francis-Dehqani, John C. Lennox, Jane Williams and Tom Wright. We will also be publishing some beautifully illustrated titles under the Lion imprint, including *The Art of Scripture* (in partnership with the National Gallery), Carrie & David Grant's *Joy to the World* and the brand new sixth edition of *The Lion Handbook to the Bible* – which, having sold three million copies throughout the world, is fast approaching fifty years in print!

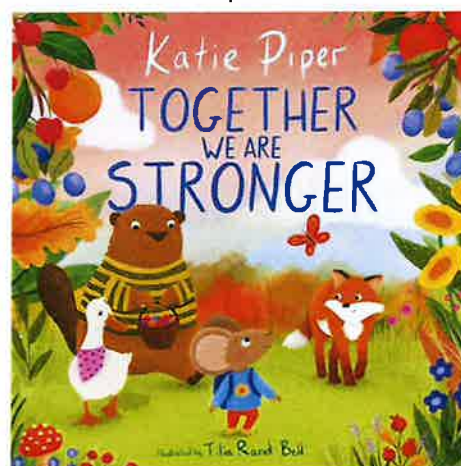
Children's Publishing



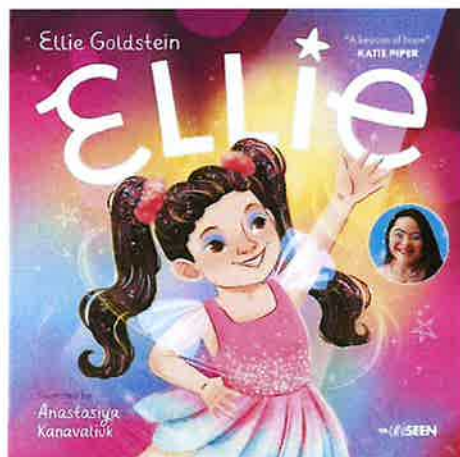
The Children's division published 15 new titles; 11 new editions and 4 titles reissued in new formats.

Publishing highlights included the beautifully illustrated *The First Christmas* by Tom Wright, continuing from the success of *My Big Story Bible*, with the title also printing in US, Germany, Netherlands, France, and Faroe Islands. In the summer, Katie Piper launched her second Teeny Mouse adventure picture book celebrating

friendship and teamwork called *Together We Are Stronger*.



In September 2024, we published fashion model Ellie Goldstein's first children's book, *Ellie*, a bright and hopeful picture book about her inspiring life story growing up with Down Syndrome.



This received some great publicity including in 'Mother and Baby' and 'The Week Junior' magazines and on CBBC Newsround and Channel 5 News.

Throughout 2024, we published a number of books for different ages in the category of prayers and devotionals: *Good Night Prayers for Bedtime* by Kenneth Steven and *Paws Together for God* by Hilary Robinson for young children; *Signal Fire*, a guide to putting prayer into practice by Martin Saunders and a paperback gift edition of the devotional *Hope Rising 365* by Meg

Cannon for the youth market; and the *Busy Family Devotional* by Lucy Rycroft with 52 short devotions for leading children through Bible passages from Genesis to Revelation.

Adding to our special occasions category, we published a beautiful gift book *God's Promises for Everyone* by singer/songwriter Shell Perris with reassuring and encouraging words about 50 of God's promises found in the Bible to treasure.

February 2025 was our busiest publishing month with the publication of seven titles: a new super-readable edition of the multi-million selling *The Lion Children's Bible* by Pat Alexander featuring a unique font and design for making reading easier, even for dyslexic and reluctant readers; a vibrant and engaging picture book *The Story of God's Amazingly Awesome Rescue Plan* by poet and storyteller Dai Woolridge; *Wow! Creation* a creative

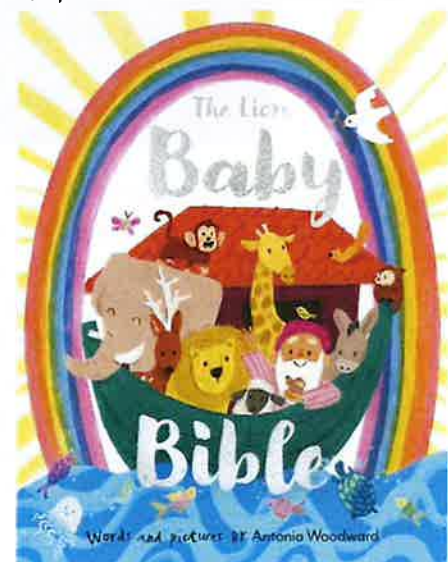


activity book exploring six aspects of Creation Care and packed full of engaging ideas by Martha Shrimpton; stunning new editions of our much-loved titles *Stories Jesus Told* and *Animal Tales* by award-winning author and illustrator Nick Butterworth and Mick Inkpen; and the launch of our new fresh and engaging biography series with two titles *Fantastically Faithful Heroes Who Gave Their All for God* and *Fantastically Faithful World Changers Who Gave Their All for God* by Paul Kerensa with two more titles to follow in 2026.

Our year ended with the publication of a charming and reassuring picture book *From Me to You, Love God* by popular children's author Claire Freedman, which has 80 hidden letters to find throughout the book, and the exciting launch of *The*

Lion Baby Bible by one of our established author/illustrators, Antonia Woodward, which simultaneously published as a shorter board book in Germany.

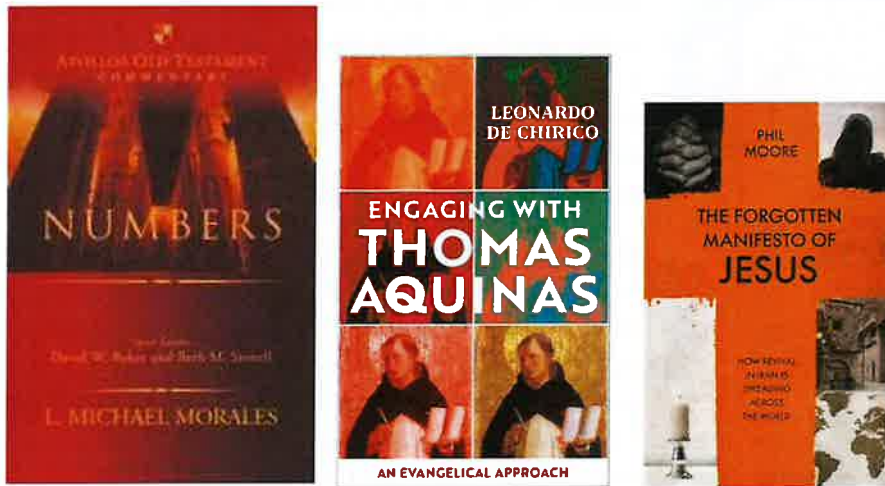
Look out in the year ahead for the third Teeny Mouse adventure *Your Greatest Gift* by Katie Piper for Christmas, and further titles in our new biography category: *Extraordinary Women of Faith* by Margaret McAllister and *Heroes of Hope* by Sharon Prentis and Alysia-Lara Ayonride an initiative with The Church of England Racial Justice unit. We are also publishing three new children's bibles: *NLT Baby Blessings Bible A Keepsake for Special Memories* in October 2025, the anglicized edition of *God's Colourful Kingdom Storybook Bible The Story of God's Big Diverse Family* by biblical scholar Esau McCaulley in November 2025, and *The Children's Storybook Bible* stunningly illustrated by Skylar White for 5+ year olds in April 2026.



We are also delighted to be launching two children's titles *Mi Biblia de la Gran Historia* by Tom Wright and *Historias de los Santos* by Margaret McAllister on our new Spanish list Publicaciones León, aimed at the Hispanic-speaking market in the USA. Plus, there will be some exciting marketing and social media opportunities with our newly branded division title, *SPCKids*.

IVP Publishing Highlights, May 2024-April 2025

2024-2025 has been a year of change and growth for IVP, with some exciting progress in terms of marketing, digital and wider relationships within the SPCK Group. At the time of writing, we are excited to be adding two part time editors to the team – one a former intern who went on to work at Cambridge University Press, the other a PhD in New Testament with a wide network. The editorial team has much appreciated the appointment of a dedicated IVP Marketing Campaign Manager and is also excited to welcome our first Relay Worker in partnership with UCCF, who will be with us Sep'25-June'26.



Key publishing highlights include titles on both the Apollos and IVP imprints. In the Apollos Old Testament Commentary series, the two-volume commentary on Numbers by L. Michael Morales has encouraged us all, with around 1,000 units of each hardback having sold (with a majority in the US Market), and remarkable Logos revenue. It also appeared on two Book of the year lists. Phil Moore's *The Forgotten Manifesto of Jesus* (which carefully combines tales of revival in Iran with exegesis of Luke 10) has also been doing well, with over 4,000 units sold since November 2024, and an audiobook in production, it continues to chart well on Amazon. Leonardo De Chirico's *Engaging with Thomas Aquinas* has entered the transatlantic conversation, with articles in *Christianity Today*, and strong sales – we are excited to be publishing a third book by him in 2026.

Balancing backlist, series and licensing opportunities seems to be going well. The ‘Dig Deeper’ books have been revitalised with the launch of *Dig Deeper into 1 & 2 Kings*, and a reissue and redesign of the volumes on Mark and Exodus. A major piece of news – appearing in *Publishers Weekly* during the Frankfurt Book Fair, and drawing comment from around the world, was our new partnership with B&H Academic for the New Studies in Biblical Theology series. This puts IVP in a strong financial position, and with three titles launching in hardback this year, we are excited to see what the new era for NSBT looks like. B&H also licensed Graeme Goldsworthy’s magnum opus *In These Last Days* – with the editorial team encouraged that ‘blue chip’ legacy IVP/Apollos authors are keen to still publish with us.



The cultural mood and what some are calling *The Quiet Revival* seems to be echoed in some of IVP’s sales, which have been strong – particularly in the ‘revival’ of sales for the *BST NIV Bible*, which also generates strong Logos income. We anticipate that our forthcoming *Good News People* book by Gavin Calver and Phil Knox of the Evangelical Alliance will sell well, partly tapping into this trend. The coming months also see a blockbuster book on the historical Jesus (hooking into what looks like a new ‘Quest’) from Michael F. Bird, a beautifully designed advent book by Catherine Campbell, and the *Psalms* volume in the AOTC from David G. Firth.

Looking ahead, we are excited for both the discipleship impact and commercial potential of some key titles in 2026. Jago Wynne, rector of Holy Trinity Clapham and a key figure in the Church of England, returns to IVP with *The Integrity Fix*, a book for our cultural moment. Chloe Swart, National Director of Alpha, has her debut with *605 Everyday Miracles*, a practical and inspirational book that we pray will push IVP into new spaces. Finally, we are excited about the summer 2026 launch of the *Hearing God’s Voice* series, in development since 2022, with three launch titles: *1, 2 and 3 John* by Fred Sanders, *Ruth* by Matthew Mason, and *Ephesians* by Jonathan Black. With a leading Baptist, Anglican and Pentecostal author, we trust that this series will model and serve the truly global nature of the evangelical church.



Charitable Projects

While in recent years SPCK has focused increasingly on developing its unique position in commercial publishing, our fundraising continues to enable us to run a range of projects supported by donations from our members and from charitable trusts.

The **Assemblies** Website at Assemblies.org.uk remains the go-to place for anyone delivering collective worship into schools. We are delighted to have set up a new partnership with the Church of England's racial justice unit, which will see the Assemblies website delivering content to schools across the country for Black History Month.

The **Home Groups** website at HomeGroups.org.uk remains a major resource for home group leaders. We have significant plans in the coming year to reposition Home Groups as the home of free audio and video courses, incorporating the York Courses archive and new courses around titles such as *What is a Christian?* by Rowan Williams and *Wild Bright Hope*, the Archbishop of Canterbury's Lent Book for 2025.

Our work in **prisons** continues to be an important part of our ministry, and our partnership with Prison Fellowship's Angel Tree programme saw thousands of our books sent to young people whose parents are in prison, along with a personal message from the parents.

The **Catholic Bible School** has been working hard on the preparation of the ESV-CE Bible app for launch in 2025.

Financial review

The consolidated result shown on page 26 shows an increase in income, from £6,854,000 in 2023-24 to £8,055,000 in 2024-25. This is primarily due to the 17% increase in publishing sales during the year, with the publishing income figure having increased from £5,649,000 to £6,614,000 during the year.

The focus of 2024-25 was to complete the journey of our publishing to being self-sustaining. With the increase in sales and with costs tightly controlled, the small loss from publishing meant that by the time investment income was taken into account, we delivered a cash generative year which enabled us to reduce the overdraft facility.

Two major factors affected the overall balance sheet. With the Church of England Pension Board's agreement, on 7th May 2025 SPCK exited the Church Workers Pension Fund debt-free and with the benefits of all members secure. The substantial liability, which was valued at £1,465,000, last year (having been £5 million at one point) has therefore disappeared from the balance sheet.

On the downside, underperformance of William Leech (Investments) Ltd, arising from uncertainty in the markets, meant that our holding in the company reduced in value by £555,000. We are grateful for the work of the William Leech board and continue to maintain close contact with them as they seek to improve this position.



Putting aside these one-off factors, the improved performance of the publishing programme gives much cause for encouragement, and we have budgeted for further growth in sales and for a publishing profit during 2025-26.

Investment policy and performance

The value of the Society's investments at 30 April 2025 was £15,408,000 (2024: £16,157,000). Of this amount, £10,111,000 (2024: £10,665,000) represented the value of shares and cash awaiting investment in William Leech (Investments) Ltd, £210,000 (2024: £210,000) in investment property and £5,087,000 (2024: £5,282,000) the value of other listed investment. Overall, the SPCK portfolio showed a net loss of £928,000 for the year (2024: Gain of £1,072,000). In the same period the FTSE 100 Share index increased overall by 4.6% (2024: 7.9% increase).

The Society's investment portfolio, other than William Leech (Investments) Limited, is managed by the trustees, with authority delegated to the Board Support Group if urgent decisions are needed between the scheduled trustee meetings. The trustees review the portfolio periodically, seeking a balance between capital growth and income, setting benchmarks as they consider appropriate, and following the Church of England's ethical investment guidelines.

The Society owns 20% of the issued share capital of William Leech (Investments) Limited, an investment company which was established for the benefit of five Christian charities. The directors of this company have invested their funds in marketable securities. The trustees of SPCK periodically review the return on assets of the company and associated trusts and consider that the investment is in accordance with the Society's investment strategy and that the diversity of its investment is enough in the context of its risk assessment. In practice, SPCK is not able to influence the investment policy of William Leech (Investments) Limited.

The Society holds such investments to generate a return and has made no social investments. However, these investments are made ethically in line with the Society's Investment Management Policy as set by the Governing Body. The Governing Body has adopted the terms of the Ethical Investment Policy of the Church of England's Ethical Investment Advisory Group (EIAG). Please note that the EIAG Statement of Ethical Investment Policy has recently been withdrawn and is in the process of being replaced by the EIAG guidance paper on ethical investment. This policy will be reviewed and updated as necessary once this paper has been published.

The Society holds 100% investment in its subsidiary undertaking IVP Ltd whose accounts are consolidated with SPCK Group accounts. For the year ending 30 April 2025 IVP Ltd accounts shows a net deficit in reserves of £2,216,000 (2024: £2,050,000). With the transfer of the company to SPCK, there is an on-going commitment from SPCK to support IVP Ltd's aims and objectives and to underwrite the current deficit in the reserves.



The trustees also recognise that IVP Ltd reported a deficit of £166,000 (2024: £117,000) for the year ended 30 April 2025 but are aware that plans are underway to improve profitability of the whole organisation (including IVP).

Reserves

The total funds held by the Society at the end of the reporting period were £14,838,000 (2024: £13,401,000). We have made no provision (2024: £1,465,000) for deficit contributions due to the Church Workers' Pension Fund, due to the agreement signed in February 2025 to exit the scheme in May 2025.

Many of these funds are endowed or restricted, and therefore the unrestricted funds available to the Society at the end of the reporting period were £7,187,000 (2024: £5,280,000). Much of the unrestricted funds are held by William Leech (Investments) Ltd and would be difficult for the Society to access at short notice. Therefore, the Society defines its freely available reserves as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes. The charity needs reserves to enable it to develop its long-term aims, as well as to ensure the continuation of its current activities. In particular, the charity needs reserves to invest in the production of new books and authors. In order to meet their responsibilities and to ensure that the charity continues to operate on a going concern basis, the trustees have reviewed the requirements and risks it faces both in the short term and medium term. On this basis, the Society has available reserves at the end of the current period of £2,205,000 (2024: £1,683,000). The reserves level is within the target range of £1,400,000 to £2,800,000, calculated on the basis of 6-12 months operating costs.

The trustees have determined that a prudent level of reserves is approximately 6-12 months of expenditure: this level would be required in the event of an orderly winding down of the charity. These costs would cover commitments for intellectual property already contracted, not yet delivered or books already in the pipeline of production, such that it could fulfil its contractual obligations to authors, suppliers and staff (in the event of redundancy).

The balance sheet shows net current assets, and the free reserves position is within the range of the agreed reserves policy of 6-12 months committed publishing and staff costs. The underlying strength of the balance sheet is £14.8m of which £7.2m can be made available to improve cash reserves.

Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The trustees have formalized their risk assessment and risk management process to include a quarterly review of the risk register compiled and updated in consultation with executive staff. We keep under active review the adequacy of the systems which are in place in the light of changing circumstances. As a result of the significant size of the charity, the trustees delegate

responsibility for day-to-day management to staff, using committees, planning and budgeting procedures, and hierarchical authorization.

The major risk categories, the level of acceptable risk (from *averse*, through *minimalist*, *cautious* and *open*, to *hungry*, and the mitigation systems are captured in the Risk Register as follows:

- Governance risks, on which we have a *cautious* risk appetite. Risks in this category are mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.
- Operational risks, on which we have a *cautious* risk appetite. These risks are mitigated by a detailed new exercise in process mapping, Business Continuity Planning, identifying and risk-managing key strategic relationships, emergency action plans relating to IT issues, active steps to prevent cyber-fraud, notice periods, succession planning and insurance.
- Financial risks, on which we have an *averse* risk appetite. These risks are mitigated by financial controls, budgeting, reporting, investment management policy, reserves policy, credit control; and are supported by professional legal, actuarial and financial advice.
- Legal risks, on which we have an *averse* risk appetite. These risks are mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.
- Reputational risk, on which we have a *cautious* risk appetite. These risks are mitigated by editorial review process, media training and communications planning.
- Data risks, technological and compliance risks, on which we have a *minimalist* risk appetite. These risks are mitigated by following best practice in IT and by ensuring staff are fully trained in areas of compliance including GDPR and AML.
- Political, environmental, social and technological risks, on which we have a *cautious* risk appetite. These risks are mitigated by diversification of markets and business models, and by proactive steps to stay in touch with developments.

The trustees are of the view that it is financial risks that have the most potential to have a negative impact on the charity, and the trustees and Audit Committee have noted the following specific risks and mitigations.

- Sales not performing to expectations, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: Annual budget process, with review against progress in twice-monthly KPIs (shared with the board) and weekly internal meeting; book sales are diversified across a large range of titles, authors and territories (more so following the merger with Lion Hudson); 80% of publishing income is from existing rather than new titles; cashflow KPI shared monthly with Governing Body and backup plans in place including overdraft and release of investments.
- Cost base being too high, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: a significant program of cost savings was made following the Lion Hudson merger, including redundancies, reduction of office footprint and consolidation of systems. Further steps have been taken since to reduce the cost base, including the move to a new single office location, the ending of duplicated IT contracts from the merger, and the non-replacement of some leavers.



- Risk from poor financial systems cost controls, resulting in cashflow crisis. Mitigations: appointment of high-quality interim Finance Directors, a new Sage finance system implemented during 2024, a new Biblio royalties' system being implemented during 2025.
- Macro-economic environment, in particular global events including armed conflict and tariffs, could have an impact on SPCK's investments or sales income. Mitigations: SPCK regularly reviews its investment management policy (most recently in summer 2022) and currently spreads its investments across two different investment managers, all of whom have instructions to keep a portfolio with a spread across both geography and asset types; SPCK is taking significant steps to increase the international scope of its work so that we are less reliant on the UK economy.

Any of the aforementioned could have a potential impact on SPCK's reserves. Currently the Society's freely available reserves (defined as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes) are £2,205,000 (2024: £1,683,000) which is above the target range of £1,400,000 to £2,800,000. Notwithstanding, we continue to monitor our performance closely in the expectation of maintaining within or above the targeted reserves policy range.

Fundraising Disclosures

During 2024-25 SPCK employed one part-time fundraiser, a member of the Institute of Fundraising. The bulk of voluntary income came from charitable trusts and legacies. However, SPCK also has subscribing members and a number of regular and one-off donors.

SPCK is registered with the Fundraising Regulator and Fundraising Preference Service. We aim to abide by the Code of Fundraising Practice. SPCK has received no complaints directly or via the Regulator, nor any opt-outs via the Fundraising Preference Service. Further details of how we use personal data can be found in our privacy statement www.spck.org.uk/privacy-and-cookies-policy.

In 2024-25 SPCK had no community fundraisers (2023-24: 1) and where we do use community fundraisers, we ensure that their activities follow the Code of Fundraising Practice. Our fundraising complaints procedure can also be found on our website.

Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report for the year ended 30 April 2025 was approved by the trustees on 9th October 2025 and signed on their behalf by



Stephen East, Chair of the Governing Body

The Society for Promoting Christian Knowledge, Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ



Independent Auditor's Report to the Trustees of SPCK

Opinion

We have audited the financial statements of the Society for Promoting Christian Knowledge (the "Charity") and its subsidiary (the "Group") for the year ended 30 April 2025 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Charity's affairs as at 30 April 2025 and of the Group's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept;
- The financial statements are not in agreement with the accounting records; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.



Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Group's and the Charity'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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, and management override of controls.

In response to the risks identified we designed procedures which included but were not limited to challenging significant accounting estimates including the pension provision discount rate and valuation of stock and work in progress, agreeing financial statement disclosures to



underlying supporting documentation, evaluating the internal controls, reviewing trustees' minutes and identifying and testing journal entries.

There are inherent limitations in the audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and their trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Limited

for and on behalf of Xeinadin Audit Limited

Chartered Accountants
Statutory Auditor
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: *10 October 2025*

Xeinadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 April 2025

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2025	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2024
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:								
Donations and legacies								
Donations	58	-	-	58	49	-	-	49
Legacies	174	-	-	174	33	-	-	33
Grants Receivable	2	242	58	289	204	-	277	481
Investments	3	620	-	-	642	-	-	642
Charitable activities								
Publishing	6,614	-	-	6,614	5,649	-	-	5,649
Total income	7,708	58	289	8,055	6,577	-	277	6,854
Expenditure on:								
Raising Funds	4	201	-	-	201	16	-	16
Charitable activities	4	6,823	89	-	6,912	6,506	40	6,546
Total expenditure before DBS pensions	7,024	89	-	7,113	6,522	40	-	6,562
Income Less Expenditure	684	(31)	289	942	55	(40)	277	292
DBS Pension Cost	12	(42)	-	-	(42)	(253)	-	(253)
Pension Revaluation	12	1,465	-	-	1,465	2,366	-	2,366
Net Income/(deficit) before Gains/(Losses) on Investments	2,107	(31)	289	2,365	2,168	(40)	277	2,405
Gains/(Losses) on Investments	(200)	-	(728)	(928)	515	-	557	1,072
Net (Expenditure)/Income	1,907	(31)	(439)	1,437	2,683	(40)	834	3,477
Transfers between funds	-	-	-	-	-	-	-	-
Net movements in funds	1,907	(31)	(439)	1,437	2,683	(40)	834	3,477
Reconciliation of funds								
Funds brought forward	5,280	79	8,042	13,401	2,597	119	7,208	9,924
Funds carried forward	7,187	48	7,603	14,838	5,280	79	8,042	13,401

The notes on pages 29 to 50 form part of these accounts.



BALANCE SHEETS

As at 30 April 2025

		Group 2025	Charity 2025	Group 2024	Charity 2024
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible	6	79	79	51	51
Intangible assets	7	(46)	(46)	(92)	(92)
Investments	8	15,408	15,408	16,157	16,157
		15,441	15,441	16,116	16,116
Current assets					
Stocks		1,314	1,054	1,146	982
Debtors	9	1,596	1,556	1,641	1,580
Cash at bank and in hand		590	551	120	60
Total Current Assets		3,500	3,161	2,907	2,622
Current liabilities					
Amounts falling due within one year	10	(2,508)	(2,169)	(4,091)	(3,806)
Net current assets / (liabilities)		992	992	(1,184)	(1,184)
Total Assets Less Current Liabilities		16,433	16,433	14,932	14,932
Creditors: amounts falling due >1yr					
Provisions for liabilities	11, 12, 13	(43)	(43)	(1,529)	(1,529)
Net assets		14,838	14,838	13,401	13,401
The funding of the charity					
Endowment funds	15	7,603	7,603	8,042	8,042
Income funds					
Restricted funds	16	48	48	79	79
Unrestricted funds					
Leech fund		4,152	4,152	4,327	4,327
General and Designated funds		3,035	3,035	953	953
	17	7,187	7,187	5,280	5,280
Total charity funds	18	14,838	14,838	13,401	13,401

The net surplus of the charity during the year was £1,437,000 (2024: surplus of £3,477,000).
Approved by the Governing Body and authorised for issue on 9th October 2025 and signed on its behalf by:

Stephen East, Chair of the Governing Body.

The notes on pages 29 to 50 form part of these accounts.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2025

	2025	2025	2024	2024
	£000	£000	£000	£000
Cash provided by/(Used) in Operating Activities		359		(558)
Cash Flows from Investing Activities				
Investment Income Received	620		642	
Purchase of Tangible Fixed Assets	(52)		(70)	
Proceeds from sale of Investments	110		53	
Purchase of Fixed Asset Investments	(289)		(277)	
Net Cash Inflow		389		348
Cash Flows From Financing Activities				
New Loan	400		400	
(Decrease)/Increase in Overdraft	(447)		131	
Repayment on Loans	(115)		(177)	
Interest Paid on Loans	(116)		(74)	
		(278)		280
Net Cash Inflow		470		70
Cash and Cash Equivalents Brought Forward		120		50
Cash and Cash Equivalents Carried Forward		<u>590</u>		<u>120</u>
Cash Flow from Operating Activities				
Net Income		1,437		3,477
Investment Income Received		(620)		(642)
Depreciation of Tangible Assets		24		19
Amortisation of Goodwill		(46)		(46)
Interest Paid on Loans		116		74
Unrealised Losses/(Gains) on Investments		928		(1,072)
(Increase)/Decrease in Stock		(168)		82
Decrease in Debtors		45		126
Increase in Creditors		129		186
(Decrease) in Provisions		(1,486)		(2,762)
Net Cash Provided by/(Used) in Operating Activities		<u>359</u>		<u>(558)</u>
Analysis of Changes in Net Debt	At 1 May 2024	Cash flows At 30 April 2025		
	£000	£000	£000	
Cash & Overdrafts	£120	£470	£590	
Bank Loans Falling Due Within One Year	(£1,751)	£1,712	(£39)	
Bank Loans Falling Due In More Than One Year	(£2)	(£1,550)	(£1,552)	
Total	<u>(£1,633)</u>	<u>£632</u>	<u>(£1,001)</u>	

The notes on pages 29 to 50 form part of these accounts.

NOTES TO THE ACCOUNTS

I. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). They are drawn up on the historical cost accounting basis except that investments are carried at fair value.

The financial statements are presented in sterling and figures are rounded to the nearest thousand.

The Society for Promoting Christian Knowledge meets the definition of a public benefit entity under FRS 102.

The Society for Promoting Christian Knowledge is incorporated by Royal Charter in England, with its head office at Studio 101, The Record Hall, 16-16A Baldwins Gardens, London, EC1N 7RJ

b) Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The balance sheet shows net current assets and the free reserves position is within the range of the agreed reserves policy of six to nine month's committed publishing and staff costs. The underlying strength of the balance sheet is £14.8m of which £7.4m can be made available to improve cash reserves. On this basis the trustees believe that the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

c) Consolidation

The group financial statements combine the results of the company and its subsidiary undertaking, Inter-Varsity Press (which also produces and distributes Christian books and materials). A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Charities SORP FRS 102.

d) Income

i. Turnover

Trading turnover represents the value of sales made during the year, excluding VAT and amounts due to Joint Publishers.

ii. *Donations, legacies and grants receivable*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Grants received from the William Leech Trusts are credited for the period in which they arise. Income from William Leech (Investments) Limited is credited to the Statement of Financial Activities in the period in which the income is received.

iii. *Other income*

Other income comprises Publishing income from co-editions, royalty advances, rights, permissions and sales commission and is accounted for on the accruals basis.

e) *Expenditure*

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer- term liabilities. Charitable expenditure includes all operating costs relating to SPCK's Publishing and Worldwide activities.

i. *Promotional costs*

Promotional costs comprise direct fundraising costs and the costs associated with the Society's website.

ii. *Grants payable and project funding*

Grants payable are taken to the Statement of Financial Activities in the year they are approved and any grants not paid within two years are cancelled unless a continuing need is identified.

iii. *Governance costs*

Governance costs are those associated with charity governance requirements, and which relate to the general running of the Society. These have been allocated between expenditure on raising funds and charitable activities according to staff time.

iv. *Support costs*

Support costs include the central office functions of general management, information technology, human resources, office management, accommodation and finance. Costs are allocated to activities on a basis consistent with the use of the resources.

v. *Operating leases*

Rental charges under operating leases are charged on a straight-line basis over the life of the lease.



vi. *Staff pensions*

The Society participates in three pension arrangements. Two are part of the Church Workers' Pension Fund and the third is the UK Government NEST scheme.

The Church Workers' Pension Fund

SPCK (DBS) participated in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, 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.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are the interest cost and changes in balance sheet liability 2025: £nil (2024: debit of £221,000) and management charge of £41,700 (2024: £32,400).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, 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 having taken advice from the Actuary.



A valuation of DBS is carried out once every three years. The most recently finalised valuation was conducted as at 31 December 2022. In this valuation, the Life Risk Section was shown to be in surplus, and the overall deficit in the DBS has reduced.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay expenses of £35,600 per year. In addition, deficit payments were agreed in respect of the shortfall in the Employer sub-pool. Following the 2022 valuation, payments would only be required until 31 July 2027. This obligation was recognized as a liability in the financial statements (see note 12).

It was encouraging to see that in October 2024 the Church of England Pensions Board announced the completion of a "Buy-in" of the remaining liabilities of the Church Workers Pension Fund thus removing investment and longevity risks. SPCK has now withdrawn from the scheme and has no further obligation. The provision has therefore been released to the SOFA.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year 2025 are the contributions payable of £98,000 (2024: £121,000).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022. The next valuation is due as at 31 December 2025.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used.

SPCK has now withdrawn from this section of the scheme as well.

UK Government NEST

With effect from 1st March 2019 all new employees are enrolled in the UK Government NEST defined contribution scheme. The assets of this Scheme are held separately from those of SPCK in an independently administered fund and are charged to the SOFA as they become payable in accordance with the Rules of the Scheme.

f) **Tangible fixed assets**

Tangible fixed assets costing more than £500 are stated in the balance sheet at cost less depreciation. These items are depreciated on a straight-line basis to write off their cost over their estimated useful lives. These rates are currently as follows:

Fixtures and fittings	5 years
Computer systems	3 years

In view of the administrative costs involved, the effect of inflation on costs and the underlying nature of our charitable purpose, the trustees have adopted a policy that only substantial assets which have a long-term on-going value should be capitalised.

g) **Intangible fixed assets**

In 2017 the Society purchased the Children's bibles and study guides from the Scripture Union and regards this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

In 2022 the Society acquired Lion Hudson giving rise to goodwill on acquisition amortised over the 5 years in line with contractual arrangements agreed as part of the acquisition.

h) **Investment assets**

Quoted investments are stated at mid-market value at the balance sheet date. Investment property is initially recognised at fair value at the date of acquisition. Subsequently it is measured at fair value at the reporting date.

Purchases and sales include transaction fees charged by the investment managers. Other investment securities are valued by reference to underlying assets. Any gain or loss on revaluation or disposal is taken to the Statement of Financial Activities.

i) **Stocks**

The Company uses the weighted average cost method in accounting for stock, and finished goods are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow-moving items.

j) **Debtors**

Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

k) **Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

- l) Creditors and provisions**
Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.
- m) Financial instruments**
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- n) Restricted funds**
Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the trustees.
- o) Endowment funds**
Endowment funds are those where the capital is maintained and used to generate income. Income is used for the purpose for which the fund was originally created.
- p) Designated funds**
Designated funds are monies set aside from the general fund by trustees for a specific purpose. These funds are 'ring-fenced' and no longer form part of the unrestricted general funds
- q) Foreign exchange**
Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in income or expenditure. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.
- r) Accounting estimates and key judgements**
Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



2. Grants Receivable

Grants are received from the two charitable trusts administered by the William Leech Foundation Limited. SPCK holds one of the five shares in the William Leech Foundation Limited, which was established to support charitable institutions or trusts in the United Kingdom. William Leech Foundation Limited also acts as a trustee to the two charitable trusts known as the Foundation Trust and the Charity Trust. No capital may be distributed from either trust.

The income of the Foundation Trust is distributed in equal proportions to SPCK and four other charities. The income of the Charity Trust is distributed for charitable purposes at the discretion of the trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. This policy is reviewed by the Board of the company each year.

Following a resolution of the Board of Directors of the William Leech Foundation Limited on 15 October 1996, the grants are paid out to the five charities on condition that 57% is invested in shares in William Leech (Investments) Limited at par and treated as an addition to the recipient charity's capital funds. The effects of this condition have been reflected in these accounts by showing the grants re-invested in the Leech Fund (see Notes 8 and 15). This company invests its assets in listed securities.

In addition, grants were received from other trusts in the year of £82,000 (2024: £nil) used to fund various charitable projects of the Society.

3. Investment income

The trustees recognise the need for support for the mission of promoting Christian knowledge through the publication and sale of Christian books and resources. Investment income has therefore been used to support this mission.

	2025	2024
	£000	£000
William Leech	434	447
Other Investment Income	186	195
	<u>620</u>	<u>642</u>



4. Analysis of total expenditure

	Direct Costs £000	Staff Costs £000	Overhead costs £000	Support Costs £000	2025 Total Costs £000	2024 Total Costs £000
Raising Funds	41	126	34	-	201	16
	41	126	34	-	201	16
Charitable Expenditure						
Publishing	4,008	1,548	57	1,283	6,896	6,525
Other UK Projects	16	-	-	-	16	21
	4,024	1,548	57	1,283	6,912	6,546
Total	4,065	1,674	91	1,283	7,113	6,562

	2025 £000	2024 £000
Support and Governance		
Staff Costs	481	473
Accommodation	26	21
Finance	129	155
IT	300	381
Governance Costs		
Auditor's Fees	29	29
Legal and professional Fees	32	44
Costs of AGM and trustee travel	5	7
Staff and Support Costs	41	40
	1,043	1,150

5. Trustees, employees and related parties

Except as stated below, the trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds:

The aggregate amount of expenses reimbursed to 5 (2024: 5) trustees to cover travel and subsistence expenditure in attending meetings during the year was £2,290 (2024: £2,006).

The total employee benefits of the other key management personnel of the charity were £624,000 (2024: £572,000).

Transactions with IVP are disclosed in Note 19.

Staff Costs	2025	2024
	£000	£000
Wages and salaries	1,830	1,784
Social security costs	197	189
PBS (current scheme)	98	121
	<u>2,125</u>	<u>2,094</u>

The average number of employees was:	2025	2024
Publishing	33	33
Management and administration	12	8
Fundraising	1	1
	<u>46</u>	<u>42</u>

The number of employees whose emoluments exceeded £60,000 fell within the following ranges:

	2025	2024
£60,000 - £70,000	3	3
£70,001 - £80,000	1	1
£80,001 - £90,000	1	3
£90,001 - £100,000	-	2
£100,001 - £110,000	1	-

During the year, SPCK paid staff redundancies amounting to £25,968 (2024: £25,510). These are recognised when legal agreement is reached.

6. Tangible Fixed Assets

Tangible fixed assets: CHARITY AND GROUP	Fixtures, Fitting and Computers £'000	Total £000
Cost or Valuation		
Balance at 1 May 2024	481	481
Additions in year	52	52
Disposals in year	(239)	(239)
Balance at 30 April 2025	294	294
Accumulated Depreciation		
Balance at 1 May 2024	430	430
Charge for the year	24	24
Disposals in year	(239)	(239)
Balance at 30 April 2025	215	215
Net book value as at 30 April 2025	79	79
Net book value as at 30 April 2024	51	51

7. Intangible fixed assets: Group and Charity

The intangible asset of Goodwill arose from the purchase of the Children's Bibles, Study Guides from Scripture Union and the acquisition of Lion Hudson.

Goodwill	Group £'000	Charity £'000
Cost or Valuation		
Balance at 1 May 2024	(109)	(169)
Acquisition in year	-	-
Revaluation	-	-
Balance at 30 April 2025	(109)	(169)
Amortisation		
Balance at 1 May 2024	(17)	(77)
Provision for the year	(46)	(46)
Charge on revaluation	-	-
Balance at 30 April 2025	(63)	(123)
Net book value as at 30 April 2025	(46)	(46)
Net book value as at 30 April 2024	(92)	(92)



8. Investments: Group and Charity

	Endowment Funds	Other Funds	Investment Properties	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000
At 1 May 2024	8,042	7,905	210	16,157	14,861
Additions	289	-	-	289	277
Disposals	-	(110)	-	(110)	(43)
Unrealised (losses)/gains	(728)	(200)	-	(928)	1,062
At 30 April 2025	7,603	7,595	210	15,408	16,157
Total net unrealised gains/(losses)	562	2,000	(35)	2,527	3,288
Historical Cost 30 April	7,041	5,595	245	12,881	12,869
Unrealised (losses)/gains	(728)	(200)	-	(928)	1,062
Realised Gains	-	-	-	-	10
	(728)	(200)	-	(928)	1,072
				£'000	
William Leech (Investments) Limited (unlisted)				10,038	65.1%
Cazenove Fund				3,335	21.6%
Sarasin & Partners LLP – 'Alpha' Common Investment Fund (listed)				1,752	11.4%
Investment Properties				210	1.4%
Cash awaiting investment in William Leech (Investments) Limited				73	0.5%
				15,408	100%

All investments are held in the UK.

The investments are financial assets measured at fair value through the Statement of Financial Activities.

Investment property relates to Catholic Bible School premises. The property was valued in July 2023 by Flude Property Consultants and the Trustees believe the valuation has not changed since then.



	2025 Total	2024 Total
	£'000	£'000
a) Unrestricted Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	4,153	4,327
Listed Investments At Market Value	3,442	3,578
	7,595	7,905
b) Endowment Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	5,885	6,268
Cash awaiting investment in William Leech (Investments) Limited	73	70
	5,958	6,338
Trust finds held by the Society		
Van Vryhoven Bequest		
Listed market securities at market value	497	515
Other Trust Funds		
Listed market securities at market value	1,148	1,189
	7,603	8,042

c) William Leech (Investments) Limited

The investments in the Leech Fund and the Leech Capital Fund are represented by shares held in William Leech (Investments) Limited. The Society holds 20% of the company's ordinary share capital. The Society has no controlling influence over the management of William Leech (Investments) Limited. As there is no market in these shares, the deemed market value of this investment is assessed as 20% of the net assets based on the company's audited accounts as at 31 March 2025, as follows:

	2025	2024
	£'000	£'000
Aggregate capital and reserves	50,191	52,980
Turnover (property and investment income)	59	45
Net profit/(loss) for the year	(2,046)	6,536



d) Inter-Varsity Press

The results for the year 30 April 2025 and balance sheet for the subsidiary, Inter-Varsity Press, are as follows:

	2025 Total £'000	2024 Total £'000
Net expenditure	(166)	(117)
Current Assets	339	470
Creditors: Amount falling due within one year	(2,555)	(2,520)
Net (Liabilities)	(2,216)	(2,050)

9. Debtors: amounts falling due within one year

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Trade Debtors	1,026	1,021	1,172	966
Amount owed by Subsidiary	-	-	-	185
Other Debtors	504	469	433	393
Prepayments	66	66	36	36
	<u>1,596</u>	<u>1,556</u>	<u>1,641</u>	<u>1,580</u>



10. Creditors: Amounts falling due within one year

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Bank Loans and overdrafts	39	39	1,751	1,751
Trade Creditors	282	225	307	299
Tax and Social Security	45	45	45	45
Other Creditors	1,953	1,699	1,695	1,424
Accruals	189	161	293	287
	2,508	2,169	4,091	3,806

11. Creditors: Amounts falling due over one year

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Bank Loans	1,552	1,552	2	2
	1,552	1,552	2	2

During the year ended 30 April 2025 the charity took out an additional loan with Cazenove bringing the total to £1,550,000. The loan is secured on investment assets held by Cazenove and is repayable on demand and bears interest of variable base rate + 2%.

At 30 April 2025, the bank loans are repayable as follows:

	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
Within one year	39	39	1,751	1,751
In 1 - 2 years	1,552	1,552	2	2
	1,591	1,591	1,753	1,753

The total financial liabilities measured at amortised cost are £1,591,000 (2024: £1,753,000).



12. Pension provision: Group and Charity

	2025	2024
	£'000	£'000
At 1 May 2024	1,465	4,224
Paid in year	-	(614)
Interest cost and change in balance sheet deficit	-	221
Revaluation	(1,465)	(2,366)
At 30 April 2025	<u>-</u>	<u>1,465</u>
Charitable expenditure		
Interest cost and change in balance sheet deficit liability	-	221
Management charge	42	32
	<u>42</u>	<u>253</u>

The amount Paid in year was £Nil (2024 £614,000). A provision had been made for deficit contributions due to the Church Workers' Pension Fund (see Note 1 e) vi., Staff Pensions). The provision was calculated from this information and then discounted at 5.15% but were not required in the year. SPCK has now withdrawn from the scheme and has no further obligation. The provision has therefore been released to the SOFA.

13. Other Provisions

	2025 Group	2025 Charity	2024 Group	2024 Charity
Provisions	43	43	64	64
	<u>43</u>	<u>43</u>	<u>64</u>	<u>64</u>

There is an overage clause on the Catholic Bible School property. If it is sold before 2030, a share of the profits is due to the Catholic Diocese of Arundel and Brighton. The % due to the Catholic Diocese of Arundel and Brighton currently decreases each year with a carrying balance of £27,000. The trustees currently have no plans to dispose of this property.

As part of the acquisition of Lion Hudson into SPCK Group the company is required to share future operating profits generated from 2022-2026 with the previous owners of Lion Hudson. The current projection of profits due at the end of next year amount to £16,000.

14. Other financial commitments and guarantees

As at 30 April 2025, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2025 Group	2024 Group
	£'000	£'000
Operating leases due		
Within one year	35	35
2-5 years	-	2
	35	37

The lease payments recognised as an expense during the year were £59,000 (2024: £52,000).

15. Endowment Funds: Group and Charity

Income from the Leech Capital Fund is expendable for the Society's general purposes at the discretion of the trustees. Income from the other endowment trust funds is restricted in accordance with the terms of the relevant trusts. Further details on the endowment trust funds are available from SPCK's office.

	Balance at 1 May 2024 £'000	Income £'000	Gains/(Loss) £'000	Balance at 30 April 2025 £'000
Leech Capital Fund	6,338	289	(669)	5,958
Van Vryhouver Bequest	515	-	(18)	497
Other Trust Funds				
Bray Endowed Capital	990	-	(35)	955
Bray Charity	65	-	(2)	63
D'Allone Charity	134	-	(4)	130
	1,189	-	(41)	1,148
	8,042	289	(728)	7,603

	Balance at 1 May 2023 £'000	Income £'000	Gains/(Loss) £'000	Balance at 30 April 2024 £'000
Leech Capital Fund	5,568	277	493	6,338
Van Vryhouver Bequest	495	-	20	515
Other Trust Funds				
Bray Endowed Capital	952	-	38	990
Bray Charity	66	-	(1)	65
D'Allone Charity	127	-	7	134
	1,145	0	44	1,189
	7,208	277	557	8,042



16. Restricted Funds: Group and Charity

	Balance at 1 May 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2025 £'000
Other UK Projects	79	58	(89)	-	48
	<u>79</u>	<u>58</u>	<u>(89)</u>	<u>-</u>	<u>48</u>

	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2024 £'000
Other UK Projects	119	-	(40)	-	79
	<u>119</u>	<u>-</u>	<u>(40)</u>	<u>-</u>	<u>79</u>

Restricted funds represent amounts that were donated to support specific projects such as Theological Network Press, Assemblies, Bread of Life and Ordinands.



17. Unrestricted Funds

Group	Balance at 1 May 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2025 £'000
Leech Fund	4,327	-	-	-	(175)	4,152
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	324	7,708	(5,601)	-	(25)	2,406
Total	5,280	7,708	(5,601)	-	(200)	7,187

Charity	Balance at 1 May 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2025 £'000
Leech fund	4,327	-	-	-	(175)	4,152
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	324	6,339	(4,233)	-	(25)	2,406
Total	5,280	6,339	(4,233)	-	(200)	7,187

Group	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2024 £'000
Leech Fund	3,960	-	-	-	367	4,327
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	(1,992)	6,577	(4,409)	-	148	324
Total	2,597	6,577	(4,409)	-	515	5,280

Charity	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2024 £'000
Leech Fund	3,960	-	-	-	367	4,327
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	(1,992)	5,405	(3,237)	-	148	324
Total	2,597	5,405	(3,237)	-	515	5,280



In a Governing Body meeting on 4 July 2020, it was agreed to set up designated funds for any additional payments received from William Leech (Investments) Ltd. These are Designated Funds 1, which was set aside for potential additional pension payment contributions under the terms of the Individual Payment Plan agreed with the Church of England Pensions Board, which SPCK has now withdrawn; and Designated fund 2, setting aside £200,000 each year for strategic opportunities. The £600,000 in Designated funds 1 can now be used for strategic opportunities, so no additional funds were set aside in the current year.

18. Analysis of the Society's net assets by Fund

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2025 are represented by:				
Tangible fixed assets	79	-	-	79
Intangible fixed assets	(46)	-	-	(46)
Investments	6,053	-	7,603	13,656
Sarasin	1,752	-	-	1,752
Stock	1,314	-	-	1,314
Other current assets	2,138	48	-	2,186
Current liabilities	(2,508)	-	-	(2,508)
Long-term liabilities	(1,552)	-	-	(1,552)
Pension Provision	(43)	-	-	(43)
Total net assets	7,187	48	7,603	14,838

Freely available reserves are defined as Unrestricted Funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has free reserves at the end of the current period of £2,205,000 (2024: £1,683,000). These include net current assets and unrestricted funds from Cazenove & Sarasin, less designated funds set aside and long-term liabilities.



Fund balances at 30 April 2024 are represented by:

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Tangible fixed assets	51	-	-	51
Intangible fixed assets	(92)	-	-	(92)
Investments	6,397	-	8,042	14,439
Sarasin	1,718	-	-	1,718
Stock	1,146	-	-	1,146
Other current assets	1,682	79	-	1,761
Current liabilities	(4,091)	-	-	(4,091)
Long-term liabilities	(2)	-	-	(2)
Pension Provision	(1,529)	-	-	(1,529)
Total net assets	5,280	79	8,042	13,401

19. Transactions with IVP

During the year, the following transactions took place with IVP:

	2025 £'000	2024 £'000
Management charge paid by IVP	651	562
At the year end the amount owed to SPCK was:	2,173	2,235

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales - Charity number 231144

Accounts



The Society for Promoting Christian Knowledge

Charity Registration Number: 231144

Consolidated Financial Statements

for the year ended 30 April 2024



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A Message from the Chair

Thank you for taking the time to read SPCK's 2024 annual report.

The past year, my first full year as chair, has been one of considerable challenges and achievements.

Our Finance Director, Anthony Brown, died suddenly on January 29th 2024. Anthony was a hard-working and valued member of the Senior Leadership Team. Overseeing SPCK's finance function, he had taken significant steps to improve the quality of our accounting and to remodel our management accounts (giving us greater visibility of the performance of different aspects of our work). We miss Anthony greatly and will be remembering him at the Book Trade Carol Service, a new event we are launching on December 12th 2024.

Against this difficult backdrop, I am encouraged that the financial results for 2023-24 show a considerable improvement on previous years. Our sales from publishing are up by 10%, a considerable achievement in a challenging UK marketplace. This shows that we are seeing the benefits of a more focused approach to commissioning, a restructured marketing team and of a huge amount of work that has gone into improving our metadata – the information about our books that feeds out electronically to customers and to potential readers.

We finished the year with a much-improved balance sheet. The revaluation of our pension deficit is a major factor in this, but we have also seen good investment results and as a charity our income has exceeded our expenditure for the eighth successive year. Our publishing did not quite reach its objective of making a surplus, but we have solid plans in place for profitable growth in 2024-25 including a new partnership with Ingram in the USA and the adoption of the ESV-CE Bible into the Catholic Lectionary across Britain in Advent 2024.

We are most grateful for the range of support we receive at SPCK, from our individual members and donors, through to a range of high-profile individuals. This year we were privileged to hold our AGM at Lambeth Palace, and were most grateful for the encouraging words of our President, Archbishop Justin Welby. Archbishop Justin's Lent book, *Tarry Awhile* by Selina Stone, has been another great success story in our partnership. We were also delighted to welcome His Majesty King Charles III as our new Patron, and I have been pleased to hear from our team and our members of how encouraged they were by this news.

Thank you for your own interest in SPCK's work. It has been a great pleasure to meet many of SPCK's new and longstanding supporters during this, my first full year as Chair, and I look forward to seeing many of you during the year ahead.

Stephen East, Chair.

A Message from the CEO

When we acquired Lion Hudson in 2021, I talked about how we wanted to combine the best of SPCK with the best of Lion Hudson. In particular, we wanted to combine SPCK's ability to invest and our design expertise, with Lion Hudson's expertise in children's books and in selling co-editions of colour books to publishers around the world. 2023-24 saw the launch of the flagship product for this new model, Tom Wright's *My Big Story Bible*. We were able to do exactly what I talked about, bringing SPCK's ability to invest and design expertise to create a brilliant and vibrant book which we were able to sell to publishers in eight different languages, creating our biggest ever print run for a new title.

I first discussed the idea for *My Big Story Bible* with Tom soon after I started at SPCK ten years ago. That shows what a long-term game book publishing can be! During that time, SPCK has gone from being the UK's fourth-largest Christian book publisher to the largest. We have also gone from under 10% of our income coming from overseas and digital, to over 50%. This is a huge transformation and it has been a privilege to lead SPCK's staff team through the years, with the benefit of support from a very knowledgeable and engaged group of trustees.

As I look ahead to the next ten years, I am convinced these can be very exciting for SPCK. In the UK, much of the church faces a demographic decline; around the world, Christianity is on the march and in 2050 there are expected to be 33% more Christians than there were in 2010, and these Christians will be more literate and more able to afford books. We see a role for ourselves both in turning around the story in the UK and in being a part of the story around the world. We don't yet know exactly what that might look like, but the way that SPCK has transformed in the last ten years gives me great encouragement that it is ready for the next decade.

As our Chair Stephen East has noted, this has been a tough year behind the scenes. Anthony Brown was a very close and much-missed colleague. It was a privilege to attend his funeral and speak briefly of his time at SPCK and of how many people's lives he had touched. I am most grateful for the hard work of our talented team at SPCK, and especially for the way that people from all departments have pitched in to ensure that we continue to build on the work that Tony was doing. I've also been most grateful for the prayers, support and donations of our long-standing and newer supporters.

I hope you enjoy the 2024 annual report!

Sam Richardson, Chief Executive

Trustees' report (incorporating the Group Strategic Report)

The Society's accounts for the year ended 30 April 2024 have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019 FRS 102) and Financial Reporting Standard 102 (FRS 102).

Objectives and Activities

Objects

SPCK's objects are to promote Christian knowledge in any part of the world by such means, including the furtherance of education at all levels, as the Society may from time to time think fit, in accordance with the principles of the Church of England in promoting the learning, ministry, fellowship, witness and worship of that Church, or any Church or other Christian body with which the Churches of the Anglican Communion seek or may seek to co-operate.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects.

The Society's activities relate directly to our charitable aims and objects. Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials free of charge to end-users under our charitable programmes. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life. Our offerings include material for children as well as for adults.

Trusts Managed by the Society

Bray Funds – SPCK manages a number of historic endowed trusts. Following an exercise with the Charity Commission, the income from all of these may now be spent in line with SPCK's general purposes. These trusts remain as sub-charities within SPCK and include Becker Trust, H. M. Bliss Trust, Clericus Fund, Crawford Trust, Bishop John Charles Jones Trust, Palmer Trust, Piercy Trust, H. C. Richards Fund, St Augustine's Fund, Bray Charity, and D'Allone Educational Foundation.

Structure, Governance and Management

Governance

SPCK is administered by a Governing Body of unpaid members, acting as trustees, who serve alongside paid executives on management committees which oversee the activities of the charity under delegated authority. The Chief Executive is responsible to the Governing Body for the overall administration of the Society and for ensuring that Governing Body policy is carried out.

Committees

The main SPCK committees during 2023-24 were:

- Board Support Group (formally Standing Committee, also acts as Governing Body Membership Committee)
- Audit Committee (also acts as Investment Sub-Committee)
- Publishing Committee

The responsibilities of the first two committees and oversight of the executive functions are defined in Standing Orders. Each committee reports to the Governing Body, which approves major decisions and has overall responsibility for all SPCK's activities.

Trustee Selection, Appointment and Competence

The Governing Body of trustees is elected at the Annual General Meeting by members of the Society from among their number, following submission of nominations not later than 21 days in advance of the meeting. Members are elected for three-year terms of office and may be re-elected up to a maximum period of nine years. In addition to its elected members, the Governing Body may co-opt up to six of the Society's members or Vice-Presidents to serve on the Governing Body.

New trustees receive a comprehensive induction pack to acquaint them with SPCK's aims and activities, policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Trustees are also encouraged to go on relevant trustee training paid for by SPCK.

TRUSTEES

The members of the Governing Body of SPCK who serve as trustees (including past members who served during the year), and the committees on which the current members serve, are:

Stephen East (Chair) – Board Support Group, Audit Committee, Publishing Committee

Sarah Bailey - Publishing oversight, Publishing Committee

Dr Michael Beasley (Vice-Chair) – Board Support Group, Audit Committee

Paul Burrage – Board Support Group, Chair of Audit Committee

Sue Halliday - Chair of IVP Publishing Board, Publishing Committee

Dr David Muir

Mark Nam

Dr Sanjee Perera

Elizabeth Renshaw-Ames - Audit Committee, Pensions oversight

Eric Thompson - Audit Committee, Staff/HR oversight

Matthew van Duyvenbode – to June 2024

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day-to-day basis. As such they are considered to be the following:

- Trustees
- Senior Leadership Team
 - Sam Richardson (Chief Executive)
 - Wendy Grisham (Deputy Chief Executive and Group Publishing Director)
 - Anthony Brown (Finance Director) – died January 2024
 - Gary Carruthers (Interim Finance Director) – from February 2024 to October 2024
 - Mark Read (Art Director)
 - Christopher Watkins (Production and Supply Chain Director)
 - Jenny Beadle (Human Resources Director)
 - Rowan Miller (Commercial Director)

All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 5 to the financial statements. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Salary levels are benchmarked in line with other similar organizations, including other Christian charities and other publishers, and benchmarking is in place within the organization.

People

Patron

His Majesty The King (from May 2024)

President

The Most Revd and Right Hon Archbishop of Canterbury

Vice-Patrons

The Bishop of London

The Primates of Ireland, Australia and the USA

The Moderator of the Church of North India

Ex-Officio Vice-Presidents

Archbishops and Bishops of the Anglican Communion who are members of the Society

Elected Vice-Presidents

Mr Paul Chandler

The Ven. Dr William Jacob

Mr LE “Paddy” Linaker

The Revd Canon Michael Moore LVO

The Revd Canon Dr Nicholas Sagovsky

The Revd Sharon Swain

The Rt Revd Lord Williams of Oystermouth

Honorary Life Member

Ian Ferguson

Legal and administrative details

Identity

The Society for Promoting Christian Knowledge (otherwise known as SPCK) is a registered charity, no. 231144, incorporated under Royal Charter in 1969, with its head office currently at Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ. In January 2005, the Privy Council approved amendments to the Royal Charter Bye-laws to reflect the structural and operating changes which had taken place within the Society during the previous 35 years. Further amendments were made in November 2011 to provide greater flexibility to respond to future changes in ways of working. SPCK is a membership organization, founded on 8 March 1698 to promote Christian knowledge through publishing, lending libraries and schools. The Society has been a publisher and distributor of Christian literature since its inception, and helps to resource theological education and ministry on a worldwide basis. The number of members at 30 April 2024 was 149 (2023: 147).

PRINCIPAL PROFESSIONAL ADVISERS

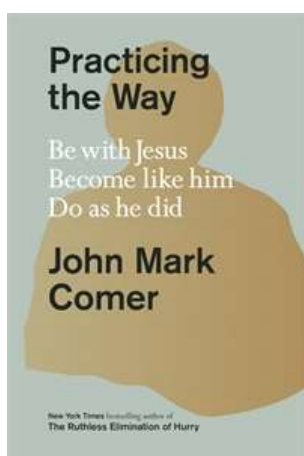
Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW	
Bankers	Barclays Bank PLC Floor 27 1 Churchill Place London E14 5HP	
Insurance Brokers	Scrutton Bland Fitzroy House, Crown Street, Ipswich, Suffolk, IP1 3LG	
Investment Managers	Sarasin & Partners LLP Juxon House St Paul's Churchyard London EC4M 8BU	Cazenove 1 London Wall Place London EC2Y 5AU
Pension Administrators	The Church of England Pensions Board 29 Great Smith Street London SW1P 3PS	Nest Nene Hall Lynch Wood Business Park Peterborough PE2 6FY
Solicitors	Wedlake Bell LLP 71 Queen Victoria Street London EC4V 4AY	

Achievements and performance

SPCK operates three main business units (General, Kids and IVP) in addition to its charitable projects.

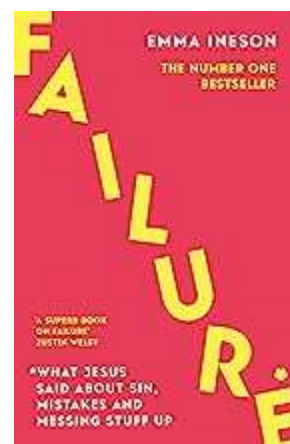
General division – Supporting the Church, Engaging with Culture

The General Books Division of the SPCK Group includes two young imprints, Form and Marylebone House, alongside their much older ‘parent’ imprint, SPCK Publishing.

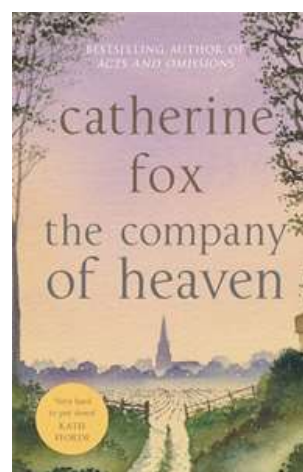


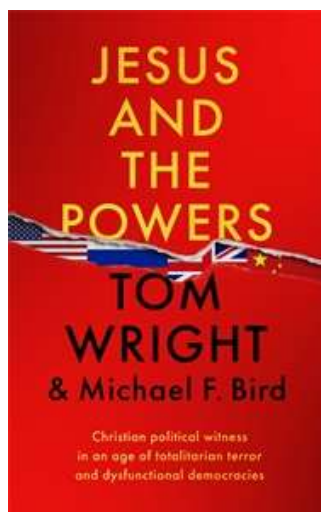
Form is the Group’s youngest imprint, having begun publishing in July 2021. Its aim is to help readers cultivate spiritual rhythms and practices in their everyday lives, and to make age-old spiritual wisdom accessible for a new generation.

Among the notable books that appeared last year in Form were Amy Boucher Pye’s *Transforming Love*, Pete Portal’s *How to Be (Un)successful* and John Mark Comer’s bestselling *Practicing the Way: Be with Jesus. Become like him. Do as he did*.



Marylebone House (MH) is the SPCK Group’s fiction imprint, now incorporating authors who used to be part of the Lion Fiction list. MH publishes contemporary, historical, literary and crime fiction and explores themes that appeal to people who are hungry for perceptive, compassionate writing about human experience. Last year MH released fine new novels in its two most popular series: *The Company of Heaven*, the latest in the Lindchester Chronicles, by Catherine Fox, and *A Polluted Font*, the 16th volume in the Chronicles of Hugh de Singleton, by Mel Starr.



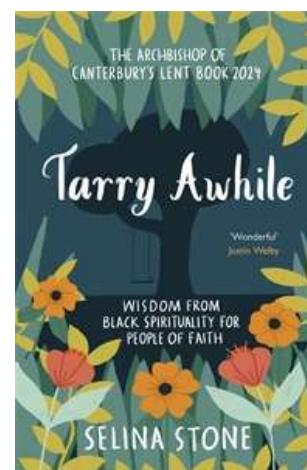


SPCK Publishing continues to build on its long tradition of commissioning books that support, inform and equip Christians in all areas of their life and witness to Jesus.

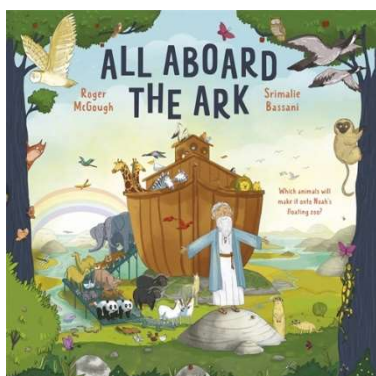
Last year these included books by long-standing SPCK authors such as Steve Chalke (*A Manifesto for Hope: Ten Principles for Transforming the Lives of Children and Young People*), Richard Harries (*Majesty: Reflections on the Life of Christ with Her Majesty Queen Elizabeth II*), Nick Spencer (*Playing God: Science, Religion and the Future of Humanity*), Lauren Windle (*Notes on Feminism: Being a Woman in a Church Led by Men*) and Tom Wright (*Into the Heart of Romans and Jesus and the Powers*, co-written with Michael F. Bird).

At the same time, we were also delighted to welcome several new authors to our publishing programme, including Ellie Goldstein (*Against All Odds: My Life with Down Syndrome*), Patrick Regan (*Brighter Days: 12 Steps to Strengthening Your Wellbeing*) and our major Lent and Advent offerings, sponsored by the Archbishops of Canterbury and York respectively: Selina Stone's *Tarry Awhile: Wisdom from Black Spirituality for People of Faith* and Arun Arora's *Stick with Love: Rejoicing in Every Tongue, Every Tribe, Every Nation*).

As those highlights show, SPCK's General Division is living up to its name as it embraces a wide array of authors from different backgrounds and traditions, writing on a rich diversity of subjects, in a variety of genres and in ways that will appeal to readers right across the theological spectrum – and beyond!

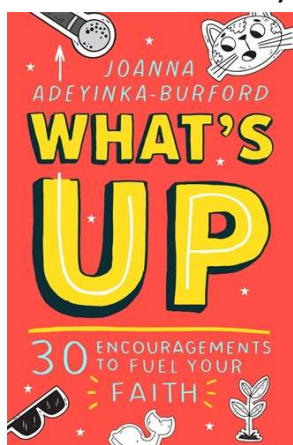
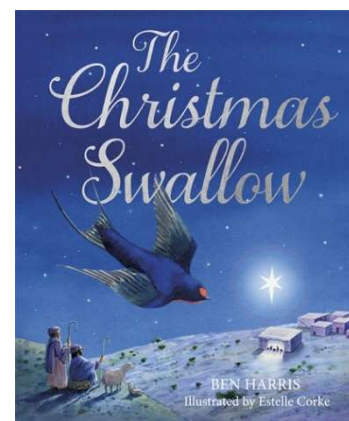


Kids Publishing Highlights, May 2023-April 2024



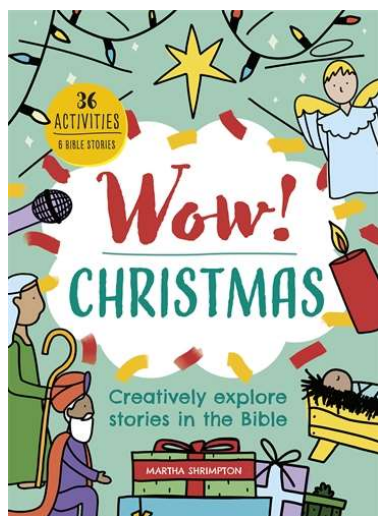
June 2023 saw the publication of Roger McGough's picture book *All Aboard the Ark* - a lively rhyming picture book about Noah and the animals on the ark. We were delighted to welcome such a high-profile author to our lists.

The new Christmas titles for 2023 included the stunning picture book of a Nativity story retelling, *The Christmas Swallow* by Ben Harris, which also published in the German language at the same time. We also reissued some classic Christmas-themed folktales, *Papa Panov's Special Day* by Mig Holder (first published in 1988) and *Babushka* by Dawn Casey, and new activity books for different ages including *Wow! Christmas* by Martha Shrimpton with 36 innovative activities.

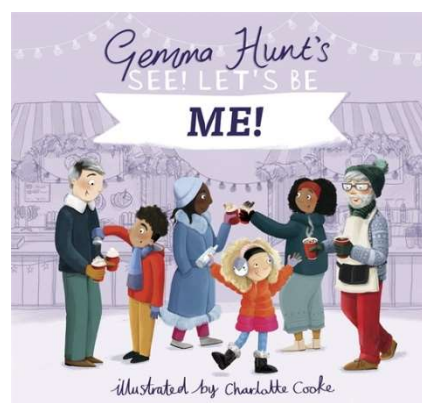


February 2024 saw the publication of new hardback and paperback editions of *The Children's Bible in 365 Stories* - one of our top-selling Children's Bibles that's been on sale non-stop since 1985. And we also published tv presenter Joanna Adeyinka-Burford's first children's book *What's Up* - a fun devotional for 7-11 year olds.

March was a very exciting month - after much time and hardwork the first children's book by theologian Tom Wright published, *My Big Story Bible*. Simultaneously editions were published in US, Korea, France, Netherlands, Portugal, Poland, Germany, Denmark and Japan.



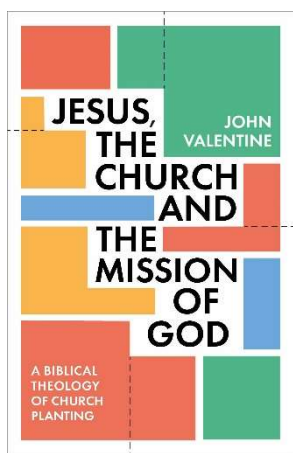
Other titles that published over the year, which are great additions to the children's list, include tv presenter Gemma Hunt's *See! Let's be Me*, her second picture storybook about emotions and behaviour, the *Candle Youth Bible* with 90 extracts from NLT anglicised translation each accompanied with a short engaging commentary, and families can capture the



treasured moments of their child's special occasions in a beautifully illustrated set of special occasion gift books: A Baptism/Christening/Dedication Gift Prayer and Memory Book.

IVP Publishing Highlights, May 2023-April 2024

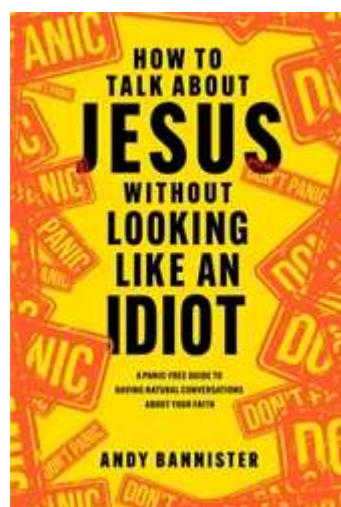
The May '23 to April '24 period has seen some exciting publishing from IVP, with milestones such as the completion of the Bible Speaks Today refresh, major popular and academic books, and the first New Studies in Biblical Theology volume (number 63!) under the joint editorship of Benjamin J. Gladd. All of this resulted in a strong year with sales up by 7%.



In May 2023 existing IVP author John Valentine published his first Apollos title, a major biblical-theological study of church planting. *Jesus, the Church and the Mission of God* received strong endorsements from ministry figures such as Nicky Gumbel and Paul Harcourt, and academics like Greg Okesson and Winfield Bevins. This magisterial book fills an important gap in the literature.

In June we published our second book by Ros Clarke (whose 2022 IVP Lenten debut *Forty Women* continues to sell well), *Human*, the Keswick theme book for 2024. Interest in the book built from well before publication, with the PR team securing a range of exciting media opportunities for Ros. We also published two books by Keswick stalwart, and American in Hungary, Ted Turnau. His 'Oasis of Imagination' is a major work of cultural engagement, whilst the shorter 'Imagination Manifesto' was co-authored with Jazz singer Ruth Naomi Floyd, distilling the core ideas and opening it up to a wider audience.

In June we published our second book by Ros Clarke (whose 2022 IVP Lenten debut *Forty Women* continues to sell well), *Human*, the Keswick theme book for 2024. Interest in the book built from well before publication, with

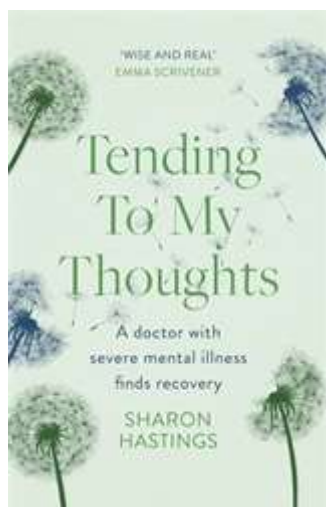


Andy Bannister's *How To Talk About Jesus Without Looking Like an Idiot*, licensed from Tyndale in the US, has been well received since August, and continues to grow IVP's specialism in evangelism. *Marsh Moyle's Rumours of a Better Country* published in September – launching in hardback seems to be paying off for this thoughtful book by a well-respected author. Catherine Campbell's *Consider Him*, a brand new 365 Day Devotional, has been one of IVP's most commercially successful books this year.

Also publishing in September was the first New Studies in Biblical Theology (NSBT) volume co-edited by B. J. Gladd, James Hely Hutchinson's 'Answering the Psalmist's Perplexity', which has got off to a strong start. The NSBT series will be changing



publishing partner in 2025, which will lead to strong revenue for frontlist titles in this well-respected series.



Highlights in the early part of 2024 include Sharon Hastings's mental health recovery book, 'Tending to My Thoughts', and the penultimate Bible Speaks Today (BST) Themes volume, 'The Message of the Kingdom of God', by popular scholar and author T. Desmond Alexander. April saw a publishing highlight that is genuinely historic – the final batch of BST Old Testament refreshes, meaning that for the first time in four years the commercial department can sell full Bible, Old and New Testament sets, in the impressive new visual style.

Under the leadership of Thomas Creedy, promoted to IVP Publishing Director, the IVP list finds itself well positioned for growth in future years. The investment in two major new series, the Hearing God's Voice Bible commentary from IVP and Reading the Bible With The Apostles from Apollos, confirms IVP's commitment to publishing the very best evangelical scholarship for personal and academic study.

Charitable Projects

While in recent years SPCK has focused increasingly on developing its unique position in commercial publishing, our fundraising continues to enable us to run a range of projects supported by donations from our members and from charitable trusts.

The **Assemblies** Website at Assemblies.org.uk remains the go-to place for anyone delivering collective worship into schools. We are delighted to have set up a new partnership with the Church of England's racial justice unit, which will see the Assemblies website delivering content to schools across the country for Black History Month.

The **Home Groups** website at HomeGroups.org.uk remains a major resource for home group leaders. We have significant plans in the coming year to reposition Home Groups as the home of free audio and video courses, incorporating the York Courses archive and new courses around titles such as *What is a Christian?* by Rowan Williams and *Wild Bright Hope*, the Archbishop of Canterbury's Lent Book for 2025.

The **Prison Fiction** programme continues to be a unique resource in assisting prisoners across the country with their literacy. It's also been encouraging to see many of the Prison Fiction authors such as Alex Wheatle go on to publish high-profile commercial titles.

It was all change at the **Catholic Bible School** as David and Sarah Beresford moved on following many years of productive in-person ministry. The Bible School's focus has shifted to digital resourcing, and we are launching in November a new app for the ESV-CE Bible, including David and Sarah's brilliant recording of the whole Bible.

Financial review

The consolidated result shown on page 24 shows an increase in income, from £6,341,000 in 2022-23 to £6,854,000 in 2023-24. This is primarily due to the 10% increase in publishing sales during the year, with the publishing income figure having increased to £5,649,000 from £4,987,000 in 2023.

The focus of 2023-24 was to bring the publishing trading back towards the breakeven to allow the future years to be profit making. The reduction in overhead continued in 2023-24 with greater focus was on the operational IT software which was causing finance operational problems. Significant work continues in the commercial areas to find new sales opportunities, especially in digital and export markets, which is clear from the consolidated revenue numbers' improvement versus prior year. The commissioning approach continues to be more around focus than volume, with a focus on reducing the number of titles which sell poorly and hence are loss-making and fail to deliver our mission of promoting Christian knowledge. The continued focus on these three challenges is key to helping us reach our operating targets.

After the disappointing business performance in 2022-23 which was not sustainable, 2023-24 has delivered a marked improvement and we enter 2024-25 with a much-reduced cost base and a strong publishing list so that the 2024-25 budgeted position of a small surplus from publishing activities feels more achievable.

In addition, we have had confirmation of the revaluation of the pension deficit, which has materially reduced our liabilities, and strengthens our future cash flow and balance sheet positions. We also enter 2024-25 with an increased asset base. We saw an increase in value of our investments of £1,072,000, driven by strong growth towards the end of 2023-24 period in both of our key investment portfolios; The William Leech (Investments) Ltd investment pool and the Sarasin and Cazenove investment pools.

The WLI investment is held for the long-term and so variations such as this are expected, from time to time, and we remain most grateful for the efforts of the Leech board in managing this investment.

To support the final transitional year of moving from a loss making position in the publishing operations towards surpluses, we extended our loan in 2023-24 with the Cazenove facility to support the final strategic changes in personnel structure and the key changes in operational systems and the expansion plans for the US and International markets.

We look forward to a positive drive in 2024-25 with a budget that is felt achievable and optimism that the above significant changes we have carried out in 2023-24 and prior years are the stepping stones for positive future results.

Investment policy and performance

The value of the Society's investments at 30 April 2024 was £16,157,000 (2023: £14,861,000). Of this amount, £10,665,000 (2023: £9,529,000) represented the value of shares and cash awaiting investment in William Leech (Investments) Ltd, £210,000 (2023: £210,000) in

investment property and £5,282,000 (2023: £5,122,000) the value of other listed investment. Overall, the SPCK portfolio showed a net gain of £1,072,000 for the year (2023: Loss of £1,881,000).

The Society's investment portfolio is managed by the trustees, with authority delegated to the Board Support Group if urgent decisions are needed between the scheduled trustee meetings. The trustees review the portfolio periodically, seeking a balance between capital growth and income, setting benchmarks as they consider appropriate, and following the Church of England's ethical investment guidelines.

April 2024 saw a significant movement in the investment markets in that calendar month, which was to our benefit and with our financial year end being 30th April, this saw our overall investment portfolio position end in a stronger position than had been expected given the performance over the prior 11 months of 2023-24.

The same period the FTSE 100 Share index increased overall by 7.9% (2023: 4.7% increase).

The Society owns 20% of the issued share capital of William Leech (Investments) Limited, an investment company which was established for the benefit of five Christian charities. The directors of this company have invested their funds in marketable securities. The trustees of SPCK periodically review the return on assets of the company and associated trusts and consider that the investment is in accordance with the Society's investment strategy and that the diversity of its investment is enough in the context of its risk assessment. In practice, SPCK is not able to influence the investment policy of William Leech (Investments) Limited.

The Society holds such investments to generate a return and has made no social investments. However, these investments are made ethically in line with the Society's Investment Management Policy as set by the Governing Body. The Governing Body has adopted the terms of the Ethical Investment Policy of the Church of England's Ethical Investment Advisory Group as may be revised from time to time.

The Society holds 100% investment in its subsidiary undertaking IVP Ltd whose accounts are consolidated with SPCK Group accounts. For the year ending 30 April 2024 IVP Ltd accounts shows a net deficit in reserves of £2,050,000 (2023: £1,933,000). With the transfer of the company to SPCK, there is an on-going commitment from SPCK to support IVP Ltd's aims and objectives and to underwrite the current deficit in the reserves.

The trustees also recognise that IVP Ltd reported a deficit of £117,000 (2023: £354,000) for the year ended 30 April 2024 but are aware that plans are underway to improve profitability of the whole organisation (including IVP).

Reserves

The total funds held by the Society at the end of the reporting period were £13,401,000 (2023: £9,924,000). We have made a provision of £1,465,000 (2023: £4,224,000) for deficit contributions due to the Church Workers' Pension Fund, incorporating a revaluation following the results of the triennial actuarial review in 2022. Many of these funds are endowed

or restricted, and therefore the unrestricted funds available to the Society at the end of the reporting period were £5,280,000 (2023: £2,597,000). Much of the unrestricted funds are held by William Leech (Investments) Ltd and would be difficult for the Society to access at short notice. Therefore, the Society defines its freely available reserves as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has available reserves at the end of the current period of £1,683,000 (2023: £2,226,000 adjusted). The reserves level is within the target range of £1,300,000 to £2,000,000, calculated on the basis of 6-9 months staff costs.

The trustees have determined that a prudent level of reserves is approximately 6-9 months of expenditure: this level would be required in the event of an orderly winding down the charity. These costs would cover commitments for intellectual property already contracted, not yet delivered or books already in the pipeline of production, such that it could fulfil its contractual obligations to authors, suppliers and staff (in the event of redundancy).

Although the balance sheet shows a net current liability, the free reserves position is within the range of the agreed reserves policy of 6-9 months committed publishing and staff costs, the underlying strength of the balances sheet is £13.4m of which £5.3m can be made available to improve cash reserves.

Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The trustees have formalized their risk assessment and risk management process to include a quarterly review of the risk register compiled and updated in consultation with executive staff. We keep under active review the adequacy of the systems which are in place in the light of changing circumstances. As a result of the significant size of the charity, the trustees delegate responsibility for day-to-day management to staff, using committees, planning and budgeting procedures, and hierarchical authorization.

The major risk categories, the level of acceptable risk (from *averse*, through *minimalist*, *cautious* and *open*, to *hungry*, and the mitigation systems are captured in the Risk Register as follows:

- Governance risks, on which we have a *cautious* risk appetite. Risks in this category are mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.
- Operational risks, on which we have a *cautious* risk appetite. These risks are mitigated by a detailed new exercise in process mapping, Business Continuity Planning, identifying and risk-managing key strategic relationships, emergency action plans relating to IT issues, active steps to prevent cyber-fraud, notice periods, succession planning and insurance.
- Financial risks, on which we accept have an *averse* risk appetite. These risks are mitigated by financial controls, budgeting, reporting, investment management policy, reserves policy, credit control, and engagement with Church of England Pensions Board supported by professional legal, actuarial and financial advice.

- Legal risks, on which we have an *averse* risk appetite. These risks are mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.
- Reputational risk, on which we have a *cautious* risk appetite. These risks are mitigated by editorial review process, media training and communications planning.
- Data risks, technological and compliance risks, on which we have a *minimalist* risk appetite. These risks are mitigated by following best practice in IT and by ensuring staff are fully trained in areas of compliance including GDPR and AML.
- Political, environmental, social and technological risks, on which we have a *cautious* risk appetite. These risks are mitigated by diversification of markets and business models, and by proactive steps to stay in touch with developments.

The trustees are of the view that it is financial risks that have the most potential to have a negative impact on the charity, and the trustees and Audit Committee have noted the following specific risks and mitigations.

- Sales not performing to expectations, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: Annual budget process, with review against progress in twice-monthly KPIs (shared with the board) and weekly internal meeting; book sales are diversified across a large range of titles, authors and territories (more so following the merger with Lion Hudson); 80% of publishing income is from existing rather than new titles; cashflow KPI shared monthly with Governing Body and backup plans in place including overdraft and release of investments.
- Cost base being too high, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: a significant program of cost savings was made following the Lion Hudson merger, including redundancies, reduction of office footprint and consolidation of systems. Further steps have been taken since to reduce the cost base, including the move to a new single office location, the ending of duplicated IT contracts from the merger, and the non-replacement of some leavers.
- Risk from poor cost controls, resulting in cashflow crisis. Mitigations: a new purchase order system implemented in 2022-23, and a new series of cost controls implemented in June 2023.
- Inability to meet contributions to historic pension liabilities. Mitigations: a new plan agreed with the Church of England Pensions Board (CEPB) in spring 2024, based on the valuation dated 31 December 2023, has significantly reduced our payments for 2024-25; we continue to work hard to engage with CEPB and are supportive of their plans for the scheme which may have a significant further positive effect if they come to fruition.
- Macro-economic environment, in particular global events and changes of government, could have an impact on SPCK's investments, pension or sales income. Mitigations: SPCK regularly reviews its investment management policy (most recently in summer 2022) and currently spreads its investments across two different investment managers, all of whom have instructions to keep a portfolio with a spread across both geography and asset types; encourage measures to reduce volatility in the pension deficit; SPCK is taking significant steps to increase the international scope of its work so that we are less reliant on the UK economy.

Any of the aforementioned could have a potential impact on SPCK's reserves. Currently the Society's freely available reserves (defined as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes) are £1,683,000 (2023: £2,226,000 adjusted) which is within the target range of £1,300,000 to £2,000,000. Notwithstanding, we continue to monitor our performance closely in the expectation of maintaining within or above the targeted reserves policy range

Fundraising Disclosures

During 2023-24 SPCK employed one part-time fundraiser, a member of the Institute of Fundraising. The bulk of voluntary income came from charitable trusts and legacies. However, SPCK also has subscribing members and a number of regular and one-off donors.

SPCK is registered with the Fundraising Regulator and Fundraising Preference Service. We aim to abide by the Code of Fundraising Practice. SPCK has received no complaints directly or via the Regulator, nor any opt-outs via the Fundraising Preference Service. Further details of how we use personal data can be found in our privacy statement www.spck.org.uk/privacy-and-cookies-policy.

In 2023-24 SPCK had one community fundraiser (a member of staff) and we ensured that their activities followed the Code of Fundraising Practice. Our fundraising complaints procedure can also be found on our website.



Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees' report for the year ended 30 April 2024 was approved by the trustees on 30th October 2024 and signed on their behalf by

A handwritten signature in black ink that reads 'Stephen East'.

Stephen East, Chair of the Governing Body

The Society for Promoting Christian Knowledge, Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ

Independent Auditor's Report to the Trustees of SPCK

Opinion

We have audited the financial statements of the Society for Promoting Christian Knowledge (the "Charity") and its subsidiary (the "Group") for the year ended 30 April 2024 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the Group's and of the Charity's affairs as at 30 April 2024 and of the Group's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept;
- The financial statements are not in agreement with the accounting records; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Group's and the Charity'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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates including the pension provision discount rate and valuation of stock and work in progress, agreeing financial statement disclosures to

underlying supporting documentation, evaluating the internal controls, reviewing trustees' minutes and identifying and testing journal entries.

There are inherent limitations in the audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and their trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob, Cavenagh + Skeet

Jacob Cavenagh & Skeet

Chartered Accountants
Statutory Auditor
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: *31 October 2024*

Jacob Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 April 2024

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2024	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2023
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income and endowments from:								
Donations and legacies								
Donations	49	-	-	49	70	-	-	70
Legacies	33	-	-	33	58	-	-	58
Grants Receivable	2	204	-	277	190	75	257	522
Investments	3	642	-	642	704	-	-	704
Charitable activities								
Publishing	5,649	-	-	5,649	4,987	-	-	4,987
Total income	6,577	-	277	6,854	6,009	75	257	6,341
Expenditure on:								
Raising Funds	4	16	-	16	22	-	-	22
Charitable activities	4	6,506	40	6,546	5,963	32	-	5,995
Charitable activities - reorganisational costs	4	-	-	-	193	-	-	193
Total expenditure before DBS pensions	6,522	40	-	6,562	6,178	32	-	6,210
Income Less Expenditure	55	(40)	277	292	(169)	43	257	131
DBS Pension Cost	12	(253)	-	(253)	316	-	-	316
DBS Pension Revaluation	12	2,366	-	2,366	-	-	-	-
Net Income/(deficit) before Gains/(Losses) on Investments	2,168	(40)	277	2,405	147	43	257	447
Gains/(Losses) on Investments	515	-	557	1,072	(722)	-	(1,159)	(1,881)
Net Income/(Expenditure)	2,683	(40)	834	3,477	(575)	43	(902)	(1,434)
Transfers between funds	-	-	-	-	-	-	-	-
Net movements in funds	2,683	(40)	834	3,477	(575)	43	(902)	(1,434)
Reconciliation of funds								
Funds brought forward	2,597	119	7,208	9,924	3,172	76	8,110	11,358
Funds carried forward	5,280	79	8,042	13,401	2,597	119	7,208	9,924

The notes on pages 28 to 49 form part of these accounts.



BALANCE SHEETS As at 30 April 2024

		Group 2024	Charity 2024	Group 2023	Charity 2023
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible	6	51	51	-	-
Intangible assets	7	(92)	(92)	(138)	(138)
Investments	8	16,157	16,157	14,861	14,861
		16,116	16,116	14,723	14,723
Current assets					
Stocks		1,146	982	1,228	1,000
Debtors	9	1,641	1,580	1,767	1,669
Cash at bank and in hand		120	60	50	38
Total Current Assets		2,907	2,622	3,045	2,707
Current liabilities					
Amounts falling due within one year	10	(4,091)	(3,806)	(3,405)	(3,067)
Net current Liabilities		(1,184)	(1,184)	(360)	(360)
Total Assets Less Current Liabilities		14,932	14,932	14,363	14,363
Creditors: amounts falling due > 1yr	11	(2)	(2)	(148)	(148)
Provisions for liabilities	12, 13	(1,529)	(1,529)	(4,291)	(4,291)
Net assets		13,401	13,401	9,924	9,924
The funding of the charity					
Endowment funds	15	8,042	8,042	7,208	7,208
Income funds					
Restricted funds	16	79	79	119	119
Unrestricted funds					
Leech fund		4,327	4,327	3,960	3,960
General and Designated funds		953	953	(1,363)	(1,363)
	17	5,280	5,280	2,597	2,597
Total charity funds	18	13,401	13,401	9,924	9,924

The net surplus of the charity during the year was £3,477,000 (2023: deficit of £1,080,000).
Approved by the Governing Body and authorised for issue on 30th October 2024 and signed
on its behalf by

Stephen East, Chair of the Governing Body.

The notes on pages 28 to 49 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2024

	2024 £000	2023 £000	
Cash (Used) in Operating Activities	(558)	(1,467)	
Cash Flows from Investing Activities			
Investment Income Received	642	704	
Purchase of Tangible Fixed Assets	(70)	-	
Proceeds from sale of Investments	53	3,545	
Purchase of Fixed Asset Investments	(277)	(3,802)	
Net Cash Inflow	348	447	
Cash Flows From Financing Activities			
New Loan	400	750	
Increase in overdraft	131	315	
Repayment on Loans	(177)	(388)	
Interest Paid on Loans	(74)	(21)	
	280	656	
Net Cash (Outflow)/Inflow	70	(364)	
Cash and Cash Equivalents Brought Forward	50	414	
Cash and Cash Equivalents Carried Forward	<u>120</u>	<u>50</u>	
Cash Flow from Operating Activities			
Net Income / (Expenditure)	3,477	(1,434)	
Investment Income Received	(642)	(704)	
Depreciation of Tangible Assets	19	-	
Amortisation of Goodwill	(46)	(587)	
Interest Paid on Loans	74	21	
Unrealised (Gains) / Losses on Investments	(1,072)	1,881	
Decrease in Stock	82	85	
Decrease/(Increase) in Debtors	126	(330)	
Increase in Creditors	186	380	
Decrease in Provisions	(2,762)	(779)	
Net Cash Used in Operating Activities	<u>(558)</u>	<u>(1,467)</u>	
Analysis of Changes in Net Debt	At 1 May 2023	Cash flows	At 30 April 2024
	£000	£000	£000
Cash	50	70	120
Bank Loans Falling Due Within One Year	(1,251)	(500)	(1,751)
Bank Loans Falling Due In More Than One Year	(148)	148	0
Total	<u>(1,349)</u>	<u>(282)</u>	<u>(1,631)</u>

The notes on pages 28 to 49 form part of these accounts.

NOTES TO THE ACCOUNTS

I. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). They are drawn up on the historical cost accounting basis except that investments are carried at fair value.

The financial statements are presented in sterling and figures are rounded to the nearest thousand.

The Society for Promoting Christian Knowledge meets the definition of a public benefit entity under FRS 102.

The Society for Promoting Christian Knowledge is incorporated by Royal Charter in England, with its head office at Studio 101, The Record Hall, 16-16A Baldwins Gardens, London, EC1N 7RJ

b) Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Although the balance sheet shows net current liabilities, the free reserves position is within the range of the agreed reserves policy of six to nine month's committed publishing and staff costs, the underlying strength of the balances sheet is £14.9m of which £5.3m can be made available to improve cash reserves. On this basis the trustees believe that the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

c) Consolidation

The group financial statements combine the results of the company and its subsidiary undertaking, Inter-Varsity Press (which also produces and distributes Christian books and materials). A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Charities SORP FRS 102.

d) Income

i. Turnover

Trading turnover represents the value of sales made during the year, excluding VAT and amounts due to Joint Publishers.

- ii. Donations, legacies and grants receivable*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Grants received from the William Leech Trusts are credited for the period in which they arise. Income from William Leech (Investments) Limited is credited to the Statement of Financial Activities in the period in which the income is received.
- iii. Other income*

Other income comprises Publishing income from co-editions, royalty advances, rights, permissions and sales commission and is accounted for on the accruals basis.
- e) Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer- term liabilities. Charitable expenditure includes all operating costs relating to SPCK's Publishing and Worldwide activities.
- i. Promotional costs*

Promotional costs comprise direct fundraising costs and the costs associated with the Society's website.
- ii. Grants payable and project funding*

Grants payable are taken to the Statement of Financial Activities in the year they are approved and any grants not paid within two years are cancelled unless a continuing need is identified.
- iii. Governance costs*

Governance costs are those associated with charity governance requirements and which relate to the general running of the Society. These have been allocated between expenditure on raising funds and charitable activities according to staff time.
- iv. Support costs*

Support costs include the central office functions of general management, information technology, human resources, office management, accommodation and finance. Costs are allocated to activities on a basis consistent with the use of the resources.
- v. Operating leases*

Rental charges under operating leases are charged on a straight-line basis over the life of the lease.

vi. *Staff pensions*

The Society participates in three pension arrangements. Two are part of the Church Workers' Pension Fund and the third is the UK Government NEST scheme.

The Church Workers' Pension Fund

SPCK (DBS) participates in the Defined Benefits Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, 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.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are the interest cost and changes in balance sheet liability 2024: debit of £221,000 (2023: credit of £349,000) and management charge of £32,400 (2023: £32,400).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, 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 having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation was carried out as at 31 December 2022. In this valuation, the Life Risk Section was shown to be in surplus, and the overall deficit in the DBS has reduced.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay expenses of £35,600 per year. In addition, deficit payments of £385,842 per year were agreed for 13.00 years from 1 April 2021 in respect of the shortfall in the Employer sub-pool. Following the 2022 valuation, payments will only be required until 31 July 2027. This obligation has been recognized as a liability in the financial statements (see note 12).

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

It was encouraging to see that in October 2024 the Church of England Pensions Board announced the completion of a "Buy-in" of the remaining liabilities of the Church Workers Pension Fund thus removing investment and longevity risks. In due course the effect of removing these risks on future payments to CWPF will become clearer.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable of £121,000 (2023: £145,000).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

UK Government NEST

With effect from 1st March 2019 all new employees are enrolled in the UK Government NEST defined contribution scheme. The assets of this Scheme are held separately from those of SPCK in an independently administered fund and are charged to the SOFA as they become payable in accordance with the Rules of the Scheme.

f) Tangible fixed assets

Tangible fixed assets costing more than £5,000 are stated in the balance sheet at cost less depreciation. These items are depreciated on a straight-line basis to write off their cost over their estimated useful lives. These rates are currently as follows:

Fixtures and fittings	5 years
Computer systems	3 years

In view of the administrative costs involved, the effect of inflation on costs and the underlying nature of our charitable purpose, the trustees have adopted a policy that only substantial assets which have a long-term on-going value should be capitalised.

g) Intangible fixed assets

In 2017 the Society purchased the Children's bibles and study guides from the Scripture Union and regards this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

In 2022 the Society acquired Lion Hudson giving rise to goodwill on acquisition amortised over the 5 years in line with contractual arrangements agreed as part of the acquisition.

h) Investment assets

Quoted investments are stated at mid-market value at the balance sheet date. Investment property is initially recognised at fair value at the date of acquisition. Subsequently it is measured at fair value at the reporting date.

Purchases and sales include transaction fees charged by the investment managers. Other investment securities are valued by reference to underlying assets. Any gain or loss on revaluation or disposal is taken to the Statement of Financial Activities.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

j) Debtors

Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

- k) **Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.
- l) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.
- m) **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- n) **Restricted funds**

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the trustees.
- o) **Endowment funds**

Endowment funds are those where the capital is maintained and used to generate income. Income is used for the purpose for which the fund was originally created.
- p) **Designated funds**

Designated funds are monies set aside from the general fund by trustees for a specific purpose. These funds are 'ring-fenced' and no longer form part of the unrestricted general funds
- q) **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in income or expenditure. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.
- r) **Accounting estimates and key judgements**

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material misstatement to the carrying amounts of assets and liabilities within the next financial year are:

Estimated Pension provision - As disclosed in note 12, the charity is a participating employer of the Church Workers Pension Fund. The provision for deficit

contributions due to the Fund has been discounted at 5.15% to reflect the time value of money. The discount rate is selected by reference to corporate bond rates at the balance sheet date. For each 0.1% change in the discount rate, the carrying amount of the provision would change by an estimated £20,000.

2. Grants Receivable

Grants are received from the two charitable trusts administered by the William Leech Foundation Limited. SPCK holds one of the five shares in the William Leech Foundation Limited, which was established to support charitable institutions or trusts in the United Kingdom. William Leech Foundation Limited also acts as a trustee to the two charitable trusts known as the Foundation Trust and the Charity Trust. No capital may be distributed from either trust.

The income of the Foundation Trust is distributed in equal proportions to SPCK and four other charities. The income of the Charity Trust is distributed for charitable purposes at the discretion of the trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. This policy is reviewed by the Board of the company each year.

Following a resolution of the Board of Directors of the William Leech Foundation Limited on 15 October 1996, the grants are paid out to the five charities on condition that 57% is invested in shares in William Leech (Investments) Limited at par and treated as an addition to the recipient charity's capital funds. The effects of this condition have been reflected in these accounts by showing the grants re-invested in the Leech Fund (see Notes 8 and 15). This company invests its assets in listed securities.

In addition, no grants were received from other trusts in the year (2023: £75,000) used to fund various charitable projects of the Society.

3. Investment income

The trustees recognise the need for support for the mission of promoting Christian knowledge through the publication and sale of Christian books and resources. Investment income has therefore been used to support this mission.

	2024	2023
	£000	£000
William Leech	447	517
Other Investment Income	195	187
	<u>642</u>	<u>704</u>

4. Analysis of total expenditure

					2024	2023
	Direct Costs £000	Staff Costs £000	Overhead costs £000	Support Costs £000	Total Costs £000	Total Costs £000
Raising Funds	-	16	-	-	16	22
	-	16	-	-	16	22
Charitable Expenditure						
Publishing	3,770	1,606	-	1,149	6,525	5,963
Other UK Projects	-	-	20	1	21	32
	3,770	1,606	20	1,150	6,546	5,995
Reorganisational Costs	-	-	-	-	-	193
	-	-	-	-	-	193
Total	3,770	1,622	20	1,150	6,562	6,210
					2024	2023
Support and Governance					£000	£000
Staff Costs					473	458
Accommodation					21	205
Finance					155	15
IT					381	336
Governance Costs						
Auditor's Fees					29	19
Legal and professional Fees					44	60
Costs of AGM and trustee travel					7	30
Staff and Support Costs					40	33
					1,150	1,156

5. Trustees, employees and related parties

Except as stated below, the trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds:

The aggregate amount of expenses reimbursed to 5 (2023: 7) trustees to cover travel and subsistence expenditure in attending meetings during the year was £2,006 (2023: £2,177).

The total employee benefits of the other key management personnel of the charity were £572,000 (2023: £632,000).

Transactions with IVP are disclosed in Note 19.

Staff Costs	2024	2023
	£000	£000
Wages and salaries	1,784	2,152
Social security costs	189	230
Pension scheme contributions:		
PBS (current scheme)	121	145
	<u>2,094</u>	<u>2,527</u>

The average number of employees was:	2024	2023
Publishing	33	48
Management and administration	8	3
Fundraising	1	1
	<u>42</u>	<u>52</u>

The number of employees whose emoluments exceeded £60,000 fell within the following ranges:

	2024	2023
£60,000 - £70,000	3	1
£70,001 - £80,000	1	-
£80,001 - £90,000	3	3
£90,001 - £100,000	2	1

During the year, contributions were paid into the Pension Builder Scheme (PBS) for three higher-paid employees (2023: 3); the amounts totalled £18,447 (2023: £25,123).

During the year, SPCK made staff redundancies amounting to £25,510.

6. Tangible Fixed Assets

Tangible fixed assets: CHARITY AND GROUP	Fixtures, Fitting and Computers £'000	Total £000
Cost or Valuation		
Balance at 1 May 2023	411	411
Additions in year	70	70
Balance at 30 April 2024	481	481
Accumulated Depreciation		
Balance 1 May 2023	411	411
Charge for the year	19	19
Balance at 30 April 2024	430	430
Net book value as at 30 April 2024	51	51
Net book value as at 30 April 2023	-	-

7. Intangible fixed assets: Group and Charity

The intangible asset of Goodwill arose from the purchase of the Children's Bibles, Study Guides from Scripture Union and the acquisition of Lion Hudson.

Goodwill	Group £'000	Charity £'000
Cost or Valuation		
Balance at 1 May 2023	(109)	(169)
Acquisition in year	-	-
Balance at 30 April 2024	(109)	(169)
Amortisation		
Balance 1 May 2023	29	(31)
Provision for the year	(46)	(46)
Balance at 30 April 2024	(17)	(77)
Net book value as at 30 April 2024	(92)	(92)
Net book value as at 30 April 2023	(138)	(138)

8. Investments: Group and Charity

	Endowment Funds	Other Funds	Investment Properties	2024 Total	2023 Total
	£'000	£'000	£'000	£'000	£'000
At 1 May 2023	7,208	7,443	210	14,861	16,483
Additions	277	-	-	277	3,802
Disposals	-	(43)	-	(43)	(3,741)
Unrealised gains/(losses)	557	505	-	1,062	(1,683)
At 30 April 2024	8,042	7,905	210	16,157	14,861
Total net unrealised gains/(losses)	1,013	2,310	(35)	3,288	2,269
Historical Cost 30 April	7,029	5,595	245	12,869	12,592
Unrealised gains/(losses)	557	505	-	1,062	(1,683)
Realised gains	-	10	-	10	-
	557	515	-	1,072	(1,683)
				£'000	
William Leech (Investments) Limited (unlisted)				10,596	65.6%
Cazenove Fund				3,563	22.1%
Sarasin & Partners LLP – 'Alpha' Common Investment Fund (listed)				1,718	10.6%
Investment Properties				210	1.3%
Cash awaiting investment in William Leech (Investments) Limited				70	0.4%
				16,157	100%

All investments are held in the UK.

The investments are financial assets measured at fair value through the Statement of Financial Activities.

Investment property relates to Catholic Bible School premises.

	2024 Total £'000	2023 Total £'000
a) Unrestricted Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	4,327	3,960
Listed Investments At Market Value	3,578	3,482
	<u>7,905</u>	<u>7,442</u>
b) Endowment Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	6,268	5,504
Cash awaiting investment in William Leech (Investments) Limited	70	64
	<u>6,338</u>	<u>5,568</u>
Trust funds held by the Society		
Van Vryhoven Bequest		
Listed market securities at market value	515	495
Other Trust Funds		
Listed market securities at market value	1,189	1,145
	<u>8,042</u>	<u>7,208</u>

c) William Leech (Investments) Limited

The investments in the Leech Fund and the Leech Capital Fund are represented by shares held in William Leech (Investments) Limited. The Society holds 20% of the company's ordinary share capital. The Society has no controlling influence over the management of William Leech (Investments) Limited. As there is no market in these shares, the deemed market value of this investment is assessed as 20% of the net assets based on the company's audited accounts as at 31 March 2024, as follows:

	2024 £'000	2023 £'000
Aggregate capital and reserves	52,980	47,323
Turnover (property and investment income)	45	34
Net profit/(loss) for the year	<u>6,536</u>	<u>(5,038)</u>

The investment in William Leech (Investments) Limited has been used as security to guarantee the Society's liability for additional pension contributions to the Church of England Defined Benefits Scheme (DBS). This guarantee is restricted to those shares held at 30 April 2009.

d) Inter-Varsity Press

The results for the year 30 April 2024 and balance sheet for the subsidiary, Inter-Varsity Press, are as follows:

	2024 Total	2023 Total
	£'000	£'000
Net expenditure	(117)	(354)
Current Assets	470	507
Creditors: Amount falling due within one year	(2,520)	(2,440)
Net (Liabilities)	(2,050)	(1,933)

9. Debtors: amounts falling due within one year

	2024 Group	2024 Charity	2023 Group	2023 Charity
	£'000	£'000	£'000	£'000
Trade Debtors	1,172	966	1,015	851
Amount owed by Subsidiary	-	185	-	169
Other Debtors	433	393	387	284
Prepayments	36	36	365	365
	1,641	1,580	1,767	1,669

Legacies and life interests

During the year charity was notified of one legacy (2023: 6). Where the value of the legacy can be determined with a reasonable degree of accuracy, the income has been recognised. In the past, SPCK has been bequeathed shares of a freehold property, which is subject to life tenancies. The conditions for recognition of this income have not been met and therefore this legacy is not included as income in the accounts. The estimated value of the legacy is unknown at present.

10. Creditors: Amounts falling due within one year

	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Bank Loans and overdrafts	1,751	1,751	1,251	1,251
Trade Creditors	307	299	651	579
Tax and Social Security	45	45	55	55
Other Creditors	1,695	1,424	1,135	869
Accruals	293	287	313	313
	4,091	3,806	3,405	3,067

11. Creditors: Amounts falling due over one year

	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Bank Loans	2	2	148	148

During the year ended 30 April 2024 the charity took out an additional loan with Cazenove bringing the total to £1,150,000. The loan is secured on investment assets held by Cazenove and is repayable on demand and bears interest of variable base rate + 2%.

At 30 April 2024, the bank loans are repayable as follows:

	2024 Group £'000	2024 Charity £'000	2023 Group £'000	2023 Charity £'000
Within one year	1,751	1,751	1,251	1,251
In 1 - 2 years	2	2	148	148
	1,753	1,753	1,399	1,399

The total financial liabilities measured at amortised cost are £1,753,000 (2023: £1,399,000).

12. Pension provision: Group and Charity

	2024	2023
	£'000	£'000
At 1 May 2023	4,224	5,014
Paid in year	(614)	(441)
Interest cost and change in balance sheet deficit liability	221	(349)
Revaluation	(2,366)	-
At 30 April 2024	<u>1,465</u>	<u>4,224</u>
Charitable expenditure		
Interest cost and change in balance sheet deficit liability	221	(349)
Management charge	32	32
	<u>253</u>	<u>(317)</u>

The £614,000 Paid in year, includes actual of £414,000 (2023 £441,000) together with a prepayment of £200,000 made in a prior year (2023 Nil).

A provision has been made for deficit contributions due to the Church Workers' Pension Fund (see Note 1 e) vi., Staff Pensions). The provision has been calculated from this information and then discounted at 5.15% (2023: 4.8%). Payments are being made monthly up to July 2028. The triennial valuation to the end of December 2022 was completed and the revaluation has been incorporated into this note.

13. Other Provisions

	2024 Group	2024 Charity	2023 Group	2023 Charity
Provisions	<u>64</u>	<u>64</u>	<u>67</u>	<u>67</u>

There is an overage clause on the Catholic Bible School property. If it is sold before 2030, a share of the profits are due to the Catholic Diocese of Arundel and Brighton. The % due to the Catholic Diocese of Arundel and Brighton currently decreases each year with a carrying balance of £31,000. The trustees currently have no plans to dispose of this property.

As part of the acquisition of Lion Hudson into SPCK Group the company is required to share future operating profits generated over the next 3 years with the previous owners of Lion Hudson. The current projection of profits due amount to £33,000.

14. Other financial commitments and guarantees

As at 30 April 2024, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2024 Group	2023 Group
	£'000	£'000
Operating leases due		
Within one year	35	34
2-5 years	2	3
	37	37

The lease payments recognised as an expense during the year were £52,000 (2023: £12,700).

15. Endowment Funds: Group and Charity

Income from the Leech Capital Fund is expendable for the Society's general purposes at the discretion of the trustees. Income from the other endowment trust funds is restricted in accordance with the terms of the relevant trusts. Further details on the endowment trust funds are available from SPCK's office.

	Balance at 1 May 2023 £'000	Income £'000	Gains/(Loss) £'000	Balance at 30 April 2024 £'000
Leech Capital Fund	5,568	277	493	6,338
Van Vryhouven Bequest	495	-	20	515
Other Trust Funds				
Bray Endowed Capital	952	-	38	990
Bray Charity	66	-	(1)	65
D'Allone Charity	127	-	7	134
	1,145	-	44	1,189
	7,208	277	557	8,042

	Balance at 1 May 2022 £'000	Income £'000	Losses £'000	Balance at 30 April 2023 £'000
Leech Capital Fund	6,404	257	(1,093)	5,568
Van Vryhouven Bequest	517	-	(22)	495
Other Trust Funds				
Bray Endowed Capital	993	-	(41)	952
Bray Charity	64	-	2	66
D'Allone Charity	132	-	(5)	127
	1,189	-	(44)	1,145
	8,110	257	(1,159)	7,208

16. Restricted Funds: Group and Charity

	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2024 £'000
Other UK Projects	119	-	(40)	-	79
	119	-	(40)	-	79

	Balance at 1 May 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2023 £'000
Other UK Projects	76	75	(32)	-	119
	76	75	(32)	-	119

Restricted funds represent amounts that were donated to support specific projects such as Theological Network Press, Assemblies, Bread of Life and Ordinands.

17. Unrestricted Funds

Group	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2024 £'000
Leech Fund	3,960	-	-	-	367	4,327
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	(1,992)	6,577	(4,409)	-	148	324
Total	2,597	6,577	(4,409)	-	515	5,280

Charity	Balance at 1 May 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2024 £'000
Leech fund	3,960	-	-	-	367	4,327
Designated funds 1	600	-	-	-	-	600
Designated funds 2	29	-	-	-	-	29
Other charitable funds	(1,992)	5,405	(3,237)	-	148	324
Total	2,597	5,405	(3,237)	-	515	5,280

Group	Balance at 1 May 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2023 £'000
Leech Fund	4,387	-	-	-	(427)	3,960
Designated funds 1	400	-	-	200	-	600
Designated funds 2	22	-	-	7	-	29
Other charitable funds	(1,637)	6,009	(5,862)	(207)	(295)	(1,992)
Total	3,172	6,009	(5,862)	-	(722)	2,597

Charity	Balance at 1 May 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	Balance at 30 April 2023 £'000
Leech Fund	4,387	-	-	-	(427)	3,960
Designated funds 1	400	-	-	200	-	600
Designated funds 2	22	-	-	7	-	29
Other charitable funds	(58)	4,907	(6,339)	(207)	(295)	(1,992)
Total	4,751	4,907	(6,339)	-	(722)	2,597

In a Governing Body meeting 4 July 2020 it was agreed to set up designated funds for any additional payments received from William Leech (Investments) Ltd. Designated Fund 1 to set aside the first £200,000 each year which might be required to make additional pension payment contributions under the terms of the Individual Payment Plan agreed with the Church of England Pensions Board; and Designated Fund 2 for the next £200,000 each year, to be set aside for strategic opportunities.

18. Analysis of the Society's net assets by Fund

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2024 are represented by:				
Tangible fixed assets	51	-	-	51
Intangible fixed assets	(92)	-	-	(92)
Investments	6,397	-	8,042	14,439
Sarasin	1,718	-	-	1,718
Stock	1,146	-	-	1,146
Other current assets	1,682	79	-	1,761
Current liabilities	(4,091)	-	-	(4,091)
Long-term liabilities	(2.00)	-	-	(2.00)
Pension Provision	(1,529)	-	-	(1,529)
Total net assets	5,280	79	8,042	13,401

Freely available reserves are defined as Unrestricted Funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has free reserves at the end of the current period of £1,683,000(2023: £2,226,000 *adjusted*).

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2023 are represented by:				
Tangible fixed assets	-	-	-	-
Intangible fixed assets	(138)	-	-	(138)
Investments	6,003	-	7,208	13,211
Sarasin	1,650	-	-	1,650
Stock	1,228	-	-	1,228
Other current assets	1,698	119	-	1,817
Current liabilities	(3,405)	-	-	(3,405)
Long-term liabilities	(148)	-	-	(148)
Pension Provision	(4,291)	-	-	(4,291)
Total net assets	2,597	119	7,208	9,924

19. Transactions with IVP

During the year, the following transactions took place with IVP:

	2024	2023
	£'000	£'000
Management charge paid by IVP	562	685
At the year end the amount owed to SPCK was:	2,235	2,102

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales - Charity number 231144

Accounts



The Society for Promoting Christian Knowledge

Charity Registration Number: 231144

Consolidated Financial Statements

for the year ended 30 April 2023



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A Message from the Chair

Welcome to SPCK's 2023 annual report.

I was delighted to join SPCK's Governing Body as Chair earlier this year. Having always valued Christian literature I have been very impressed by the quality both of the team and our publications.

I am most grateful for the work and expertise of my predecessor James Catford, who rotated off the Governing Body in November 2022. James led the Governing Body in working with the team and stakeholders to develop new vision, mission and value statements to guide us through the 2020s, and I'm grateful to have inherited such clarity.

Our **vision** is **creating conversations between Christianity and the culture**. We want to be an outward-looking Christian publisher whose titles can reach people where they are rather than where we would like them to be.

Our **mission** is **publishing great Christian books around the world**. "Good" is no longer good enough, especially if we are going to reach a global market where the number of Christians is expected to grow 35% by 2050.

Our **values** are that we want to be **significant, passionate, creative and knowledgeable**. I'm delighted that we have a fantastic team who embody these values and work hard every day. As you will read in this annual report, the team have been very busy this year laying foundations for future growth.

Whilst the financial results for the year to 30 April 2023 are very disappointing the work that has been done to refocus the publishing business should enable it to return to profitability in the current year.

It's also been a great pleasure to start to meet with SPCK's new and longstanding partners and supporters during the year. We are most grateful for your prayers, for your donations and for your partnership in mission.

Stephen East, Chair.



A Message from the CEO

2022-23 was not the year we expected at SPCK, with three big external influences affecting our plans.

Firstly, the macroeconomic environment was very challenging. The war in Ukraine had a huge impact on costs and on consumer confidence; we were however able to publish an important insight into the link between the war and (misguided) religion in the form of *Holy Russia? Holy War* by Catherine Kalaidis. The team worked harder than ever in the inflationary environment to secure good prices for our customers and for our co-edition partners around the world.

Secondly, more closely to home, we unexpectedly found that our long-term distributor, Macmillan, no longer had space for us in their warehouse. We moved quickly to secure a new long-term partnership with John Wiley & Sons, and to move nearly a million books from Macmillan and from Marston, with our customers very complimentary about how smoothly the process has gone. In fact, being forced to make this move sooner than planned proved to be a blessing in disguise, as Marston had problems through the year and the subsequent announcement of the closure of Grantham Book Services has left a large number of publishers now scrambling around for a new distribution deal. In Wiley we have an excellent partner who are very forward-thinking on technology, with a print-on-demand facility within the warehouse itself.

Thirdly, we were faced with a large increase in our service charge from our long-term landlord at the Diocese of London which made our continued occupation at Causton Street unsustainable for us. Following an extensive search exercise, we identified a new home for SPCK at The Record Hall in Farringdon. Our new office, complete with café on the ground floor, is cheaper, buzzier and better connected than our previous location. We hope we might see you there in the coming months.

I have been delighted with how the team have stepped up to cope with these three challenges. However, with all this going on, unfortunately we fell short of our plan to return our publishing to profitability in 2022-23. With the integration of Lion Hudson's imprints and systems now fully completed, we do have in place a realistic budget to achieve this in 2023-24, underpinned by some fantastic titles from the likes of John Mark Comer, Katie Piper and Tom Wright whose new children's Bible has attracted fantastic orders from around the world.

My personal highlight was seeing the Archbishop of Canterbury's Lent Book, *Failure* by Emma Ineson, secure the number one spot on the Nielsen Bookscan Religion Chart for five weeks running. This brilliant book, backed by an innovative campaign in partnership with the Archbishop of Canterbury, has touched the lives of readers across the country and around the world, including in India where it was simultaneously published by our friends at ISPCCK.

I hope you enjoy the annual report!

Sam Richardson, Chief Executive

Trustees' report (incorporating the Group Strategic Report)

The Society's accounts for the year ended 30 April 2023 have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019 FRS 102) and Financial Reporting Standard 102 (FRS 102).

Objectives and Activities

Objects

SPCK's objects are to promote Christian knowledge in any part of the world by such means, including the furtherance of education at all levels, as the Society may from time to time think fit, in accordance with the principles of the Church of England in promoting the learning, ministry, fellowship, witness and worship of that Church, or any Church or other Christian body with which the Churches of the Anglican Communion seek or may seek to co-operate.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects.

The Society's activities relate directly to our charitable aims and objects. Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials free of charge to end-users under our charitable programmes. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life. Our offerings include material for children as well as for adults.

Trusts Managed by the Society

Bray Funds – SPCK manages a number of historic endowed trusts. Following an exercise with the Charity Commission, the income from all of these may now be spent in line with SPCK's general purposes. These trusts remain as sub-charities within SPCK and include Becker Trust, H. M. Bliss Trust, Clericus Fund, Crawford Trust, Bishop John Charles Jones Trust, Palmer Trust, Piercy Trust, H. C. Richards Fund, St Augustine's Fund, Bray Charity, and D'Allone Educational Foundation.

Structure, Governance and Management

Governance

SPCK is administered by a Governing Body of unpaid members, acting as trustees, who serve alongside paid executives on management committees which oversee the activities of the charity under delegated authority. The Chief Executive is responsible to the Governing Body for the overall administration of the Society and for ensuring that Governing Body policy is carried out.

Committees

The main SPCK committees during 2022-23 were:

- Board Support Group (formally Standing Committee, also acts as Governing Body Membership Committee)
- Audit Committee (also acts as Investment Sub-Committee)
- Publishing Committee

The responsibilities of the first two committees and oversight of the executive functions are defined in Standing Orders. Each committee reports to the Governing Body, which approves major decisions and has overall responsibility for all SPCK's activities.

Trustee Selection, Appointment and Competence

The Governing Body of trustees is elected at the Annual General Meeting by members of the Society from among their number, following submission of nominations not later than 21 days in advance of the meeting. Members are elected for three-year terms of office and may be re-elected up to a maximum period of nine years. In addition to its elected members, the Governing Body may co-opt up to six of the Society's members or Vice-Presidents to serve on the Governing Body.

New trustees receive a comprehensive induction pack to acquaint them with SPCK's aims and activities, policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Trustees are also encouraged to go on relevant trustee training paid for by SPCK.

TRUSTEES

The members of the Governing Body of SPCK who serve as trustees (including past members who served during the year), and the committees on which the current members serve, are:

James Catford (until November 2022) (Chair) – Board Support Group, Audit Committee, Publishing Committee

Stephen East (from January 2023) (Chair) – Board Support Group, Audit Committee, Publishing Committee

Sarah Bailey - Publishing oversight, Publishing Committee

Dr Michael Beasley (Vice-Chair) – Board Support Group, Audit Committee

Paul Burrage – Board Support Group, Chair of Audit Committee

Matthew Cashmore (until November 2022) – Publishing Committee

Sue Halliday - Chair of IVP Publishing Board

Dr David Muir

Mark Nam (from November 2022)

Dr Sanjee Perera

Elizabeth Renshaw-Ames - Audit Committee, Pensions oversight

Eric Thompson - Audit Committee, Staff/HR oversight

Stephen Tudway (until November 2022) - Legal oversight

Matthew van Duyvenbode (from November 2022)

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day-to-day basis. As such they are considered to be the following:

- Trustees
- Senior Leadership Team
 - Sam Richardson (Chief Executive)
 - Suzanne Wilson- Higgins (Deputy Chief Executive) – retired April 2023
 - Anthony Brown (Finance Director)
 - Wendy Grisham (Group Publishing Director) – Deputy Chief Executive from April 2023
 - Mark Read (Art Director)
 - Christopher Watkins (Production and Supply Chain Director)
 - Jenny Beadle (Human Resources Director)
 - Rowan Miller (Commercial Director from April 2023)

All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 5 to the financial statements. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Salary levels are benchmarked in line with other similar organizations, including other Christian charities and other publishers, and benchmarking is in place within the organization.

People

Patron

Her Majesty The Queen (until September 2022)

President

The Most Revd and Right Hon Archbishop of Canterbury

Vice-Patrons

The Bishop of London

The Primates of Ireland, Australia and the USA

The Moderator of the Church of North India

Ex-Officio Vice-Presidents

Archbishops and Bishops of the Anglican Communion who are members of the Society

Elected Vice-Presidents

Mr Paul Chandler

The Ven. Dr William Jacob

Mr LE "Paddy" Linaker

The Revd Canon Michael Moore LVO

The Revd Canon Dr Nicholas Sagovsky

The Revd Sharon Swain

The Rt Revd Lord Williams of Oystermouth

Honorary Life Member

Ian Ferguson

Legal and administrative details

Identity

The Society for Promoting Christian Knowledge (otherwise known as SPCK) is a registered charity, no. 231144, incorporated under Royal Charter in 1969, with its head office currently at Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ. In January 2005, the Privy Council approved amendments to the Royal Charter Bye-laws to reflect the structural and operating changes which had taken place within the Society during the previous 35 years. Further amendments were made in November 2011 to provide greater flexibility to respond to future changes in ways of working. SPCK is a membership organization, founded on 8 March 1698 to promote Christian knowledge through publishing, lending libraries and schools. The Society has been a publisher and distributor of Christian literature since its inception, and helps to resource theological education and ministry on a worldwide basis. The number of members at 30 April 2023 was 147 (2022: 145).

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Barclays Bank PLC Floor 27 1 Churchill Place London E14 5HP
Insurance Brokers	Scrutton Bland Fitzroy House, Crown Street, Ipswich, Suffolk, IP1 3LG
Investment Managers	Sarasin & Partners LLP Juxon House St Paul's Churchyard London EC4M 8BU Cazenove 1 London Wall Place London EC2Y 5AU
Pension Administrators	The Church of England Pensions Board 29 Great Smith Street London SW1P 3PS Nest Nene Hall Lynch Wood Business Park Peterborough PE2 6FY

Solicitors

Wedlake Bell LLP
71 Queen Victoria Street
London EC4V 4AY

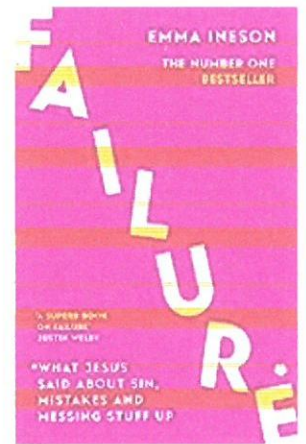
Achievements and performance

Following the completion of the integration of Lion Hudson, SPCK operates three main business units (Adult, Kids and IVP) in addition to its charitable projects.

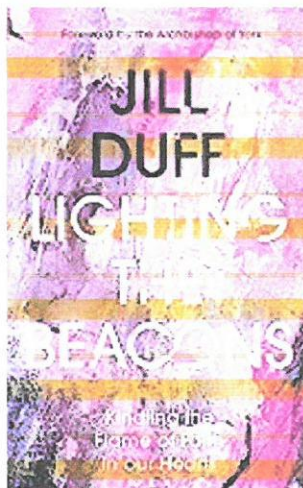
Adult division – Supporting the Church, Engaging with Culture

SPCK aims to promote Christian knowledge in two ways: by publishing books and resources that support people who are actively pursuing the Christian life, and by publishing books that engage with people whose interest in Christianity, for whatever reason, may need some stimulation and encouragement.

Our programme last year included a wide range of books that fulfil our first aim – from books for church leaders to books for individuals and groups looking to explore aspects of the faith and develop a deeper appreciation of the gospel and how it relates to life in the 21st century.

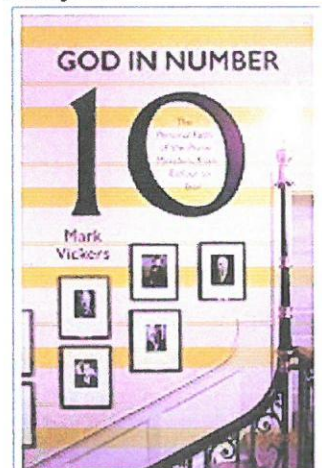


In that respect the stand-out book of the year was Bishop Emma Ineson's *Failure – What Jesus said about Sin, Mistakes and Messing Stuff Up*, which for five weeks held the number 1 position in Nielsen's nationwide religious books chart.

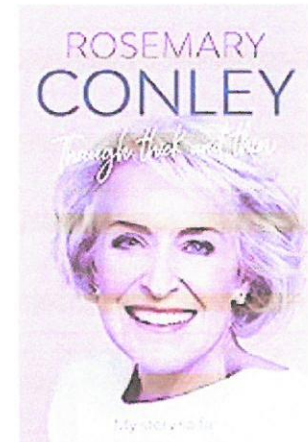


Other notable books supporting the Church include Jill Duff's *Lighting the Beacons – Kindling the Flame of Faith in our Hearts*, Carrie and David Grant's *The first 30 Days of Walking With Jesus*, John McGinley's *The Church of Tomorrow – Being a Christ-centred People in a Changing World*, and Richard Reddie's *Race for Justice – The Struggle for Equality and Inclusion in British and Irish Churches*.

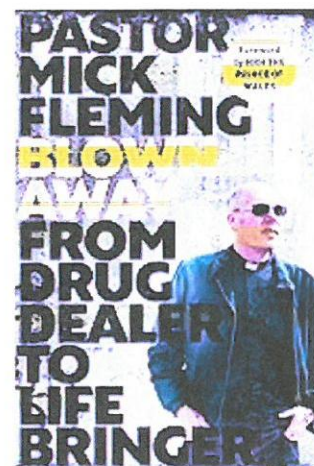
SPCK's vision is to create conversations between Christianity and culture, and with that in mind we published several books last year that aim to do just that – among them Lily-Jo's *Talking to Children About Mental Health*, Katherine Kelaidis' *Holy Russia? Holy War?*, Cathy Madavan's *Why Less Means More*, Mark Vickers' *God in Number 10* and Rowan Williams' *A Century of Poetry*.



Biography offers a highly effective way of engaging with contemporary culture and last year we published two very different memoirs. One is by a woman who became one of the most popular and successful diet and fitness experts the world has seen: *Through Thick and Thin* by Rosemary Conley. The other is by a man who tells of his incredible journey from life as a hardened criminal to helping others and saving lives through serving those in poverty: *Blown Away – From Drug Dealer to Life Bringer*, by Pastor Mick Fleming.



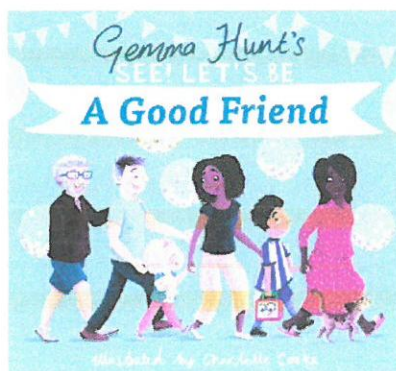
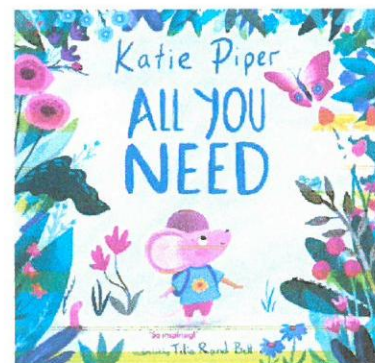
Both books attracted huge national media interest, with extracts and features in all the major daily papers and TV and radio coverage on programmes such as BBC Breakfast, Good Morning Britain, Sunday Morning Live, Loose Women, Steph’s Packed Lunch, Sky News, Radio 2’s Jeremy Vine Show, Radio 4’s Saturday Live, Radio 5 Live and Radio 2’s Good Morning Sunday.



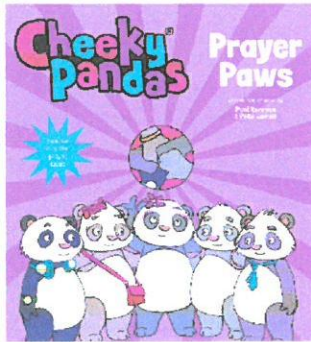
Rosemary Conley’s autobiography was also featured extensively in national women’s and lifestyle magazines, including the cover for *S Magazine* and interviews in *Hello*, *OK!*, *Prima*, *Good Housekeeping* and *My Weekly*. A major interview also appeared in the *Sunday Times Magazine*. A forthcoming drama series based on Pastor Mick’s life was announced by *Variety* in December 2022, and the publisher of the French edition of *Blown Away* is hosting him on a 3-day publicity tour. A German edition of the book is also forthcoming.

Kids – Innovation and Classics

In 2022-2023, the Children’s list of publications included the launch of two tv presenters’ first children’s books. Katie Piper’s *All You Need* was her first children’s picture book featuring the adorable and relatable Teeny Mouse who goes on an adventure, boosting confidence in young children. Katie

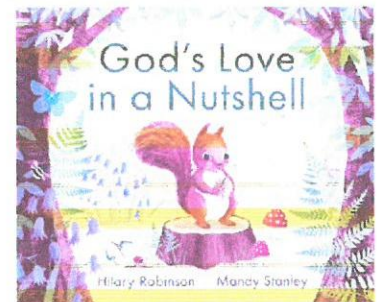


was seen promoting her book in magazines and on tv, such as Good Morning Sunday. Gemma Hunt’s *See! Let’s Be A Good Friend* includes five stories about qualities of friendship encouraging young children to learn from imitative behaviour and modern retellings of Bible stories. Gemma promoted her book on radio, newspapers and interviews, enthusing about the diversity of the family representation within the book.



We also launched the Cheeky Pandas range of storybooks, which are based on their online animation videos about the Fruit of the Spirit, and expanded the range with an activity book and an interactive creative prayer book. The Cheeky Pandas – CJ, Lulu, Milo, Benji, Rory and Milo – delight children with their fun, action packed everyday adventures at their treehouse music studio and fill a room of children and their families at events throughout the year.

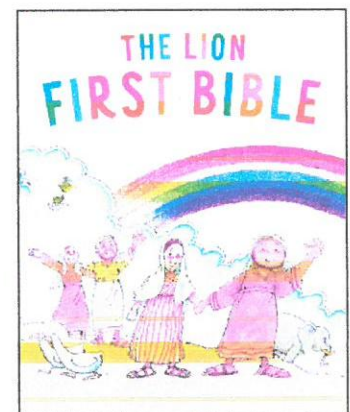
The Rights team sealed deals with international publishers on a number of our backlist and frontlist children’s titles, including Hilary Robinson’s *God’s Love in a Nutshell* – a delightful picture book that helps young children know the depths of God’s love for them - and Antonia Woodward’s *Special Bible Stories* – a collection of ten Bible stories which are a perfect length for sharing with young children.



In liaison with Spring Harvest and Essential Christian, we published the first *Big Start Annual*, which was a great opportunity to raise awareness of our children’s titles. Tying in with the 2023 theme –Flipped! The Upside-down Kingdom – the annual featured extracts from a range of our Children’s Bibles, picture books, and activity books by authors such as Bob Hartman, Gemma Hunt, Paul Kerensa, and new author Martha Shrimpton, and included the Cheeky Pandas, Friends and Heroes Bible and the Candle Activity Fun range.

We were delighted to see that the US publisher Eerdman’s version of *Prayers Around the World* titled *A World of Praise* was given the Christianity Today magazine’s Book Award in the Children’s category. “There’s beauty in this book, not only in its captivating pictures, but in its affection for the places and people that span God’s world.”

First published in 1997, *The Lion First Bible* by Pat Alexander is an established ongoing success with over 1.25 million copies sold worldwide and so in 2022 we published a 3rd edition with a fresh-looking cover and updated insides for a new generation of readers. Another classic and long-lasting title, *The Tale of Three Trees* by Angela Hunt, which has been a very strong seasonal title since first publication in 1989 also received a fresh new looking cover and typesetting treatment for its continued success and appeal.

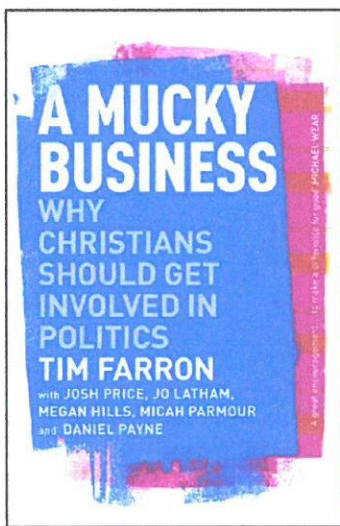


The year ended with the launch of the first book in a new coming-of-age fiction series for 10+ years *Antigone Kingsley: About Last Summer* by Marina Magdalena. This is the perfect companion for tweens and teenagers going through the highs and lows of growing up. Marina has been interviewed for tv, radio and newspapers talking about the representation of neurodivergent characters, providing children living with ADHD with a relatable character through Antigone (Tig). Through

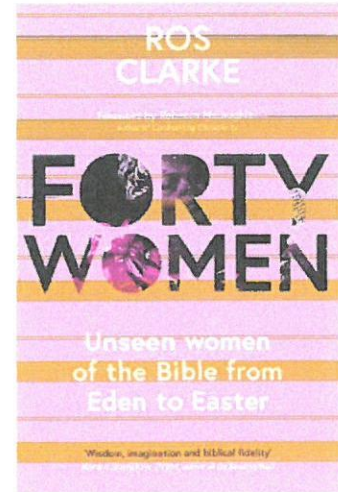
Marina's connections, this series also provides us with first steps into the home-schooling markets.

IVP – a year of growth and change

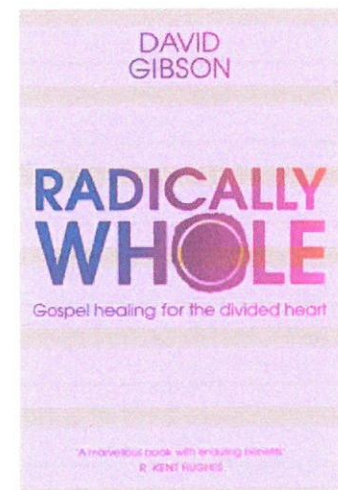
2022-23 was a year of growth and change for IVP. The publication of Ros Clarke's *Forty Women* as a Lent book led to strong sales at the start of the year, supported by excellent work from teams across the SPCK Group, supporting this debut author in a space that IVP hasn't published in historically. Bringing evangelical thought to wider attention was Tim Farron et al's *A Mucky Business*, a call to Christians to be politically involved, which



featured interviews with politicians and leaders including Kate Forbes, whose SNP Leadership campaign coincided with the book's launch, and the author being invited on *Sunday Morning Live* (an opportunity also afforded to contributor Esther Prior and editor Thomas Creedy, around the Anglican-focused edited collection *God's Church for God's World!*). David Gibson's second book with IVP, *Radically Whole*, won an ECPA award, which we celebrated with our copublishers and partners at Crossway. Also receiving secular recognition was *John Stott on Creation Care* – which was 'Highly Commended' at the British Book Design Awards.



IVP's series continue to generate solid income, increasingly via digital platforms such as Logos, with whom the team is building a strong relationship. The NSBT series gained a new series editor in Benjamin L. Gladd, Professor of New Testament at RTS Jackson, and the Apollos Old Testament Commentary saw two new volumes published, *Proverbs* by Paul Overland and *Obadiah, Jonah and Micah* by Elaine Phillips. With the wider SPCK Group's backing, IVP has signed initial contracts for a new full-bible commentary, tentatively titled 'Hearing God's Voice', which should launch in 2025.



The IVP team said say goodbye to Publishing Director Caleb Woodbridge – who ably stewarded IVP's publishing through the pandemic, and commissioned key titles like Andrew Fellowes *Smuggling Jesus back into Church* and Ally Gordon's *Why Art Matters*. The commissioning team continues to develop, with Thomas Creedy being promoted to Editorial Director, Joshua Wells continuing as Senior Commissioning Editor, and Wendy Grisham serving as Acting IVP Publishing Director in addition to her role as Group Publishing Director and Deputy CEO. Supported by the IVP Publishing Board, and John Mansfield (IVP's, and now SPCK's, longest serving employee!) the editorial team is excited about the future, with increased

digital agility and awareness, re-establishing links with UCCF with a planned Publishing Relay Worker, and growing connections and partnerships in the United States and around the world.

Programmes

The **Catholic Bible School** team completed their audio recording of the English Standard Version – Catholic Edition, which will be published in the new ESV-CE app later in the year. There was also a gradual increase in interest in in-person events such as Bible weekends, as parishes and schools started to get back on their feet.

The **Assemblies** website continues to be in great demand, and generous support during the year from the Farmington Institute has enabled us to keep the work going.

The **Home Groups** website continues to improve in the search engine rankings, and the material around the Archbishop of Canterbury's Lent Book on *Failure* was very well received.

The **Diffusion** prison fiction programme remains in high demand, with over 8,000 specially commissioned books sent into prisons over the past year. Over 100 prisons have now taken part in the scheme.

The **Africa Theological Network Press** has taught us much about how challenging it can be to publish without the infrastructure we take for granted in the UK. The project was always visionary and high-risk, and following publication of a small number of well-received volumes, the ATNP Board took the difficult decision to disband the project.

In partnership with the Confraternity of the Blessed Sacrament, we successfully launched **Bread of Life**, a new course based around the Eucharist. Initial response from parishes, who first used the course in Lent 2023, has been extremely positive.

Financial review

The consolidated result shown on page 24 shows a significant drop in income, from £8,405,000 in 2021-22 to £6,341,000 in 2022-23. The two main factors here were investment income down from £1,813,000 to £704,000 which returned to its underlying level following an exceptional distribution from William Leech (Investments) Ltd in the previous year; and publishing income, which was disappointing across the board with issues including low trade sales in the Autumn and cost pressure on co-edition partners.

As it became clear during the year that sales were going to fall short of expectations, we took steps to rein in costs and cashflow accordingly. The SOFA suggests that overall we received more income than we spent. However, the expenditure figure is flattered by a goodwill recalculation – if this is stripped out from the publishing costs the publishing business lost £1,102,000 during the course of the year.

Such losses in publishing are not sustainable, but we enter 2023-24 with a much-reduced cost base and a strong publishing list, so that we are able to budget for a small surplus from publishing. In addition, we expect a revaluation of the pension deficit, the process for which is currently underway, will materially reduce our liabilities, strengthen our cash flow, and balance sheet.

However, we also enter 2023-24 with a reduced asset base. We saw a reduction in value of our investments of £1,622,000, primarily driven by a reduction in the value of our shares in William Leech (Investments) Ltd. The WLI investment is held for the long-term and so variations such as this are expected from time to time, and we remain most grateful for the efforts of the Leech board in managing this investment.

During the year we restructured and simplified our investments. We consolidated our investments with Newton, CCLA and M&G into a single new asset manager, Cazenove from whom we also took out a loan. The balance sheet still however shows a shift from cash towards debtors, driven by the fact that our new distributor Wiley pays us more slowly than our previous distributor Macmillan.

[Investment policy and performance](#)

The value of the Society's investments at 30 April 2023 was £14,861,000 (2022: £16,483,000). Of this amount, £9,529,000 (2022: £10,791,000) represented the value of shares and cash waiting investment in William Leech (Investments) Ltd, £210,000 (2022: £245,000) in investment property and £5,122,000 (2022: £5,447,000) the value of other listed investment. Overall, the SPCK portfolio showed a net loss of £1,881,000 for the year (2022: Loss of £1,753,000). At the start of the year, the Society's investments other than those in William Leech (Investments) Ltd were invested in four separate common investment funds operated by four separate fund managers; this was reduced to two by the end of the year. The Society's investment portfolio is managed by the trustees, with authority delegated to the Board Support Group if urgent decisions are needed between the scheduled trustee meetings. The trustees review the portfolio periodically, seeking a balance between capital growth and income, setting benchmarks as they consider appropriate, and following the Church of England's ethical investment guidelines.

Over the past year, the market value of the Society's Common Investment Funds decreased by 6% (2022: 1% increase) during the same period the FTSE All-Share index increased by 2.4% (2022: 5.1% increase). The income yield for the year from those investments, which excludes William Leech, was 3.43% (2022: 3.53%), which is within the target range set of between 3% and 3.5%.

The Society owns 20% of the issued share capital of William Leech (Investments) Limited, an investment company which was established for the benefit of five Christian charities. The directors of this company have invested their funds in marketable securities. The trustees of SPCK periodically review the return on assets of the company and associated trusts and

consider that the investment is in accordance with the Society's investment strategy and that the diversity of its investment is enough in the context of its risk assessment. In practice, SPCK is not able to influence the investment policy of William Leech (Investments) Limited.

The Society holds such investments to generate a return and has made no social investments. However, these investments are made ethically in line with the Society's Investment Management Policy as set by the Governing Body. The Governing Body has adopted the terms of the Ethical Investment Policy of the Church of England's Ethical Investment Advisory Group as may be revised from time to time.

The Society holds 100% investment in its subsidiary undertaking IVP Ltd whose accounts are consolidated with SPCK Group accounts. For the year ending 30 April 2023 IVP Ltd accounts shows a net deficit in reserves of £1,933,000 (2022: £1,579,000). With the transfer of the company to SPCK, there is an on-going commitment from SPCK to support IVP Ltd aims and objectives and to underwrite the current deficit in the reserves.

The trustees also recognise that IVP Ltd reported a deficit of £354,000 (2022: £464,000) for the year ended 30 April 2023 but are aware that plans are underway to improve profitability of the whole organisation (including IVP).

Reserves

The total funds held by the Society at the end of the reporting period were £9,924,000 (2022: £11,358,000). We have made a provision of £4,224,000 (2022: £5,014,000) for deficit contributions due to the Church Workers' Pension Fund. Many of these funds are endowed or restricted, and therefore the unrestricted funds available to the Society at the end of the reporting period were £2,597,000 (2022: £3,172,000). Much of the unrestricted funds are held by William Leech (Investments) Ltd and would be difficult for the Society to access at short notice. Therefore, the Society defines its freely available reserves as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has available reserves of £396,000 at the end of the current period (2022: £1,879,000 adjusted). The reserves level is below the target range of £1,300,000 to £2,000,000, calculated on the basis of 6-9 months staff costs. The trustees have determined that a prudent level of reserves of approximately 6-9 months of expenditure: this level would be required in the event of an orderly winding down the charity. These costs would cover commitments for intellectual property already contracted, not yet delivered or books already in the pipeline of production, such that it could fulfil its contractual obligations to authors, suppliers and staff (in the event of redundancy). Although the balance sheet shows a net current liability, and the free reserves position is below the range of the agreed reserves policy of 6-9 months committed publishing and staff costs, the underlying strength of the balances sheet is £14.3m of which £5.1m can be made available to improve cash reserves. The charity is taking action to improve its cash position, and we continue to monitor our performance closely in the expectation of returning to the target reserves policy range.

Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The trustees have formalized their risk assessment and risk management process to include a quarterly review of the risk register compiled and updated in consultation with executive staff. We keep under active review the adequacy of the systems which are in place in the light of changing circumstances. As a result of the significant size of the charity, the trustees delegate responsibility for day-to-day management to staff, using committees, planning and budgeting procedures, and hierarchical authorization.

The major risk categories, the level of acceptable risk (from *averse*, through *minimalist*, *cautious* and *open*, to *hungry*, and the mitigation systems are captured in the Risk Register as follows:

- Governance risks, on which we have a *cautious* risk appetite. Risks in this category are mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.
- Operational risks, on which we have a *cautious* risk appetite. These risks are mitigated by Business Continuity Planning, identifying and risk-managing key strategic relationships, emergency action plans relating to IT issues, active steps to prevent cyber-fraud, notice periods, succession planning and insurance.
- Financial risks, on which we accept have an *averse* risk appetite. These risks are mitigated by financial controls, budgeting, reporting, investment management policy, reserves policy, credit control, and engagement with Church of England Pensions Board supported by professional legal, actuarial and financial advice.
- Legal risks, on which we have an *averse* risk appetite. These risks are mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.
- Reputational risk, on which we have a *cautious* risk appetite. These risks are mitigated by editorial review process, media training and communications planning.
- Data risks, technological and compliance risks, on which we have a *minimalist* risk appetite. These risks are mitigated by following best practice in IT and by ensuring staff are fully trained in areas of compliance including GDPR and AML.

The trustees are of the view that it is financial risks that have the most potential to have a negative impact on the charity, and the trustees and Audit Committee have noted the following specific risks and mitigations.

- Sales not performing to expectations, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: Annual budget process, with review against progress in monthly KPIs (shared with the board) and weekly internal meeting; book sales are diversified across a large range of titles, authors and territories (more so following the merger with Lion Hudson); 80% of publishing income is from existing rather than new titles; cashflow KPI shared monthly with Governing Body and backup plans in place including overdraft and release of investments.
- Cost base being too high, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: a significant program of cost savings was made following the Lion Hudson

merger, including redundancies, reduction of office footprint and consolidation of systems. Further steps have been taken in 2022-23 to reduce the cost base, including the move to a new single office location, the ending of duplicated IT contracts from the merger, and the non-replacement of some leavers.

- Risk from poor cost controls, resulting in cashflow crisis. Mitigations: a new purchase order system implemented in 2022-23, and a new series of cost controls implemented in June 2023.
- Inability to meet contributions to historic pension liabilities. Mitigations: a new plan agreed with the Church of England Pensions Board (CEPB) in spring 2021, based on the valuation dated 31 December 2020, is affordable to us based on our forecasts; we continue to work hard to engage with CEPB and to use professional advisers to assist us with this and with developing our pensions strategy. We understand that the pension deficit has decreased significantly at the latest valuation but no firm figure has been received which can be included in these accounts.
- Macro-economic environment, in particular Brexit and Covid-19, could have an impact on SPCK's investments, pension or income. Mitigations: SPCK regularly reviews its investment management policy (most recently in summer 2022) and currently spreads its investments across two different investment managers, all of whom have instructions to keep a portfolio with a spread across both geography and asset types; encourage measures to reduce volatility in the pension deficit; SPCK is taking significant steps to increase the international scope of its work so that we are less reliant on the UK economy.

Any of the aforementioned could have a potential impact on SPCK's reserves. Currently the Society's freely available reserves (defined as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes) of £396,000 (2022: £1,879,000 adjusted) which is below the target range of £1,300,000 to £2,000,000. Notwithstanding, we continue to monitor our performance closely in the expectation of maintaining within or above the targeted reserves policy range

Fundraising Disclosures

During 2022-23 SPCK employed one part-time fundraiser, a member of the Institute of Fundraising. The bulk of voluntary income came from charitable trusts and legacies. However, SPCK also has subscribing members and a number of regular and one-off donors.

SPCK is registered with the Fundraising Regulator and Fundraising Preference Service. We aim to abide by the Code of Fundraising Practice. SPCK has received no complaints directly or via the Regulator, nor any opt-outs via the Fundraising Preference Service. Further details of how we use personal data can be found in our privacy statement www.spck.org.uk/privacy-and-cookies-policy.

We are not aware of any community fundraising that is undertaken by third parties in our name but were we to become so we would ensure that it follows the Code of Fundraising Practice. Our fundraising complaints procedure can also be found on our website.

Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees' report for the year ended 30 April 2023 was approved by the trustees on 21 September 2023 and signed on their behalf by



Stephen East, Chair of the Governing Body

The Society for Promoting Christian Knowledge, Studio 101, The Record Hall, Baldwins Gardens, London, EC1N 7RJ

Independent Auditor's Report to the Trustees of SPCK

Opinion

We have audited the financial statements of the Society for Promoting Christian Knowledge (the "Charity") and its subsidiary (the group) for the year ended 30 April 2023 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the Charity's affairs as at 30 April 2023 and of the group's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our

opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept;
- The financial statements are not in agreement with the accounting records; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Group's and the Charity'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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates including the pension provision discount rate and valuation of stock and work in progress, agreeing financial statement disclosures to underlying supporting documentation, evaluating the internal controls, reviewing trustees' minutes and identifying and testing journal entries.

There are inherent limitations in the audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would

become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and their trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob, Cavenagh + Skeet

for and on behalf of Jacob, Cavenagh & Skeet

Chartered Accountants
Statutory Auditor
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: *29 September 2023*

Jacob, Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 April 2023

Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	
Income and endowments from:									
Donations and legacies									
Donations	70	-	-	70	249	4	-	253	
Legacies	58	-	-	58	39	-	-	39	
Grants Receivable	2	190	75	257	174	20	232	426	
Investments	3	704	-	-	704	-	-	1,813	
Charitable activities									
Publishing	4,987	-	-	4,987	5,874	-	-	5,874	
Total income	6,009	75	257	6,341	8,149	24	232	8,405	
Expenditure on:									
Raising Funds	4	22	-	-	22	31	-	-	31
Charitable activities	4	5,647	32	-	5,679	7,788	30	-	7,818
Charitable activities - reorganisational costs	4	193	-	-	193	254	-	-	254
Total expenditure	5,862	32	-	5,894	8,073	30	-	8,103	
Income Less Expenditure	147	43	257	447	76	(6)	232	302	
(Losses)/Gains on Investments	(722)	-	(1,159)	(1,881)	(537)	-	(1,216)	(1,753)	
Net (Expenditure)/Income	(575)	43	(902)	(1,434)	(461)	(6)	(984)	(1,451)	
Transfers between funds	-	-	-	-	-	-	-	-	
Net movements in funds	(575)	43	(902)	(1,434)	(461)	(6)	(984)	(1,451)	
Reconciliation of funds									
Funds brought forward	3,172	76	8,110	11,358	3,633	82	9,094	12,809	
Funds carried forward	2,597	119	7,208	9,924	3,172	76	8,110	11,358	

The notes on pages 27 to 48 form part of these accounts.

BALANCE SHEETS

As at 30 April 2023

	Notes	Group 2023 £'000	Charity 2023 £'000	Group 2022 £'000	Charity 2022 £'000
Fixed assets					
Tangible	6	-	-	-	-
Intangible assets	7	(138)	(138)	50	50
Investments	8	14,861	14,861	16,483	16,483
		14,723	14,723	16,533	16,533
Current assets					
Stocks		1,228	1,000	1,313	959
Debtors	9	1,767	1,669	1,437	3,123
Cash at bank and in hand		49	37	414	361
Total Current Assets		3,044	2,707	3,164	4,443
Current liabilities					
Amounts falling due within one year	10	(3,405)	(3,067)	(2,162)	(1,862)
Net current assets/(liabilities)		(361)	(360)	1,002	2,581
Total Assets Less Current Liabilities		14,362	14,363	17,535	19,114
Creditors: amounts falling due >1yr	11	(148)	(148)	(333)	(333)
Provisions for liabilities	13	(4,291)	(4,291)	(5,844)	(5,844)
Net assets		9,924	9,924	11,358	12,937
The funding of the charity					
Endowment funds	14	7,208	7,208	8,110	8,110
Income funds					
Restricted funds	15	119	119	76	76
Unrestricted funds					
Leech fund		3,960	3,960	4,387	4,387
General and Designated funds		(1,363)	(1,363)	(1,215)	364
	16	2,597	2,597	3,172	4,751
Total charity funds	17	9,924	9,924	11,358	12,937

The net deficit of the charity during the year was £3,013,000 (2022: £987,000). Approved by the Governing Body and authorised for issue on September 2023 and signed on its behalf by



Stephen East, Chair of the Governing Body.

The notes on pages 27 to 48 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2023

	2023 £000	2022 £000	
Cash used in Operating Activities	(1,152)	(1,955)	
Cash Flows from Investing Activities			
Investment Income Received	704	1,813	
Proceeds from sale of Investments	3,545	-	
Purchase of Fixed Asset Investments	(3,802)	(232)	
	<u>447</u>	<u>1,581</u>	
Net Cash Inflow	447	1,581	
Cash Flows From Financing Activities			
New Loan	750	-	
Repayment on Loans	(388)	(370)	
Interest Paid on Loans	(21)	(29)	
	<u>341</u>	<u>(399)</u>	
Net Cash (Outflow)/Inflow	(364)	(773)	
Cash and Cash Equivalents Brought Forward	414	1,175	
Bank gifted from CBS	-	12	
Cash and Cash Equivalents Carried Forward	<u>50</u>	<u>414</u>	
Cash Flow from Operating Activities			
Net (Expenditure)	(1,434)	(1,451)	
Investment Income Received	(704)	(1,813)	
Gift of CBS assets	-	(193)	
Amortisation of Goodwill	(587)	28	
Interest Paid on Loans	21	29	
Unrealised Losses on Investments	1,881	1,753	
(Increase)/Decrease in Stock	85	55	
(Increase)/Decrease in Debtors	(330)	184	
Increase/(Decrease) in Creditors	695	(59)	
Decrease in Provisions	(779)	(488)	
	<u>(1,152)</u>	<u>(1,955)</u>	
Net Cash Used in Operating Activities	(1,152)	(1,955)	
Analysis of Changes in Net Debt	At 1 May 2022	Cash flows At 30 April 2023	
Cash	414	(364)	50
Bank Loans Falling Due Within One Year	(373)	(878)	(1,251)
Bank Loans Falling Due In More Than One Year	(333)	185	(148)
Other Loans	(30)	30	0
Total	<u>(322)</u>	<u>(1,027)</u>	<u>(1,349)</u>

The notes on pages 27 to 48 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). They are drawn up on the historical cost accounting basis except that investments are carried at fair value.

The financial statements are presented in sterling and figures are rounded to the nearest thousand.

The Society for Promoting Christian Knowledge meets the definition of a public benefit entity under FRS 102.

The Society for Promoting Christian Knowledge is incorporated by Royal Charter in England, with its head office at 36 Causton Street, London SW1P 4ST.

b) Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Although the balance sheet shows a net current liabilities, and the free reserves position is below the range of the agreed reserves policy of six to nine month's committed publishing and staff costs, the underlying strength of the balances sheet is £14.3m of which £5.1m can be made available to improve cash reserves. On this basis the trustees believe that the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

c) Consolidation

The group financial statements combine the results of the company and its subsidiary undertaking, Inter-Varsity Press (which also produces and distributes Christian books and materials). A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Charities SORP FRS 102.

d) Income

i. Turnover

Trading turnover represents the value of sales made during the year, excluding VAT and amounts due to Joint Publishers.

ii. *Donations, legacies and grants receivable*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Grants received from the William Leech Trusts are credited for the period in which they arise. Income from William Leech (Investments) Limited is credited to the Statement of Financial Activities in the period in which the income is received.

iii. *Other income*

Other income comprises Publishing income from co-editions, royalty advances, rights, permissions and sales commission and is accounted for on the accruals basis.

e) *Expenditure*

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer- term liabilities. Charitable expenditure includes all operating costs relating to SPCK's Publishing and Worldwide activities.

i. *Promotional costs*

Promotional costs comprise direct fundraising costs and the costs associated with the Society's website.

ii. *Grants payable and project funding*

Grants payable are taken to the Statement of Financial Activities in the year they are approved and any grants not paid within two years are cancelled unless a continuing need is identified.

iii. *Governance costs*

Governance costs are those associated with charity governance requirements and which relate to the general running of the Society. These have been allocated between expenditure on raising funds and charitable activities according to staff time.

iv. *Support costs*

Support costs include the central office functions of general management, information technology, human resources, office management, accommodation and finance. Costs are allocated to activities on a basis consistent with the use of the resources.

v. *Operating leases*

Rental charges under operating leases are charged on a straight-line basis over the life of the lease.

vi. *Staff pensions*

The Society participates in three pension arrangements. Two are part of the Church Workers' Pension Fund and the third is the UK Government NEST scheme.

The Church Workers' Pension Fund

SPCK participates in both sections of the CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the scheme separately from those of the Employer and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, 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.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are the interest cost and changes in balance sheet liability 2023: credit of £349,000 (2022: credit of £62,000) and management charge of £32,400 (2022: £32,400).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, 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 having taken advice from the Actuary.

A valuation of DBS is carried out once every three years. The most recently finalised valuation

was carried out 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 Section. This increased the employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

The next actuarial valuation is due at 31 December 2022.

Following the 2019 valuation, the Employer entered into an agreement with the Church Workers Pension Fund to pay expenses of £32,400 per year. In addition deficit payments of £385,842 per year increasing by 3.2% every subsequent 1 April were agreed for 13.00 years from 1 April 2021 in respect of the shortfall in the Employer sub-pool. This obligation has been recognized as a liability in the financial statements (see note 12).

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable of £145,000 (2022: £190,000)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

UK Government NEST

With effect from 1st March 2019 all new employees will be enrolled in the UK Government NEST defined contribution scheme. The assets of this Scheme are held separately from those of SPCK in an independently administered fund and are charged to the SOFA as they become payable in accordance with the Rules of the Scheme.

f) Tangible fixed assets

Tangible fixed assets costing more than £5,000 are stated in the balance sheet at cost less depreciation. These items are depreciated on a straight-line basis to write off their cost over their estimated useful lives. These rates are currently as follows:

Fixtures and fittings	5 years
Computer systems	3 years

In view of the administrative costs involved, the effect of inflation on costs and the underlying nature of our charitable purpose, the trustees have adopted a policy that only substantial assets which have a long-term on-going value should be capitalised.

g) Intangible fixed assets

In 2017 the Society purchased the Children's bibles and study guides from the Scripture Union and regards this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

In 2022 the Society acquired Lion Hudson giving rise to goodwill on acquisition amortised over the 5 years in line with contractual arrangements agreed as part of the acquisition.

h) Investment assets

Quoted investments are stated at mid-market value at the balance sheet date. Investment property is initially recognised at fair value at the date of acquisition. Subsequently it is measured at fair value at the reporting date.

Purchases and sales include transaction fees charged by the investment managers. Other investment securities are valued by reference to underlying assets. Any gain or loss on revaluation or disposal is taken to the Statement of Financial Activities.

i) Stocks

Stocks are valued at the lower of cost and net realisable value.

- j) **Debtors**
Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.
- k) **Cash at bank and in hand**
Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.
- l) **Creditors and provisions**
Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.
- m) **Financial instruments**
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- n) **Restricted funds**
Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the trustees.
- o) **Endowment funds**
Endowment funds are those where the capital is maintained and used to generate income. Income is used for the purpose for which the fund was originally created.
- p) **Designated funds**
Designated funds are monies set aside from the general fund by trustees for a specific purpose. These funds are 'ring-fenced' and no longer form part of the unrestricted general funds
- q) **Foreign exchange**
Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in income or expenditure. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.

r) **Accounting estimates and key judgements**

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material misstatement to the carrying amounts of assets and liabilities within the next financial year are:

Estimated Pension provision - As disclosed in note 12, the charity is a participating employer of the Church Workers Pension Fund. The provision for deficit contributions due to the Fund has been discounted at 4.8% to reflect the time value of money. The discount rate is selected by reference to corporate bond rates. For each 0.1% change in the discount rate, the carrying amount of the provision would change by an estimated £20,000.

2. Grants Receivable

Grants are received from the two charitable trusts administered by the William Leech Foundation Limited. SPCK holds one of the five shares in the William Leech Foundation Limited, which was established to support charitable institutions or trusts in the United Kingdom. William Leech Foundation Limited also acts as a trustee to the two charitable trusts known as the Foundation Trust and the Charity Trust. No capital may be distributed from either trust.

The income of the Foundation Trust is distributed in equal proportions to SPCK and four other charities. The income of the Charity Trust is distributed for charitable purposes at the discretion of the trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. This policy is reviewed by the Board of the company each year.

Following a resolution of the Board of Directors of the William Leech Foundation Limited on 15 October 1996, the grants are paid out to the five charities on condition that 57% is invested in shares in William Leech (Investments) Limited at par and treated as an addition to the recipient charity's capital funds. The effects of this condition have been reflected in these accounts by showing the grants re-invested in the Leech Fund (see Notes 8 and 14). This company invests its assets in listed securities.

In addition, grants were received from other trusts in the year of £75,000 (2022: £20,000) used to fund various charitable projects of the Society.

3. Investment income

The trustees recognise the need for support for the mission of promoting Christian knowledge through the publication and sale of Christian books and resources. Investment income has therefore been used to support this mission.

	2023	2022
	£000	£000
William Leech	517	1,636
Other Investment Income	187	177
	704	1,813

4. Analysis of total expenditure

	Direct Costs £000	Staff Costs £000	Overhead Costs £000	Support Costs £000	2023 Total Costs £000	2022 Total Costs £000
Raising Funds	-	22	-	-	22	31
Charitable Expenditure						
Publishing	1,440	2,064	1,303	1,156	5,963	7,713
Other UK Projects	-	-	32	-	32	124
Grants	-	-	-	-	-	11
DBS Pension Scheme	-	(316)	-	-	(316)	(30)
	1,440	1,748	1,335	1,156	5,679	7,818
Reorganisational Costs	-	-	193	-	193	254
Total	1,440	1,770	1,528	1,156	5,894	8,103

	2023 £000	2022 £000
Support and Governance		
Staff Costs	458	1,032
Accommodation	205	308
Finance	15	59
IT	336	334
Governance Costs		
Auditor's Fees	19	18
Legal and professional Fees	60	63
Costs of AGM and trustee travel	30	13
Staff and Support Costs	33	19
	1,156	1,846

Reorganisational costs

During the year the company incurred restructure costs of £193,000.

5. Trustees, employees and related parties

Except as stated below, the trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds:

The aggregate amount of expenses reimbursed to 7 (2022: 8) trustees to cover travel and subsistence expenditure in attending meetings during the year was £2,177 (2022: £724).

The total employee benefits of the other key management personnel of the charity were £632,000 (2022: £660,920). A family member of a key management personnel was paid £nil (2022: £nil) for working on Diffusion projects.

Transactions with IVP are disclosed in Note 18.

	2023	2022
	£000	£000
Staff Costs		
Wages and salaries	2,152	2,565
Social security costs	230	233
Pension scheme contributions:		
PBS (current scheme)	145	190
DBS (closed scheme): Note 12	(316)	(30)
	2,211	2,958

	2023	2022
	Number	Number
The average number of employees was:		
Publishing	48	53
Worldwide and Projects	0	1
Management and administration	3	3
Fundraising	1	1
	52	58

The number of employees whose emoluments exceeded £60,000 fell within the following ranges:

	2023	2022
£60,000 - £70,000	1	1
£70,001 - £80,000	-	2
£80,001 - £90,000	3	3
£90,001 - £100,000	1	-
£120,001 - £130,000	-	1

During the year, contributions were paid into the Pension Builder Scheme (PBS) for three higher-paid employees (2022: 3); the amounts totalled £25,123 (2021: £23,246).

6. Tangible Fixed Assets

Tangible fixed assets: CHARITY AND GROUP	Fixtures, Fittings and Computers	Total
Cost or valuation	£'000	£'000
Balance at 1 May 2022	411	411
Balance at 30 April 2023	411	411
Accumulated depreciation		
Balance at 1 May 2022	411	411
Charge for the year	-	-
Balance at 30 April 2023	411	411
Net book value at 30 April 2023	-	-
Net book value at 30 April 2022	-	-

7. Intangible fixed assets: Group and Charity

The intangible asset of Goodwill arose from the purchase of the Children's Bibles, Study Guides from Scripture Union and the acquisition of Lion Hudson. Goodwill revalued during the year relates to revisions required to the assets and liabilities values on the acquisition of Lion Hudson

	Group £'000	Charity £'000
Goodwill		
Cost or valuation		
Balance at 1 May 2022	138	78
Acquisition in year	-	-
Revaluation	(247)	(247)
Balance at 30 April 2023	<u>(109)</u>	<u>(169)</u>
Amortisation		
Balance at 1 May 2022	88	28
Provision for the year	(46)	(46)
Change on revaluation	(13)	(13)
Balance at 30 April 2023	<u>29</u>	<u>(31)</u>
Net book value at 30 April 2023	<u>(138)</u>	<u>(138)</u>
Net book value at 30 April 2022	<u>50</u>	<u>50</u>

8. Investments: Group and Charity

	Endowment Funds	Other Funds	Investment Properties	2023 Total	2022 Total
	£'000	£'000	£'000	£'000	£'000
At 1 May 2022	8,110	8,128	245	16,483	17,759
Additions	1,930	1,872	-	3,802	477
Disposals	(1,705)	(2,036)	-	(3,741)	-
Unrealised (losses)/gains	(1,127)	(521)	(35)	(1,683)	(1,753)
At 30 April 2023	<u>7,208</u>	<u>7,443</u>	<u>210</u>	<u>14,861</u>	<u>16,483</u>
Total net unrealised gains/(losses)	456	1,848	(35)	2,269	5,353
Historical Cost 30 April	<u>6,752</u>	<u>5,595</u>	<u>245</u>	<u>12,592</u>	<u>11,130</u>

	£'000	
William Leech (Investments) Limited (unlisted)	9,465	63.7%
Cazenove Fund	3,472	23.4%
Sarasin & Partners LLP – 'Alpha' Common Investment Fund (listed)	1,650	11.1%
Investment Properties	210	1.4%
Cash awaiting investment in William Leech (Investments) Limited	64	0.4%
	<u>14,861</u>	<u>100%</u>

All investments are held in the UK.

At the prior year-end, the investments, excluding those held in William Leech (Investments) Limited, were held in four Common Investment Funds managed on behalf of the Society by its investment advisers, Newton Investment Management Ltd, M&G Securities Ltd, Sarasin & Partners LLP and CCLA.

During the year we restructured and simplified our investments. We consolidated our investments with Newton, CCLA and M&G into a single new asset manager, Cazenove from whom we also took out a loan.

The investments are financial assets measured at fair value through the Statement of Financial Activities.

Investment property relates to Catholic Bible School premises which was revalued as at the balance sheet date by Flude Property Consultants.

	2023 Total	2022 Total
	£'000	£'000
a) Unrestricted Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	3,960	4,387
Listed Investments At Market Value	3,482	3,741
	7,442	8,128
b) Endowment Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	5,504	6,346
Cash awaiting investment in William Leech (Investments) Limited	64	58
	5,568	6,404
Trust finds held by the Society		
Van Vryhoven Bequest		
Listed market securities at market value	495	517
Other Trust Funds		
Listed market securities at market value	1,145	1,189
	7,208	8,110

c) William Leech (Investments) Limited

The investments in the Leech Fund and the Leech Capital Fund are represented by shares held in William Leech (Investments) Limited. The Society holds 20% of the company's ordinary share capital. The Society has no controlling influence over the management of William Leech (Investments) Limited. As there is no market in these shares, the deemed market value of this investment is assessed as 20% of the net assets based on the company's audited accounts as at 31 March 2023, as follows:

	2023	2022
	£'000	£'000
Aggregate capital and reserves	47,323	53,665
Turnover (property and investment income)	34	80
Net profit/(loss) for the year	(5,038)	(2,012)

The investment in William Leech (Investments) Limited has been used as security to guarantee the Society's liability for additional pension contributions to the Church of England Defined Benefits Scheme (DBS). This guarantee is restricted to those shares held at 30 April 2009.

d) Inter-Varsity Press

The results for the year 30 April 2023 and balance sheet for the subsidiary, Inter-Varsity Press, are as follows:

	2023 Total £'000	2022 Total £'000
Net expenditure	(354)	(464)
Current Assets	507	526
Creditors: Amount falling due within one year	(2,440)	(2,105)
Net (Liabilities)	(1,933)	(1,579)

9. Debtors: amounts falling due within one year

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Trade Debtors	1,015	851	584	570
Amount owed by Subsidiary	-	169	-	1,805
Other Debtors	387	284	455	350
Prepayments	365	365	398	398
	<u>1,767</u>	<u>1,669</u>	<u>1,437</u>	<u>3,123</u>

Legacies and life interests

During the year charity was notified of six legacies (2022: 6). Where the value of the legacy can be determined with a reasonable degree of accuracy, the income has been recognised. In the past, SPCK has been bequeathed shares of a freehold property, which is subject to life tenancies. The conditions for recognition of this income have not been met and therefore this legacy is not included as income in the accounts. The estimated value of the legacy is unknown at present.

10. Creditors: Amounts falling due within one year

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Bank Loans and overdrafts	1,251	1,251	373	373
Trade Creditors	651	579	391	355
Tax and Social Security	55	55	75	75
Other Creditors	1,135	869	1,021	762
Accruals	313	313	302	297
	3,405	3,067	2,162	1,862

11. Creditors: Amounts falling due over one year

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Bank Loans	148	148	333	333
	148	148	333	333

During the year ended 30 April 2023 the charity took out a loan with Cazenove of £750,000 secured on investment assets held by Cazenove, repayable on demand and charged at base rate + 2%.

The charity also had the following borrowings, secured on the Sarasin investment by a fixed and floating charge:

1. CBILS loan of £66,000 charged at base + 2.99%, repayable over 3 years.
2. Barclays Bank loan of £265,000 charged at 3.63% fixed rate, repayable over 4 years.
3. An overdraft of £318,000 charged at base + 3.25%

At 30 April 2023, the bank loans are repayable as follows:

	2023 Group	2023 Charity	2022 Group	2022 Charity
	£'000	£'000	£'000	£'000
Within one year	1,251	1,251	373	373
In 1 - 2 years	148	148	169	169
In 2 - 5 years	-	-	164	164
	<u>1,399</u>	<u>1,399</u>	<u>706</u>	<u>706</u>

The total financial liabilities measured at amortised cost are £1,399,000 (2022: £706,000).

12. Pension provision: Group and Charity

	2023	2022
	£'000	£'000
Pension		
At 1 May 2022	5,014	5,502
Paid in year	(441)	(426)
Interest cost and change in balance sheet deficit liability	(349)	(62)
At 30 April 2023	<u>4,224</u>	<u>5,014</u>
Charitable expenditure		
Interest cost and change in balance sheet deficit liability	(349)	(62)
Management charge	32	32
	<u>(317)</u>	<u>(30)</u>

A provision has been made for deficit contributions due to the Church Workers' Pension Fund (see Note 1 e) vi., Staff Pensions). The provision has been calculated from this information and then discounted at 4.8% (2022: 2.6%). Payments are being made monthly up to July 2033. The triennial valuation to the end of December 2022 is still in progress.

Other Provisions

	2023 Group	2023 Charity	2022 Group	2022 Charity
Provisions	67	67	830	830
	67	67	830	830

There is an overage clause on the Catholic Bible School property. If it is sold before 2030, a share of the profits are due to Diocese AB. The % due to Diocese AB currently decreases each year with a carrying balance of £45,000. The trustees currently have no plans to dispose of this property.

As part of the acquisition of Lion Hudson into SPCK Group the company is required to share future operating profits generated over the next 3 years with the previous owners of Lion Hudson. The current projection of profits due amount to £22,000.

13. Other financial commitments and guarantees

As at 30 April 2023, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2023 Group £'000	2022 Group £'000
Operating leases due		
Within one year	2	3
2-5 years	3	1
	5	4

The lease payments recognised as an expense during the year were £10,000 (2022: £10,000).

14. Endowment Funds: Group and Charity

Income from the Leech Capital Fund is expendable for the Society's general purposes at the discretion of the trustees. Income from the other endowment trust funds is restricted in accordance with the terms of the relevant trusts. Further details on the endowment trust funds are available from SPCK's office.

	Balance at 1 May 2022 £'000	Income £'000	Gains/(Loss) £'000	Balance at 30 April 2023 £'000
Leech Capital Fund	6,404	257	(1,093)	5,568
Van Vryhouven Bequest	517	-	(22)	495
Other Trust Funds				
Bray Endowed Capital	993	-	(41)	952
Bray Charity	64	-	2	66
D'Allone Charity	132	-	(5)	127
	<u>1,189</u>	<u>-</u>	<u>(44)</u>	<u>1,145</u>
	<u>8,110</u>	<u>257</u>	<u>(1,159)</u>	<u>7,208</u>
	Balance at 1 May 2021 £'000	Income £'000	Losses £'000	Balance at 30 April 2022 £'000
Leech Capital Fund	7,423	232	(1,251)	6,404
Van Vryhouven Bequest	506	-	11	517
Other Trust Funds				
Bray Endowed Capital	972	-	21	993
Bray Charity	63	-	1	64
D'Allone Charity	130	-	2	132
	<u>1,165</u>	<u>-</u>	<u>24</u>	<u>1,189</u>
	<u>9,094</u>	<u>232</u>	<u>(1,216)</u>	<u>8,110</u>

15. Restricted Funds: Group and Charity

	Balance at 1 May 22 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2023 £'000
Other UK Projects	76	75	(32)	-	119
	<u>76</u>	<u>75</u>	<u>(32)</u>	<u>-</u>	<u>119</u>

	Balance at 1 May 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2022 £'000
Other UK Projects	82	24	(30)	-	76
	<u>82</u>	<u>24</u>	<u>(30)</u>	<u>-</u>	<u>76</u>

Restricted funds represent amounts that were donated to support specific projects such as Theological Network Press, Assemblies, Bread of Life and Ordinands.

16. Unrestricted Funds

Group	Balance at 1 May 22	Income	Expenditure	Transfers	Gains	Balance at 30 April 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,387	-	-	-	(427)	3,960
Designated funds 1	400	-	-	200	-	600
Designated funds 2	22	-	-	7	-	29
Other charitable funds	(1,637)	6,009	(5,862)	(207)	(295)	(1,992)
Total	3,172	6,009	(5,862)	-	(722)	2,597

Charity	Balance at 1 May 22	Income	Expenditure	Transfers	Gains	Balance at 30 April 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Leech fund	4,387	-	-	-	(427)	3,960
Designated funds 1	400	-	-	200	-	600
Designated funds 2	22	-	-	7	-	29
Other charitable funds	(58)	4,907	(6,339)	(207)	(295)	(1,992)
Total	4,751	4,907	(6,339)	-	(722)	2,597

Group	Balance at 1 May 2021	Income	Expenditure	Transfers	Gains	Balance at 30 April 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,931	-	-	-	(544)	4,387
Designated funds 1	200	-	-	200	-	400
Designated funds 2	200	-	-	(178)	-	22
Other charitable funds	(1,698)	8,149	(8,073)	(22)	7	(1,637)
Total	3,633	8,149	(8,073)	0	(537)	3,172

Charity	Balance at 1 May 2021	Income	Expenditure	Transfers	Gains	Balance at 30 April 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,931	-	-	-	(544)	4,387
Designated funds 1	200	-	-	200	-	400
Designated funds 2	200	-	-	(178)	-	22
Other charitable funds	(583)	6,907	(6,367)	(22)	7	(58)
Total	4,748	6,907	(6,367)	-	(537)	4,751

In a Governing Body meeting 4 July 2020 it was agreed to set up designated funds for any additional payments received from William Leech (Investments) Ltd. Designated Fund 1 to set aside the first £200,000 each year which might be required to make additional pension payment contributions under the terms of the Individual Payment Plan agreed with the Church of England Pensions Board; and Designated Fund 2 for the next £200,000 each year, to be set aside for strategic opportunities.

17. Analysis of the Society's net assets by Fund

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2023 are represented by:				
Intangible fixed assets	(138)	-	-	(138)
Investments	6,003	-	7,208	13,211
Sarasin	1,650	-	-	1,650
Stock	1,228	-	-	1,228
Other current assets	1,698	119	-	1,817
Current liabilities	(3,405)	-	-	(3,405)
Long-term liabilities	(148)	-	-	(148)
Pension Provision	(4,291)	-	-	(4,291)
Total net assets	2,597	119	7,208	9,924

Freely available reserves are defined as Unrestricted Funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has available reserves of £396,000 at the end of the current period (2022: £1,879,000 adjusted).

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2022 are represented by:				
Intangible fixed assets	50	-	-	50
Investments	6,667	-	8,110	14,777
Sarasin	1,706	-	-	1,706
Stock	1,313	-	-	1,313
Other current assets	1,717	76	-	1,793
Current liabilities	(2,104)	-	-	(2,104)
Long-term liabilities	(333)	-	-	(333)
Pension Provision	(5,844)	-	-	(5,844)
Total net assets	<u>3,172</u>	<u>76</u>	<u>8,110</u>	<u>11,358</u>

18. Transactions with IVP

During the year, the following transactions took place with IVP:

	2023 £'000	2022 £'000
Management charge to IVP	685	869
At the year end the amount owed to SPCK was:	2,102	1,805

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales - Charity number 231144

Accounts



The Society for Promoting Christian Knowledge

Charity Registration Number: 231144

Consolidated Financial Statements

for the year ended 30 April 2022



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A Message from the Chair

Welcome to SPCK's 2022 annual report. 2021-22 was a remarkable year in the long history of SPCK. We have continued our growth journey by embracing no less than three very different organisations into our group.

In May 2021 we completed SPCK's transition to becoming a globally significant Christian publisher with our acquisition of Lion Hudson's publishing. This strategic move combines the UK's leading publisher of Christian books for adults with its leading publisher of Christian books for children. Our Governing Body board of trustees were unanimous in this decision and we are very grateful to the previous owners of the company for making the merger possible.

A major theme of my tenure as Chair has been the need to build a winning culture. Over the past year it has been exciting to see how the merged team has taken steps to do exactly this, while remaining true to the abiding values of both SPCK and Lion Hudson.

In Autumn 2021 we also welcomed the Catholic Bible School and York Courses into our organisation. Although these were much smaller than Lion Hudson, they are both significant in their own right. York Courses has an outstanding track record of creating audio-based Lent and Advent courses at a time when audio is seeing substantial growth. Meanwhile, Catholic Bible School brings both reach into, and understanding of, the Catholic world. This development is ideally timed as SPCK also published in the autumn its celebrated editions of the English Standard Version Catholic Edition (ESV-CE) which will be used in the forthcoming new Catholic lectionary.

These significant steps show the trustees' confidence in publishing. Many publishers have seen significant growth in recent years even as markets have undergone rapid changes. Around the world there are growing numbers of Christians, growing numbers of people who can read, and growing numbers of people who can afford books. As we continue to raise our horizons beyond our traditional markets we believe we are delivering on our vision and mission.

This annual report will be my last as SPCK's Chair as I will rotate off the Governing Body in November 2022 after six years as a trustee and three as Chair. I am hugely grateful for the growth and impact that SPCK has achieved during this time and it has been a pleasure to get to know the members, authors, trustees, donors, staff, pensioners and supporters. Thank you for your continued commitment and prayers.

James Catford, Chair

A Message from the CEO

In May 2021 I shared with the new combined staff team an annual plan focused around Creating, together, a globally significant Christian publisher which is:

- **Faithful** to Jesus Christ and in building on the best of SPCK, IVP, Lion Hudson and Catholic Bible School.
- **Fruitful** in publishing the very best Christian books and resources that benefit and inspire ever growing numbers while delivering a profit to be reinvested in our mission.

It has been a privilege to work with the team and trustees over the past year as we have made huge steps towards achieving this.

Some of our excellent results this year, such as our **highest ever income**, follow naturally from the growth that has come with the merger. But other encouraging results, such as winning **Christian Publisher of the Year** and being shortlisted for **Independent Publisher of the Year**, show a real endorsement from the publishing world of what we are achieving.

It has been a challenging year for me personally, leading a significant integration while dealing with ill health in my family. I am most grateful for the outstanding support of the newly formed Senior Leadership Team, the excellence and hard work of the staff team as a whole, the diligence and expertise of our trustees, and the encouragement and prayers of our supporters.

I hope you enjoy the annual report!

Sam Richardson, Chief Executive

Trustees' report (incorporating the Group Strategic Report)

The Society's accounts for the year ended 30 April 2022 have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2019 FRS 102) and Financial Reporting Standard 102 (FRS 102).

Objectives and Activities

Objects

SPCK's objects are to promote Christian knowledge in any part of the world by such means, including the furtherance of education at all levels, as the Society may from time to time think fit, in accordance with the principles of the Church of England in promoting the learning, ministry, fellowship, witness and worship of that Church, or any Church or other Christian body with which the Churches of the Anglican Communion seek or may seek to co-operate.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects.

The Society's activities relate directly to our charitable aims and objects. Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials free of charge to the end-user under our charitable programmes. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life. Our offerings include material for children as well as for adults.

Trusts Managed by the Society

Bray Funds – SPCK manages a number of historic endowed trusts. Following an exercise with the Charity Commission, the income from all of these may now be spent in line with SPCK's general purposes, although we have adopted a policy of allocating it towards UK projects and overseas projects. These trusts remain as sub-charities within SPCK and include Becker Trust, H. M. Bliss Trust, Clericus Fund, Crawford Trust, Bishop John Charles Jones Trust, Palmer Trust, Piercy Trust, H. C. Richards Fund, St Augustine's Fund, Bray Charity, and D'Allone Educational Foundation.

Structure, Governance and Management

Governance

SPCK is administered by a Governing Body of unpaid members, acting as trustees, who serve alongside paid executives on management committees which oversee the activities of the charity under delegated authority. The Chief Executive is responsible to the Governing Body

for the overall administration of the Society and for ensuring that Governing Body policy is carried out.

Committees

The main SPCK committees during 2021-22 were:

- Board Support Group (also acts as Governing Body Membership Committee)
- Audit Committee (also acts as Investment Sub-Committee)
- Publishing Committee

The responsibilities of the first two committees and oversight of the executive functions are defined in Standing Orders. Each committee reports to the Governing Body, which approves major decisions and has overall responsibility for all SPCK's activities.

Trustee Selection, Appointment and Competence

The Governing Body of trustees is elected at the Annual General Meeting by members of the Society from among their number, following submission of nominations not later than 21 days in advance of the meeting. Members are elected for three-year terms of office and may be re-elected up to a maximum period of nine years. In addition to its elected members, the Governing Body may co-opt up to six of the Society's members or Vice-Presidents to serve on the Governing Body.

New trustees receive a comprehensive induction pack to acquaint them with SPCK's aims and activities, policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Trustees are also encouraged to go on relevant trustee training paid for by SPCK.

TRUSTEES

The members of the Governing Body of SPCK who serve as trustees (including past members who served during the year), and the committees on which the current members serve, are:

James Catford (Chair) – Board Support Group, Audit Committee, Publishing Committee

Sarah Bailey - Publishing oversight, Publishing Committee

Dr Michael Beasley (Vice-Chair) – Board Support Group, Audit Committee

Paul Burrage – Board Support Group, Chair of Audit Committee

Matthew Cashmore – Publishing Committee

Matthew van Duyvenbode – stepped down in September 2021

Sue Halliday - Chair of IVP Publishing Board

Dr David Muir

Dr Sanjee Perera – elected in November 2021

Elizabeth Renshaw-Ames - Audit Committee, Pensions oversight

Dr Cathy Ross - Worldwide oversight – stepped down in November 2021

Eric Thompson - Audit Committee, Staff/HR oversight

Stephen Tudway - Legal oversight

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day-to-day basis. As such they are considered to be the following:

- Trustees
- Senior Leadership Team
 - Sam Richardson (Chief Executive)
 - Jenny Beadle (Human Resources Director)
 - Anthony Brown (Finance Director)
 - Wendy Grisham (Group Publishing Director)
 - Mark Read (Art Director)
 - Christopher Watkins (Production Director)
 - Suzanne Wilson- Higgins (Deputy Chief Executive)

All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 5 to the financial statements. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Salary levels are benchmarked in line with other similar organizations, including other Christian charities and other publishers, and benchmarking is in place within the organization.

People

Patron

Her Majesty The Queen

President

The Most Revd and Right Hon Archbishop of Canterbury

Vice-Patrons

The Bishop of London

The Primates of Ireland, Australia and the USA

The Moderator of the Church of North India

Ex-Officio Vice-Presidents

Archbishops and Bishops of the Anglican Communion who are members of the Society

Elected Vice-Presidents

Mr Paul Chandler

The Ven. Dr William Jacob

Mr LE “Paddy” Linaker

The Revd Canon Michael Moore LVO

The Revd Canon Dr Nicholas Sagovsky

The Revd Sharon Swain

The Rt Revd Lord Williams of Oystermouth

Honorary Life Member

Ian Ferguson

Board of Reference

James Catford

Sir Ewan Harper CBE

The Rt Revd Rose Hudson-Wilkin

The Rt Revd Dr Graham Kings

Major General Roddy Porter MBE

The Rt Revd John Pritchard

Dr Elaine Storkey

The Revd John Tattersall

Terry Waite CBE

Professor Frances Young

External Reviewer

Pat Phillips MBE

Legal and administrative details

Identity

The Society for Promoting Christian Knowledge (otherwise known as SPCK) is a registered charity, no. 231144, incorporated under Royal Charter in 1969, with its head office currently at 36 Causton Street, London SW1P 4ST. In January 2005, the Privy Council approved amendments to the Royal Charter Bye-laws to reflect the structural and operating changes which had taken place within the Society during the previous 35 years. Further amendments were made in November 2011 to provide greater flexibility to respond to future changes in ways of working. SPCK is a membership organization, founded on 8 March 1698 to promote Christian knowledge through publishing, lending libraries and schools. The Society has been a publisher and distributor of Christian literature since its inception, and helps to resource theological education and ministry on a worldwide basis. The number of members at 30 April 2022 was 145 (2021: 158).

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Barclays Bank PLC Floor 27 1 Churchill Place London E14 5HP NatWest Chichester 5 East Street Chichester West Sussex PO21 1HH CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Insurance Brokers	Scrutton Bland Fitzroy House, Crown Street, Ipswich, Suffolk, IP1 3LG
Investment Managers	Sarasin & Partners LLP Juxon House St Paul's Churchyard London EC4M 8BU

Newton Investment Management Ltd
Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4M 4LA

M&G Investments
Laurence Pountney Hill
London EC4R 0HH

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

Pension Administrators

The Church of England Pensions Board
29 Great Smith Street
London SW1P 3PS

Solicitors

Wedlake Bell LLP
71 Queen Victoria Street
London EC4V 4AY

Achievements and performance

Following its growth in recent years, SPCK now operates under a range of different brands each with specific target markets and objectives. This is a very brief tour of the different parts of our businesses and their achievements in 2021-22.

Adult Publishing Imprints

SPCK Publishing is our eponymous imprint, seeking to publish the very best Christian authors from across the theological spectrum. We have taken particular pride in the diversity of our author base, and were delighted to see *Communicate for Change* by Genelle Aldred impact the Nielsen Bookscan religion chart on its launch. Our biggest seller of the year was the brilliant *A Little Bit of Faith* by Katie Piper, which performed brilliantly as a beautifully packaged hardback reflecting the consistent quality of our design work. Watch out for autobiographies of Rosemary Conley and Archbishop John Sentamu in the coming months.

Form is a new boutique imprint focused on the burgeoning area of spiritual formation. Form launched in Summer 2021 with a real bang, and soon after John Mark Comer's *Live No Lies* went straight to number one in the Nielsen Bookscan weekly religion chart. *Be Still* by Brian Heasley has also seen great success on both sides of the Atlantic, and there are exciting plans in place from a diverse range of authors for 2022-23.

Marylebone House continues to publish spiritually interesting fiction, with *Tales from Lindford* by perennial favourite Catherine Fox the latest title to come out. The **Lion Fiction** imprint includes classic Christian fiction and 2022 saw a new edition of Francine Rivers' *Redeeming Love* to tie in with the new film.

Lion Books publishes non-fiction that will appeal to the general market and is particularly well-known for classic illustrated titles such as the *Lion Bible Handbook*. *Cosmic Chemistry* by John Lennox was one of our major titles for 2021 and did not disappoint as the author went on a global tour explaining how God and science mix. **Lion Scholar** publishes for the undergraduate market, with *In The Steps of Jesus* by Wycliffe Hall's Peter Walker proving a popular new title.

Monarch publishes a range of Christian non-fiction and we were delighted to publish an important book, *Doing Time* by Jonathan Aitken and Edward Smyth. Ted Smyth spoke movingly with Leroy Logan at our 2021 AGM, and we were delighted to have Jonathan Aitken as the speaker for Bray Day 2022.

York Courses' Lent Course for 2022 was *God Has No Favourites* by Carmody Grey. The combination of a new design approach with continuity of the hybrid audio-print format was greatly appreciated across the country including by the *Church Times'* reviewer. Some of the older York Courses titles will be available to purchase on the SPCK website, while others will be available to use digitally through the Home Groups website.

Kids Publishing Imprints

Lion Children's Books remains the established market leader for quality Christian children's books which can be found in outlets including W H Smith and in over two hundred languages around the world. In spring 2022 we launched a significant new partnership with the Cheeky Pandas in 2022. The Pandas were highly visible at Spring Harvest, and at Big Church Day Out where we hosted a brilliant storytelling tent.

Candle publishes colourful and accessible Christian children's resources. 2021 saw a new edition of one of Candle's flagship products, the *Candle Bible for Toddlers*.

SPCK children's books are quirky and cutting-edge, no more so than Roger McGough's *100 Best Christmas Poems for Children* which proved a delightful addition to the list. Watch out in 2023 for the new *Big Story Bible* by none other than Tom Wright, with co-editions already sold in several different languages.

IVP Publishing Imprints

Inter-Varsity Press books aim to help readers (and listeners) Know, Grow, Go and Show.

- **Know** God and the Bible: The *ESV Search The Scriptures Bible* for the first time brings together the much-loved Bible reading plan integrated alongside the Bible text. We have high award hopes in the wake of the *NIV Bible Speaks Today Bible* winning Bible of the Year 2021 and being shortlisted in the British Book Design and Production Awards.
- **Grow** in the Christian Life: *40 Women* by Ros Clarke was a big hit for Lent devotional which explored women's stories in the Bible from Eden to Easter. You can also read the studies in the Prayermate app.
- **Go** and share the good news: *A Place for God* by Pete Nicholas, with a foreword by Tim Keller, explores the big questions being asked by today's generation.

- **Show** the relevance of faith for all of life: *John Stott on Creation Care* brings together Stott's writings on this urgent issue for the first time.

Apollos is IVP's more academic imprint. *The History of Christianity in Britain and Ireland* by Gerald Bray brings together a lifetime of scholarship into the first single-volume title on the topic for a generation.

Programmes

The **Catholic Bible School** found that its programme of Bible Weekends in parishes continued to be interrupted by Covid, but the team adapted including putting a huge amount of work into the recording of the audio version for the ESV-CE Bible. As well as being available in audiobook format, this will form the centrepiece of a new app that the team are working on.

The **Assemblies** website continues to be in great demand, and after twenty years funding has been secured for a new relaunch to take place in the coming months. The World Book Day assembly by Hannah Taylor was one of a number of timely new assemblies published through the year.

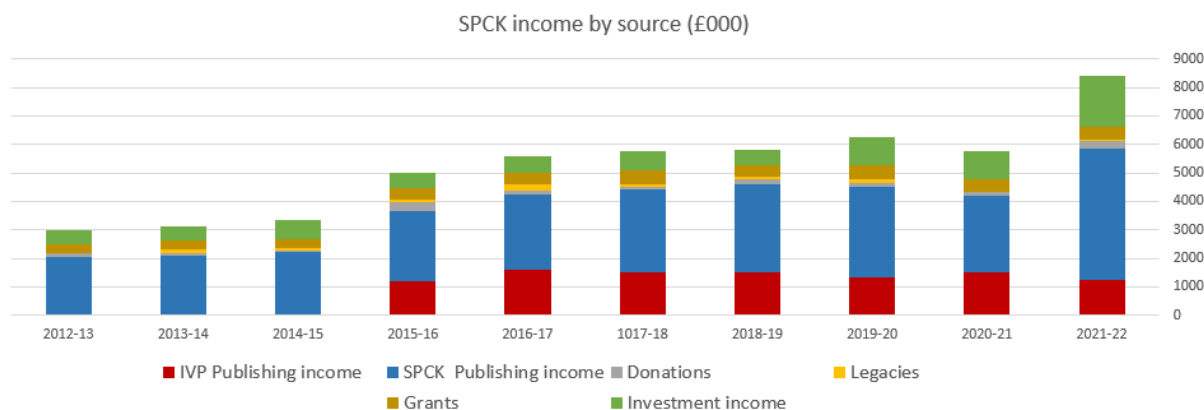
The **Home Groups** programme included not just the website, which hosted a brilliant series around the Archbishop of Canterbury's 2022 Lent Book, *Embracing Justice* by Isabelle Hamley, but also a very well-attended set of seminars at the Christian Resources Exhibition.

The **Diffusion** prison fiction programme remains in high demand, with over 8,000 specially commissioned books sent into prisons over the past year. Over 100 prisons have now taken part in the scheme.

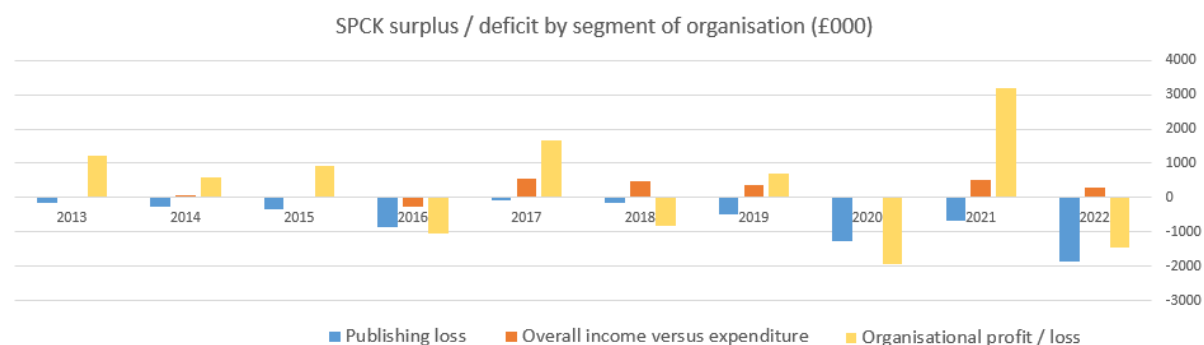
The **Africa Theological Network Press** has taught us much about how challenging it can be to publish without the infrastructure we take for granted in the UK. Nonetheless, Harvey Kwiyani's *Africa Bears Witness: Mission Theology and Praxis in the 21st Century* is one of a number of important publications which ATNP has made accessible on the continent for the first time.

Financial review

The consolidated result shown in the accounts on page 23 shows a significant increase in income, from £5,781,000 to £8,405,000. This is driven primarily by the acquisition of Lion Hudson's publishing, which drove a significant increase in publishing income from £4,205,000 to £5,874,000, and by additional contributions from William Leech (Investments) who generously shared the proceeds of growth resulting in our investment income increasing from £984,000 to £1,813,000. Donation income also grew as we received a significant asset in the form of the Catholic Bible School building in Nutbourne. 2021 had been the first year in which our income decreased since our CEO joined in 2014 (at which point income was just £3,000,000), so it is encouraging to be back on the front foot on income.



The acquisition of Lion Hudson’s publishing saw us carry out a significant restructuring at considerable expense captured under re-organisational costs of £249,000 mostly related to redundancy and IT infrastructure costs. This combined with other investment in the merger pushed publishing into a considerable loss of £1,844,000 (2021: loss of £672,000), but having made many difficult decisions to reduce the cost base we are aiming for breakeven in 2022-23 and profitability in 2023-24. This, if achieved, will be a significant turnaround as the publishing has lost money for many decades. The publishing losses are shown on the blue bar below. The orange bar represents the overall surplus of the organisation as measured by income versus expenditure, ending the year with a surplus of £302,000 (2021: surplus of £520,000); Overall, we ended up with an organisational deficit of £1,451,000 (the yellow bar) (2021: surplus of £3,200,000) as the values of our investments reduced partly because of poor market performance and partly because of the contribution from William Leech (Investments) Ltd.



Overall Society assets therefore ended the year on £11,358,000, having fallen back from last year’s record high of £12,809,000. Our freely available reserves represent the charity’s unrestricted funds that are freely available to spend on any of the charity’s purposes. The total is the sum of cash at the bank, stock, deposits and other debtors less current liabilities and designated funds that can reasonably easily be turned into cash. This represents a change in unrestricted free reserves calculation and is in line with the latest charity commission guidance. Previous year unrestricted reserves have been adjusted accordingly for comparative purposes.

Investment policy and performance

The value of the Society's investments at 30 April 2022 was £16,483,000 (2021: £17,759,000). Of this amount, £10,791,000 (2021: £12,354,000) represented the value of shares and cash waiting investment in William Leech (Investments) Ltd, £245,000 (2021: nil) in investment property and £5,447,000 (2021: £5,405,000) the value of other listed investment. Overall, the SPCK portfolio showed an unrealised net loss of £1,753,000 for the year (2021: Gain of £2,680,000) this being a direct reflection of market conditions and the additional contributions from William Leech (Investments) Ltd. The Society's investments other than those in William Leech (Investments) Ltd are invested in four separate common investment funds operated by four separate fund managers. The Society's investment portfolio is managed by the trustees, with authority delegated to the Board Support Group if urgent decisions are needed between the scheduled trustee meetings. The trustees review the portfolio periodically, seeking a balance between capital growth and income, setting benchmarks as they consider appropriate, and following the Church of England's ethical investment guidelines.

Over the past year, the market value of the Society's Common Investment Funds increased by 1% (2021: 19.6% increase) during the same period the FTSE All-Share index increased by 5.1% (2021: 22.1% increase). The income yield for the year from those investments, which excludes William Leech, was 3.53% (2021: 4.8%), which was above the target range set of between 3% and 3.5%. This reflects the lower market value of the shares towards the year end.

The Society owns 20% of the issued share capital of William Leech (Investments) Limited, an investment company which was established for the benefit of five Christian charities. The directors of this company have invested their funds in marketable securities. The trustees of SPCK periodically review the return on assets of the company and associated trusts and consider that the investment is in accordance with the Society's investment strategy and that the diversity of its investment is enough in the context of its risk assessment. In practice, SPCK is not able to influence the investment policy of William Leech (Investments) Limited.

The Society holds such investments to generate a return and has made no social investments. However, these investments are made ethically in line with the Society's Investment Management Policy as set by the Governing Body. The Governing Body has adopted the terms of the Ethical Investment Policy of the Church of England's Ethical Investment Advisory Group as may be revised from time to time.

The Society holds 100% investment in its subsidiary undertaking IVP Ltd whose accounts are consolidated with SPCK Group accounts. For the year ending 30 April 2022 IVP Ltd accounts shows a net deficit in reserves of £1,579,000 (2021: £1,115,000). With the transfer of the company to SPCK, there is an on-going commitment from SPCK to support IVP Ltd aims and objectives and to underwrite the current deficit in the reserves.

The trustees also recognise that IVP Ltd reported a deficit of £464,000 (2021: £316,000) for the year ended 30 April 2022 but are aware that plans are underway to improve profitability of the whole organisation (including IVP) and to review the existing organisational setup with a review to reducing complexity around the inter-company loan and management charge.

Reserves

The total funds held by the Society at the end of the reporting period were £11,358,000 (2021: £12,809,000). We have made a provision of £5,014,000 (2021: £5,502,000) for deficit contributions due to the Church Workers' Pension Fund. Many of these funds are endowed or restricted, and therefore the unrestricted funds available to the Society at the end of the reporting period were £3,172,000 (2021: £3,633,000). Much of the unrestricted funds are held by William Leech (Investments) Ltd and would be difficult for the Society to access at short notice. Therefore, the Society defines its freely available reserves as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has available reserves of £504,000 at the end of the current period (2021: £773,000). The reserves level is below the target range of £1,300,000 to £2,000,000, calculated on the basis of 6-9 months staff costs. The trustees have determined that a prudent level of reserves of approximately 6-9 months of expenditure: this level would be required in the event of an orderly winding down the charity. These costs would cover commitments for intellectual property already contracted, not yet delivered or books already in the pipeline of production, such that it could fulfil its contractual obligations to authors, suppliers and staff (in the event of redundancy). As per note 19, the charity is taking action to shore up its cash position, and we continue to monitor our performance closely in the expectation of returning to the targeted reserves policy range.

Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The trustees have formalized their risk assessment and risk management process to include a thorough annual review of the risk register compiled and updated in consultation with executive staff. We keep under active review the adequacy of the systems which are in place in the light of changing circumstances. As a result of the significant size of the charity, the trustees delegate responsibility for day-to-day management to staff, using committees, planning and budgeting procedures, and hierarchical authorization.

The major risk categories, the level of acceptable risk (from *averse*, through *minimalist*, *cautious* and *open*, to *hungry*, and the mitigation systems are captured in the Risk Register as follows:

- Governance risks, on which we have a *cautious* risk appetite. Risks in this category are mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.
- Operational risks (included Covid-19), on which we have a *cautious* risk appetite. These risks are mitigated by Business Continuity Planning, identifying and risk-managing key strategic relationships, emergency action plans relating to IT issues, active steps to prevent cyber-fraud, notice periods, succession planning and insurance.
- Financial risks, on which we accept have an *averse* risk appetite. These risks are mitigated by financial controls, budgeting, reporting, investment management policy,

reserves policy, credit control, and engagement with Church of England Pensions Board supported by professional legal, actuarial and financial advice.

- Legal risks, on which we have an *averse* risk appetite. These risks are mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.
- Reputational risk, on which we have a *cautious* risk appetite. These risks are mitigated by editorial review process, media training and communications planning.
- Data risks, technological and compliance risks, on which we have a *minimalist* risk appetite. These risks are mitigated by following best practice in IT and by ensuring staff are fully trained in areas of compliance including GDPR and AML.

The trustees are of the view that it is financial risks that have the most potential to have a negative impact on the charity, and the trustees and Audit Committee have noted the following specific risks and mitigations.

- Sales not performing to expectations, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: Annual budget process, with review against progress in monthly KPIs (shared with the board) and weekly internal meeting; book sales are diversified across a large range of titles, authors and territories (more so following the merger with Lion Hudson); 80% of publishing income is from existing rather than new titles; cashflow KPI shared monthly with Governing Body and backup plans in place including overdraft and release of investments. In April 2022 the trustees agreed a process of consolidating our investments, thereby giving us access to a new lending facility should we need further funds to support short-term cashflow or longer-term working capital to support growth.
- Cost base being too high, resulting in lack of profitability and ultimately cashflow crisis. Mitigations: a significant program of cost savings was made following the Lion Hudson merger, including redundancies, reduction of office footprint and consolidation of systems. Two significant steps in 2022-23 will further reduce the cost base: the move to a new distributor with an on-site digital printing facility to reduce cash tied up in stock, and our vacating our current office in Causton Street for a smaller and cheaper location.
- Risk from poor cost controls, resulting in cashflow crisis. Mitigations: a new purchase order system coming in during 2022-23, with full training and uptake.
- Inability to meet contributions to historic pension liabilities. Mitigations: a new plan agreed with the Church of England Pensions Board (CEPB) in spring 2022, based on the valuation dated 31 December 2020, is affordable to us based on our forecasts; we continue to work hard to engage with CEPB and to use professional advisers to assist us with this and with developing our pensions strategy.
- Macro-economic environment, in particular Brexit and Covid-19, could have an impact on SPCK's investments, pension or income. Mitigations: SPCK regularly reviews its investment management policy (most recently in the November 2019 Governing Body) and currently spreads its investments across three different investment managers, all of whom have instructions to keep a portfolio with a spread across both geography and asset types; encourage measures to reduce volatility in the pension

deficit; SPCK is taking significant steps to increase the international scope of its work so that we are less reliant on the UK economy.

Any of the aforementioned could have a potential impact on SPCK's reserves. Currently the Society's freely available reserves (defined as the charity's unrestricted funds that are freely available to spend on any of the charity's purposes) of £504,000 (2021: £773,000) which is below the target range of £1,300,000 to £2,000,000. As per note 19, the charity is taking action to shore up its cash position, and we continue to monitor our performance closely in the expectation of returning to the targeted reserves policy range.

Fundraising Disclosures

During 2021-22 SPCK employed one part-time fundraiser, a member of the Institute of Fundraising. The bulk of voluntary income came from charitable trusts and legacies. However, SPCK also has subscribing members and a number of regular and one-off donors.

SPCK is registered with the Fundraising Regulator and Fundraising Preference Service. We aim to abide by the Code of Fundraising Practice. SPCK has received no complaints directly or via the Regulator, nor any opt-outs via the Fundraising Preference Service. Further details of how we use personal data can be found in our privacy statement www.spck.org.uk/privacy-and-cookies-policy.

We are not aware of any community fundraising that is undertaken by third parties in our name but were we to become so we would ensure that it follows the Code of Fundraising Practice. Our fundraising complaints procedure can also be found on our website.

Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees' report for the year ended 30 April 2022 was approved by the trustees on 22 September 2022 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'James Catford'.

James Catford, Chair of the Governing Body

Society for Promoting Christian Knowledge 36 Causton Street, London SW1P 4ST

Independent Auditor's Report to the Trustees of SPCK

Opinion

We have audited the financial statements of the Society for Promoting Christian Knowledge (the "Charity") and its subsidiary (the group) for the year ended 30 April 2022 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the Charity's affairs as at 30 April 2022 and of the group's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our

opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept;
- The financial statements are not in agreement with the accounting records; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Group's and the Charity'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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to challenging significant accounting estimates including those relating to amortisation and stock and work in progress, agreeing financial statement disclosures to underlying supporting documentation, reviewing trustees' minutes, evaluating the internal controls, and identifying and testing journal entries.

There are inherent limitations in the audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and their trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob, Cavenagh + Skeet



Jacob, Cavenagh & Skeet

Chartered Accountants
Statutory Auditor
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: *22/09/2022*

Jacob, Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 April 2022

Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	
Income and endowments from:									
Donations and legacies									
Donations	249	4	-	253	77	31	-	108	
Legacies	39	-	-	39	4	-	-	4	
Grants Receivable	2	174	20	232	172	81	227	480	
Investments	3	1,813	-	-	984	-	-	984	
Charitable activities									
Publishing	5,874	-	-	5,874	4,205	-	-	4,205	
Total income	8,149	24	232	8,405	5,442	112	227	5,781	
Expenditure on:									
Raising Funds	4	31	-	-	31	59	-	-	59
Charitable activities	4	7,788	30	-	7,818	5,025	177	-	5,202
Charitable activities - reorganisational costs	4	254	-	-	254	-	-	-	-
Total expenditure	8,073	30	-	8,103	5,084	177	-	5,261	
Income Less Expenditure	76	(6)	232	302	358	(65)	227	520	
(Losses)/Gains on Investments	(537)	-	(1,216)	(1,753)	1,394	-	1,286	2,680	
Net (Expenditure)/Income	(461)	(6)	(984)	(1,451)	1,752	(65)	1,513	3,200	
Transfers between funds	-	-	-	-	13	(13)	-	-	
Net movements in funds	(461)	(6)	(984)	(1,451)	1,765	(78)	1,513	3,200	
Reconciliation of funds									
Funds brought forward	3,633	82	9,094	12,809	1,868	160	7,581	9,609	
Funds carried forward	3,172	76	8,110	11,358	3,633	82	9,094	12,809	

The notes on pages 26 to 47 form part of these accounts.

BALANCE SHEETS

As at 30 April 2022

		Group 2022	Charity 2022	Group 2021	Charity 2021
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible	6	-	-	-	-
Intangible assets	7	50	50	15	3
Investments	8	16,483	16,483	17,759	17,759
		<u>16,533</u>	<u>16,533</u>	<u>17,774</u>	<u>17,762</u>
Current assets					
Stocks		1,313	959	760	447
Debtors	9	1,437	3,123	1,141	2,408
Cash at bank and in hand		356	303	1,175	960
Total Current Assets		<u>3,106</u>	<u>4,385</u>	<u>3,076</u>	<u>3,815</u>
Current liabilities					
Amounts falling due within one year	10	(2,104)	(1,804)	(1,821)	(1,433)
Net current assets		<u>1,002</u>	<u>2,581</u>	<u>1,255</u>	<u>2,382</u>
Total Assets Less Current Liabilities		<u>17,535</u>	<u>19,114</u>	<u>19,029</u>	<u>20,144</u>
Creditors: amounts falling due >1yr					
Provisions for liabilities	11	(333)	(333)	(718)	(718)
	12	(5,844)	(5,844)	(5,502)	(5,502)
Net assets		<u>11,358</u>	<u>12,937</u>	<u>12,809</u>	<u>13,924</u>
The funding of the charity					
Endowment funds	14	8,110	8,110	9,094	9,094
Income funds					
Restricted funds	15	76	76	82	82
Unrestricted funds					
Leech fund		4,387	4,387	4,931	4,931
General and Designated funds		(1,215)	364	(1,298)	(183)
	16	<u>3,172</u>	<u>4,751</u>	<u>3,633</u>	<u>4,748</u>
Total charity funds	17	<u>11,358</u>	<u>12,937</u>	<u>12,809</u>	<u>13,924</u>

The net deficit of the charity during the year was £987,000 (2021: £3,517,000 gain). Approved by the Governing Body and authorised for issue on 22 September 2022 and signed on its behalf by



James Catford, Chair of the Governing Body.

The notes on pages 26 to 47 form part of these accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2022

	2022 £000	2021 £000	
Cash (Used) in Operating Activities	(2,013)	(749)	
Cash Flows from Investing Activities			
Investment Income Received	1,813	984	
Purchase of Fixed Asset Investments	(232)	(227)	
Net Cash Inflow	1,581	757	
Cash Flows From Financing Activities			
New Loan	-	664	
Repayment on Loans	(370)	(94)	
Interest Paid on Loans	(29)	(7)	
	(399)	563	
Net Cash (Outflow)/Inflow	(831)	571	
Cash and Cash Equivalents Brought Forward	1,175	604	
Bank gifted from CBS	12	-	
Cash and Cash Equivalents Carried Forward	356	1,175	
Cash Flow from Operating Activities			
Net (Expenditure)/Income	(1,451)	3,200	
Investment Income Received	(1,813)	(984)	
Gift of CBS assets	(193)	-	
Amortisation of Goodwill	28	15	
Interest Paid on Loans	29	7	
Unrealised Losses/(Gains) on Investments	1,753	(2,680)	
Decrease in Stock	55	78	
Decrease/(Increase) in Debtors	184	(65)	
(Increase) in Creditors	(117)	(21)	
(Increase) in Provisions	(488)	(299)	
Net Cash Used in Operating Activities	(2,013)	(749)	
Analysis of Changes in Net Debt	At 1 May 2021	Cash flows	At 30 April 2022
Cash	1,175	(819)	356
Bank Loans Falling Due Within One Year	(358)	(15)	(373)
Bank Loans Falling Due In More Than One Year	(718)	385	(333)
Other Loans	(43)	13	(30)
Total	56	(436)	(380)

The notes on pages 26 to 47 form part of these accounts.

NOTES TO THE ACCOUNTS

I. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). They are drawn up on the historical cost accounting basis except that investments are carried at fair value.

The financial statements are presented in sterling and figures are rounded to the nearest thousand.

The Society for Promoting Christian Knowledge meets the definition of a public benefit entity under FRS 102.

The Society for Promoting Christian Knowledge is incorporated by Royal Charter in England, with its head office at 36 Causton Street, London SW1P 4ST.

b) Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The current position is below the range of the agreed reserves policy of six to nine month's committed publishing and staff costs. However, the trustees believe that the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

c) Consolidation

The group financial statements combine the results of the company and its subsidiary undertaking, Inter-Varsity Press (which also produces and distributes Christian books and materials). A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Charities SORP FRS 102.

d) Income

i. Turnover

Trading turnover represents the value of sales made during the year, excluding VAT and amounts due to Joint Publishers.

ii. *Donations, legacies and grants receivable*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Grants received from the William Leech Trusts are credited for the period in which they arise. Income from William Leech (Investments) Limited is credited to the Statement of Financial Activities in the period in which the income is received.

Coronavirus Job Retention Scheme income receivable is recognised in the period in which the related staff costs are recognised.

iii. *Other income*

Other income comprises Publishing income from co-editions, royalty advances, rights, permissions and sales commission and is accounted for on the accruals basis.

e) *Expenditure*

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer- term liabilities. Charitable expenditure includes all operating costs relating to SPCK's Publishing and Worldwide activities.

i. *Promotional costs*

Promotional costs comprise direct fundraising costs and the costs associated with the Society's website.

ii. *Grants payable and project funding*

Grants payable are taken to the Statement of Financial Activities in the year they are approved and any grants not paid within two years are cancelled unless a continuing need is identified.

iii. *Governance costs*

Governance costs are those associated with charity governance requirements and which relate to the general running of the Society. These have been allocated between expenditure on raising funds and charitable activities according to staff time.

iv. *Support costs*

Support costs include the central office functions of general management, information technology, human resources, office management, accommodation and finance. Costs are allocated to activities on a basis consistent with the use of the resources.

v. *Operating leases*

Rental charges under operating leases are charged on a straight-line basis over the life of the lease.

vi. *Staff pensions*

The Society participates in three pension arrangements. Two are part of the Church Workers' Pension Fund and the third is the UK Government NEST scheme.

The Church Workers' Pension Fund

SPCK participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SOFA in the year are the interest cost and change in the balance sheet liability 2022: credit of £62,000 (2021: cost of £112,000) and a management charge of £32,400 (2021: £32,400).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

UK Government NEST

With effect from 1st March 2019 all new employees will be enrolled in the UK Government NEST defined contribution scheme. The assets of this Scheme are held separately from those of SPCK in an independently administered fund and are charged to the SOFA as they become payable in accordance with the Rules of the Scheme.

f) Tangible fixed assets

Tangible fixed assets costing more than £5,000 are stated in the balance sheet at cost less depreciation. These items are depreciated on a straight-line basis to write off their cost over their estimated useful lives. These rates are currently as follows:

Fixtures and fittings	5 years
Computer systems	3 years

In view of the administrative costs involved, the effect of inflation on costs and the underlying nature of our charitable purpose, the trustees have adopted a policy that only substantial assets which have a long-term on-going value should be capitalised.

g) Intangible fixed assets

In 2017 the Society purchased the Children's bibles and study guides from the Scripture Union and regards this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

During the year the Society acquired Lion Hudson giving rise to goodwill on acquisition amortised over the 5 years in line with contractual arrangements agreed as part of the acquisition.

h) **Investment assets**

Quoted investments are stated at mid-market value at the balance sheet date. Investment property is initially recognised at fair value at the date of acquisition. Subsequently it is measured at fair value at the reporting date.

Purchases and sales include transaction fees charged by the investment managers. Other investment securities are valued by reference to underlying assets. Any gain or loss on revaluation or disposal is taken to the Statement of Financial Activities.

i) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

j) **Debtors**

Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

k) **Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

l) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.

m) **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) **Restricted funds**

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the trustees.

o) **Endowment funds**

Endowment funds are those where the capital is maintained and used to generate income. Income is used for the purpose for which the fund was originally created.

p) **Designated funds**

Designated funds are monies set aside from the general fund by trustees for a specific purpose. These funds are 'ring-fenced' and no longer form part of the unrestricted general funds

q) **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in income or expenditure. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.

r) **Accounting estimates and key judgements**

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that have a significant risk of causing a material misstatement to the carrying amounts of assets and liabilities within the next financial year are:

Estimates:

- (i) Pension provision- - As disclosed in note 12, the charity is a member of the Church Workers Pension Fund. The provision for deficit contributions due to the Fund has been discounted at 2.6% to reflect the time value of money. The discount rate is selected by reference to rates used for comparable schemes. For each 0.1% change in the discount rate, the carrying amount of the provision would change by an estimated £28,000.
- (ii) Earnout provision – As disclosed in note 12, a provision has been included for earnout payments due in relation to the acquisition of Lion Hudson. The provision is based on the estimated operating profits for the next 4 years. If the operating profits do not reach the levels expected there could be a material adjustment to the carrying value of the provision and the goodwill on acquisition

2. Grants Receivable

Grants are received from the two charitable trusts administered by the William Leech Foundation Limited of £174,000 unrestricted and £232,000 endowed (2021: £172,000 unrestricted and £227,000 endowed). SPCK holds one of the five shares in the William Leech Foundation Limited, which was established to support charitable institutions or trusts in the United Kingdom. William Leech Foundation Limited also acts as a trustee to the two charitable trusts known as the Foundation Trust and the Charity Trust. No capital may be distributed from either trust.

The income of the Foundation Trust is distributed in equal proportions to SPCK and four other charities. The income of the Charity Trust is distributed for charitable

purposes at the discretion of the trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. This policy is reviewed by the Board of the company each year.

Following a resolution of the Board of Directors of the William Leech Foundation Limited on 15 October 1996, the grants are paid out to the five charities on condition that 57% is invested in shares in William Leech (Investments) Limited at par and treated as an addition to the recipient charity's capital funds. The effects of this condition have been reflected in these accounts by showing the grants re-invested in the Leech Fund (see Notes 8 and 14). This company invests its assets in listed securities.

In addition, grants were received from other trusts in the year of £20,000 (2021: £41,000) used to fund various charitable projects of the Society, and nil (2021: £40,000) Government Grant from the Coronavirus Job Retention Scheme.

3. Investment income

The trustees recognise the need for support for the mission of promoting Christian knowledge through the publication and sale of Christian books and resources. Investment income has therefore been used to support this mission.

	2022 £000	2021 £000
William Leech	1,636	817
Other Investment Income	177	167
	1,813	984

4. Analysis of total expenditure

	Direct Costs £000	Staff Costs £000	Overhead Costs £000	Support Costs £000	2022 Total Costs £000	2021 Total Costs £000
Raising Funds	-	31	-	-	31	59
Charitable Expenditure						
Publishing	2,822	1,948	1,102	1,841	7,713	4,877
Worldwide	-	21	30	-	51	22
Other UK Projects	58	-	-	-	58	130
Assemblies	15	-	-	-	15	29
Grants	11	-	-	-	11	-
DBS Pension Scheme	-	(30)	-	-	(30)	144
	2,906	1,939	1,132	1,841	7,818	5,202
Reorganisational Costs	-	-	150	104	254	-
Total	2,906	1,970	1,282	1,945	8,103	5,261

	2022	2021
	£000	£000
Support and Governance		
Staff Costs	1,032	459
Accommodation	308	181
Finance	59	29
IT	334	169
Governance Costs		
Auditor's Fees	18	22
Legal and professional Fees	63	28
Costs of AGM and trustee travel	13	2
Staff and Support Costs	19	6
	1,846	896

Reorganisational costs

During the year the company incurred reorganisational costs of £254,000 consisting of redundancy costs £99,000, £5,000 settlement and restructure costs of £150,000.

5. Trustees, employees and related parties

Except as stated below, the trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds:

The aggregate amount of expenses reimbursed to 8 (2021: 3) trustees to cover travel and subsistence expenditure in attending meetings during the year was £724 (2021: £1,138).

The total employee benefits of the other key management personnel of the charity were £660,920 (2021: £628,677). A family member of a key management personnel was paid £nil (2021: £8,061) for working on Diffusion projects.

A grant of nil (2021: £10,000) was received from The Jerusalem Trust, of which J Catford's wife is the Chairperson.

Transactions with IVP are disclosed in Note 18.



	2022	2021
Staff Costs	£000	£000
Wages and salaries	2,565	1,752
Social security costs	233	171
Pension scheme contributions:		
PBS (current scheme)	190	125
DBS (closed scheme): Note 12	(30)	144
	2,958	2,192

	2022	2021
The average number of employees was:	Number	Number
Publishing	53	41
Worldwide and Projects	1	2
Management and administration	3	2
Fundraising	1	2
	58	47

The number of employees whose emoluments exceeded £60,000 fell within the following ranges:

	2022	2021
£60,000 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001 - £90,000	3	1
£90,001 - £100,000	-	1
£120,001 - £130,000	1	-

During the year, contributions were paid into the Pension Builder Scheme (PBS) for three higher-paid employees (2021: 3); the amounts totalled £23,246 (2021: £24,602).

6. Tangible Fixed Assets

Tangible fixed assets: CHARITY AND GROUP	Fixtures, Fittings and Computers	Total
Cost or valuation	£'000	£'000
Balance at 1 May 2021	411	411
Balance at 30 April 2022	411	411
Accumulated depreciation		
Balance at 1 May 2021	411	411
Charge for the year	-	-
Balance at 30 April 2022	411	411
Net book value at 30 April 2022	-	-
Net book value at 30 April 2021	-	-

7. Intangible fixed assets: Group and Charity

The intangible asset of Goodwill arose from the purchase of the Children's Bibles and Study Guides from Scripture Union. Goodwill purchased during the year relates to the acquisition of Lion Hudson

	Group £'000	Charity £'000
Goodwill		
Cost or valuation		
Balance at 1 May 2021	75	15
Acquisition in year	63	63
Disposals in year	-	-
Balance at 30 April 2022	138	78
Amortisation		
Balance at 1 May 2021	60	12
Charge for the year	28	16
Released on disposals	-	-
Balance at 30 April 2022	88	28
Net book value at 30 April 2022	50	50
Net book value at 30 April 2021	15	3

8. Investments: Group and Charity

	Endowment Funds	Other Funds	Investment Properties	2022 Total	2021 Total
	£'000	£'000	£'000	£'000	£'000
At 1 May 2021	9,094	8,665	-	17,759	14,852
Additions	232	-	245	477	227
Unrealised (losses)/gains	(1,216)	(537)	-	(1,753)	2,681
At 30 April 2022	8,110	8,128	245	16,483	17,759
Total net unrealised gains/(losses)	2,475	2,878	-	5,353	6,879
Historical Cost 30 April	5,635	5,250	245	11,130	10,880

	£'000	
William Leech (Investments) Limited (unlisted)	10,733	65.1%
M&G Securities Limited – 'Charifund' Common Investment Fund (listed)	1,983	12.0%
Sarasin & Partners LLP – 'Alpha' Common Investment Fund (listed)	1,706	10.4%
Newton Investment Management Ltd – 'SRI' Common Investment Fund (listed)	1,562	9.5%
Investment Properties	245	1.5%
CCLA - Common Investment Fund	196	1.2%
Cash awaiting investment in William Leech (Investments) Limited	58	0.4%
	16,483	100%

All investments are held in the UK.

At the year-end, the investments, excluding those held in William Leech (Investments) Limited, were held in four Common Investment Funds managed on behalf of the Society by its investment advisers, Newton Investment Management Ltd, M&G Securities Ltd, Sarasin & Partners LLP and CCLA. Separate investment funds were maintained for the unrestricted funds and for each of the endowment funds. The investments are financial assets measured at fair value through the Statement of Financial Activities.

Investment property purchased during the year relates to the acquisition of Catholic Bible School premises and revalued at the point of acquisition by Flude Property Consultants.

	2022 Total	2021 Total
	£'000	£'000
a) Unrestricted Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	4,386	4,930
Listed Investments At Market Value	3,742	3,735
	8,128	8,665
b) Endowment Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	6,346	7,366
Cash awaiting investment in William Leech (Investments) Limited	58	57
	6,404	7,423
Trust finds held by the Society		
Van Vryhoven Bequest		
Listed market securities at market value	517	506
Other Trust Funds		
Listed market securities at market value	1,189	1,165
	8,110	9,094

c) William Leech (Investments) Limited

The investments in the Leech Fund and the Leech Capital Fund are represented by shares held in William Leech (Investments) Limited. The Society holds 20% of the company's ordinary share capital. The Society has no controlling influence over the management of William Leech (Investments) Limited. As there is no market in these shares, the deemed market value of this investment is assessed as 20% of the net assets based on the company's management accounts as at 31 March 2022, as follows:

	2022	2021
	£'000	£'000
Aggregate capital and reserves	53,665	61,485
Turnover (property and investment income)	80	972
Net profit/(loss) for the year	(2,012)	14,191

The investment in William Leech (Investments) Limited has been used as security to guarantee the Society's liability for additional pension contributions to the Church of England Defined Benefits Scheme (DBS). This guarantee is restricted to those shares held at 30 April 2009.

d) Inter-Varsity Press

The results for the year 30 April 2022 and balance sheet for the subsidiary, Inter-Varsity Press, are as follows:

	2022 Total £'000	2021 Total £'000
Net expenditure	(464)	(316)
Intangible Assets	-	12
Current Assets	526	581
Creditors: Amount falling due within one year	(2,105)	(1,708)
Net (Liabilities)	(1,579)	(1,115)

9. Debtors: amounts falling due within one year

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Trade Debtors	584	570	435	430
Amount owed by Subsidiary	-	1,805	-	1,320
Other Debtors	455	350	299	251
Prepayments	398	398	407	407
	1,437	3,123	1,141	2,408

Legacies and life interests

During the year charity was notified of six legacies (2021: 4). Where the value of the legacy can be determined with a reasonable degree of accuracy, the income has been recognised. In the past, SPCK has been bequeathed shares of a freehold property, which is subject to life tenancies. The conditions for recognition of this income have not been met and therefore this legacy is not included as income in the accounts. The estimated value of the legacy is unknown at present.

10. Creditors: Amounts falling due within one year

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Bank Loan	373	373	358	358
Trade Creditors	391	355	259	223
Tax and Social Security	75	75	55	55
Other Creditors	963	704	1,021	676
Accruals	302	297	128	121
	2,104	1,804	1,821	1,433

11. Creditors: Amounts falling due over one year

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Bank Loans	333	333	718	718
	333	333	718	718

During the year ended 30 April 2022 the charity renewed a bank loan of £457,000 from Barclays Bank plc, repayable at an interest rate of 3.63% fixed rate and secured over the Sarasin & Partners LLP investment assets (see note 8) by a fixed and floating charge.

During the prior year the charity received a Coronavirus Business Interruption Loan of £664,000. It is repayable over 3 years and bears interest at 2.99% above the base rate.

At 30 April 2022, the bank loans are repayable as follows:

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Within one year	373	373	358	358
In 1 - 2 years	169	169	421	421
In 2 - 5 years	164	164	297	297
	706	706	1,076	1,076

The total financial liabilities measured at amortised cost are £706,000 (2021: £1,076,000).

12. Pension provision: Group and Charity

	2022	2021
	£'000	£'000
Pension		
At 1 May 2021	5,502	5,801
Paid in year	(426)	(411)
Interest cost and change in balance sheet deficit liability	(62)	112
At 30 April 2022	5,014	5,502
Charitable expenditure		
Interest cost and change in balance sheet deficit liability	(62)	112
Management charge	32	32
	(30)	144

A provision has been made for deficit contributions due to the Church Workers' Pension Fund (see Note 1 e) vi., Staff Pensions). The provision has been calculated from this information and then discounted at 2.6% (2021: 2.0%). Payments are being made monthly up to July 2033. The triennial valuation to the end of December 2019 has been completed resulting in no impact on the future payment schedule.

Other Provisions

	2022 Group	2022 Charity	2021 Group	2021 Charity
Provisions	830	830	-	-
	830	830	-	-

There is an overage clause on the Catholic Bible School property. If it is sold before 2030, a share of the profits are due to Diocese AB. The % due to Diocese AB currently decreases each year with a carrying balance of £62,000. The trustees currently have no plans to dispose of this property.

As part of the acquisition of Lion Hudson into SPCK Group the company is required to share future operating profits generated over the next 4 years with the previous owners of Lion Hudson. The current projection of profits due amount to £768,000.

13. Other financial commitments and guarantees

As at 30 April 2022, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2022 Group	2021 Group
	£'000	£'000
Operating leases due		
Within one year	3	9
2-5 years	1	3
	<u>4</u>	<u>12</u>

The lease payments recognised as an expense during the year were £10,000 (2021: £11,000). The charity also has a lease commitment for the next year for the use of its premises (expires April 2023). The annual amount payable is the income arising on the M&G investment portfolio which is around £94,000 per annum.

14. Endowment Funds: Group and Charity

Income from the Leech Capital Fund is expendable for the Society's general purposes at the discretion of the trustees. Income from the other endowment trust funds is restricted in accordance with the terms of the relevant trusts. Further details on the endowment trust funds are available from SPCK's office.

	Balance at 1 May 2021 £'000	Income £'000	Gains/(Loss) £'000	Balance at 30 April 2022 £'000
Leech Capital Fund	7,422	232	(1,251)	6,404
Van Vryhouven Bequest	506	-	11	517
Other Trust Funds				
Bray Endowed Capital	973	-	21	994
Bray Charity	63	-	1	64
D'Allone Charity	130	-	2	132
	1,166	-	24	1,190
	9,094	232	(1,216)	8,110
	Balance at 1 May 2020 £'000	Income £'000	Losses £'000	Balance at 30 April 2021 £'000
Leech Capital Fund	6,211	227	984	7,422
Van Vryhouven Bequest	413	-	93	506
Other Trust Funds				
Bray Endowed Capital	795	-	178	973
Bray Charity	53	-	10	63
D'Allone Charity	109	-	21	130
	957	-	209	1,166
	7,581	227	1,286	9,094

15. Restricted Funds: Group and Charity

	Balance at 1 May 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2022 £'000
Other UK Projects	82	24	(30)	-	76
	<u>82</u>	<u>24</u>	<u>(30)</u>	<u>-</u>	<u>76</u>

	Balance at 1 May 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2021 £'000
Other UK Projects	160	112	(177)	(13)	82
	<u>160</u>	<u>112</u>	<u>(177)</u>	<u>(13)</u>	<u>82</u>

Transfers were made in the previous year from Other UK Projects as these projects are now closed.

Restricted funds represent amounts that were donated to support specific projects such as African Theological Network Press, Assemblies and Ordinands.

16. Unrestricted Funds

Group	Balance at 1 May 2021	Income	Expenditure	Transfers	Gains	Balance at 30 April 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,931	-	-	-	(544)	4,387
Designated funds 1	200	-	-	200	-	400
Designated funds 2	200	-	-	(178)	-	22
Other charitable funds	(1,698)	8,149	(8,073)	(22)	7	(1,637)
Total	3,633	8,149	(8,073)	0	(537)	3,172

Charity	Balance at 1 May 2021	Income	Expenditure	Transfers	Gains	Balance at 30 April 2022
	£'000	£'000	£'000	£'000	£'000	£'000
Leech fund	4,931	-	-	-	(544)	4,387
Designated funds 1	200	-	-	200	-	400
Designated funds 2	200	-	-	(178)	-	22
Other charitable funds	(583)	6,907	(6,367)	(22)	7	(58)
Total	4,748	6,907	(6,367)	0	(537)	4,751

Group	Balance at 1 May 2020	Income	Expenditure	Transfers	Gains	Balance at 30 April 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,122	-	-	-	809	4,931
Designated funds 1	-	-	-	200	-	200
Designated funds 2	-	-	-	200	-	200
Other charitable funds	(2,254)	5,442	(5,083)	(387)	585	(1,698)
Total	1,868	5,442	(5,083)	13	1,394	3,633

Charity	Balance at 1 May 2020	Income	Expenditure	Transfers	Gains	Balance at 30 April 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,122	-	-	-	809	4,931
Designated funds 1	-	-	-	200	-	200
Designated funds 2	-	-	-	200	-	200
Other charitable funds	(1,456)	3,910	(3,235)	(387)	585	(583)
Total	2,666	3,910	(3,235)	13	1,394	4,748

In a Governing Body meeting 4 July 2020 it was agreed to set up designated funds for any additional payments received from William Leech (Investments) Ltd. Designated Fund 1 to set aside the first £200,000 each year which might be required to make additional pension payment contributions under the terms of the Individual Payment Plan agreed with the Church of England Pensions Board; and Designated Fund 2 for the next £200,000 each year, to be set aside for strategic opportunities.

17. Analysis of the Society's net assets by Fund

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2022 are represented by:				
Tangible fixed assets	-	-	-	-
Intangible fixed assets	50	-	-	50
Investments	8,373	-	8,110	16,483
Stock	1,313	-	-	1,313
Other current assets	1,717	76	-	1,793
Current liabilities	(2,104)	-	-	(2,104)
Long-term liabilities	(333)	-	-	(333)
Pension Provision	(5,844)	-	-	(5,844)
Total net assets	3,172	76	8,110	11,358

Freely available reserves are defined as Unrestricted Funds that are freely available to spend on any of the charity's purposes. On this basis, the Society has available reserves of £504,000 at the end of the current period (2021: £773,000).

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2021 are represented by:				
Tangible fixed assets	-	-	-	-
Intangible fixed assets	15	-	-	15
Investments	8,665	-	9,094	17,759
Stock	760	-	-	760
Other current assets	2,234	82	-	2,316
Current liabilities	(1,821)	-	-	(1,821)
Long-term liabilities	(718)	-	-	(718)
Pension Provision	(5,502)	-	-	(5,502)
Total net assets	3,633	82	9,094	12,809

18. Transactions with IVP

During the year, the following transactions took place with IVP:

	2022 £'000	2021 £'000
Management charge paid by IVP	869	834
At the year end the amount owed to SPCK was:	1,805	1,320

19. Post Balance Sheet Events

Change in Distributor

On 5th May 2022, SPCK signed a new distribution agreement with John Wiley & Sons, which will replace the existing distribution relationships with Macmillan Distribution (from 1st September 2022) and Marston Book Services (from February 2023). This is a significant strategic move in putting ex-SPCK/IVP and ex-Lion Hudson titles along with client publishers under one roof.

Change in Investment Fund Manager

In summer 2022 the trustees initiated an exercise to restructure all of SPCK's directly managed investments to a new provider with the objectives:

- a. improve investment returns and portfolio performance over the longer term;
- b. align investments with SPCK investment policy; and
- c. offer access to funds by way of a loan allowing SPCK to unlock its significant investment portfolio without selling its investments

Based on this remit Cazenove was chosen as SPCK investment fund manager.

THE SOCIETY FOR PROMOTING CHRISTIAN KNOWLEDGE

England & Wales - Charity number 231144

Accounts



The Society for Promoting Christian Knowledge

Charity Registration Number: 231144

Consolidated Financial Statements

for the year ended 30 April 2021



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A Message from the Chair

SPCK's vision is a world where everyone is transformed by Christian knowledge.

Yet most people's memory of 2020-21 will be of a world where everything was transformed by the Covid-19 pandemic. At SPCK we had a choice of how to handle the Covid-19 storm. Should we batten down the hatches and hope to come out on the other side? Or should we keep our sails up, sailing through the storm faster than ever? We prayerfully chose the latter, which brought both challenges and opportunities.

In terms of challenges, at SPCK I have often spoken about the need for us to build a winning culture, and a key to that is adaptability. Covid-19 tested every aspect of what we do as SPCK, and forced our team to adapt – something which is difficult enough in easy times. We adapted to the enforced closure of our offices, with a rapid shift of our team and processes to remote working; we adapted to the closure of churches by working harder than ever to reach people directly, including with the reach of our new Home Groups website at www.HomeGroups.org.uk; and we adapted to the closure of the high street by working harder than ever to get books out to people through digital and online channels.

In terms of opportunities, Covid-19 has accelerated change in the UK's Christian publishing world. Increasingly, publishers need both scale and skills to survive, as well as strong finances. In late April, we announced SPCK's upcoming acquisition of Lion Hudson's publishing, which brings together the UK's leading adult Christian publisher with its leading children's Christian publisher. This is a huge and visionary step by both organisations, excited by the opportunity to create a globally significant Christian publisher which will be a part of people's Christian journey throughout their lives.

The 2020-21 annual report takes you through this remarkable year in the life of SPCK. Thank you for your prayers, donations, purchases and encouragement along the way.

A handwritten signature in black ink that reads 'James Catford'.

James Catford, Chair



A Message from the CEO

SPCK's mission is to lead the way in creating books and resources which help everyone to make sense of faith.

But how do we know if we are leading the way? It has been great to see our team's efforts recognised this year on both sides of the Atlantic. In the UK, we were shortlisted for 2020 Independent Publisher of the Year at the British Book Awards, and we got our first book into the Sunday Times Bestsellers for over a decade with *Living His Story* by Hannah Steele. In the US, two of our titles won their categories in the 2021 Christian Book Awards: *The New Testament in Its World* by N T Wright and Michael F Bird won Bible Reference Work of the Year; and *Extraordinary Women of the Bible*, written by Michelle Sloan and illustrated by Summer Macon, won Children's Book of the Year.

How else have we been leading the way? The launch of our new Home Groups website at www.HomeGroups.org.uk is a major step for us in creating a platform to engage with key audiences and to support an increasingly important and fast-changing church ministry. And our acquisition of Lion Hudson's publishing cements our position as the UK's leading Christian publisher and positions us for exciting growth in global markets – where around the world there are growing numbers of Christians, growing numbers of people who can read, and growing numbers of people who can afford books.

Our team achieved all of the above against the background of Covid-19. While many secular publishers have seen record results over the crisis, Christian publishers have been suffering due to the importance of churches and independent bookshops to our marketing and sales. Despite our best efforts, SPCK was no exception, and our publishing took a significant financial hit over the year as we mostly resisted the temptation of furlough to ensure we could continue to get books to readers. But thanks to your prayers and to a rebound in our investments, we actually finished the year in the black as an organisation.

Those prayers will be more appreciated than ever in the coming year, as we integrate Lion Hudson and SPCK to create a Christian publisher which will lead the way for the coming decade whatever that looks like.

A handwritten signature in black ink, appearing to read 'Sam Richardson'.

Sam Richardson, Chief Executive



Trustees' report (incorporating the Group Strategic Report)

The Society's accounts for the year ended 30 April 2021 have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP 2015 FRS 102) and Financial Reporting Standard 102 (FRS 102).

Objectives and Activities

Objects

SPCK's objects are to promote Christian knowledge in any part of the world by such means, including the furtherance of education at all levels, as the Society may from time to time think fit, in accordance with the principles of the Church of England in promoting the learning, ministry, fellowship, witness and worship of that Church, or any Church or other Christian body with which the Churches of the Anglican Communion seek or may seek to co-operate.

Public Benefit

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects.

The Society's activities relate directly to our charitable aims and objects. Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials free of charge to the end-user under our charitable programmes. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life. Our offerings include material for children as well as for adults.

Trusts Managed by the Society

Bray Funds – SPCK manages a number of historic endowed trusts. Following an exercise with the Charity Commission, the income from all of these may now be spent in line with SPCK's general purposes, although we have adopted a policy of allocating it towards UK projects and overseas projects. These trusts remain as sub-charities within SPCK and include Becker Trust, H. M. Bliss Trust, Clericus Fund, Crawford Trust, Bishop John Charles Jones Trust, Palmer Trust, Piercy Trust, H. C. Richards Fund, St Augustine's Fund, Bray Charity, and D'Allone Educational Foundation.

Structure, Governance and Management

Governance

SPCK is administered by a Governing Body of unpaid members, acting as trustees, who serve alongside paid executives on management committees which oversee the activities of the charity under delegated authority. The Chief Executive is responsible to the Governing Body

for the overall administration of the Society and for ensuring that Governing Body policy is carried out.

Committees

The main SPCK committees during 2020-21 were:

- Board Support Group (also acts as Governing Body Membership Committee)
- Audit Committee (also acts as Investment Sub-Committee)
- Publishing Committee

The responsibilities of the first two committees and oversight of the executive functions are defined in Standing Orders. Each committee reports to the Governing Body, which approves major decisions and has overall responsibility for all SPCK's activities.

Trustee Selection, Appointment and Competence

The Governing Body of trustees is elected at the Annual General Meeting by members of the Society from among their number, following submission of nominations not later than 21 days in advance of the meeting. Members are elected for three-year terms of office and may be re-elected up to a maximum period of nine years. In addition to its elected members, the Governing Body may co-opt up to six of the Society's members or Vice-Presidents to serve on the Governing Body.

New trustees receive a comprehensive induction pack to acquaint them with SPCK's aims and activities, policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Trustees are also encouraged to go on relevant trustee training paid for by SPCK.

TRUSTEES

The members of the Governing Body of SPCK who serve as trustees (including past members who served during the year), and the committees on which the current members serve, are:

James Catford (Chair) – Board Support Group, Audit Committee, Publishing Committee

Sarah Bailey - Publishing oversight, Publishing Committee

Michael Beasley (Vice-Chair) – Board Support Group, Audit Committee

Paul Burrage – Board Support Group, Chair of Audit Committee

Matthew Cashmore – Publishing Committee

Dr Andrew Fergusson - Chair of IVP Publishing Board (retired March 2021)

Sue Halliday - Chair of IVP Publishing Board



Dr David Muir – elected November 2020

Elizabeth Renshaw-Ames - Audit Committee, Pensions oversight

Dr Cathy Ross - Worldwide oversight

Eric Thompson - Audit Committee, Staff/HR oversight

Stephen Tudway - Legal oversight

Matthew van Duyvenbode – elected November 2020

KEY MANAGEMENT PERSONNEL

The key management personnel of the charity are in charge of directing, controlling, running and operating the charity on a day-to-day basis. As such they are considered to be the following:

- Trustees
- Chief Executive

All trustees give their time freely and no trustee received any remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in Note 5 to the financial statements. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Salary levels are benchmarked in line with other similar organizations, including other Christian charities and other publishers, and benchmarking is in place within the organization.



People

Patron

Her Majesty The Queen

President

The Most Revd and Right Hon Archbishop of Canterbury

Vice-Patrons

The Bishop of London

The Primates of Ireland, Australia and the USA

The Moderator of the Church of North India

Ex-Officio Vice-Presidents

Archbishops and Bishops of the Anglican Communion who are members of the Society

Elected Vice-Presidents

Mr Paul Chandler

The Ven. Dr William Jacob

Mr LE “Paddy” Linaker

The Revd Canon Michael Moore LVO

The Revd Dr John Polkinghorne KBE, FRS (Deceased 9 March 2021)

The Revd Canon Dr Nicholas Sagovsky

The Revd Sharon Swain

The Rt Revd Lord Williams of Oystermouth

Honorary Life Members

Ian Ferguson

The Revd Canon Alan Wilkinson

Board of Reference

James Catford

Sir Ewan Harper CBE

The Rt Revd Rose Hudson-Wilkin

The Rt Revd Dr Graham Kings

Major General Roddy Porter MBE

The Rt Revd John Pritchard

Dr Elaine Storkey

The Revd John Tattersall

Terry Waite CBE

Professor Frances Young

External Reviewer

Pat Phillips MBE



Legal and administrative details

Identity

The Society for Promoting Christian Knowledge (otherwise known as SPCK) is a registered charity, no. 231144, incorporated under Royal Charter in 1969, with its head office currently at 36 Causton Street, London SW1P 4ST. In January 2005, the Privy Council approved amendments to the Royal Charter Bye-laws to reflect the structural and operating changes which had taken place within the Society during the previous 35 years. Further amendments were made in November 2011 to provide greater flexibility to respond to future changes in ways of working. SPCK is a membership organization, founded on 8 March 1698 to promote Christian knowledge through publishing, lending libraries and schools. The Society has been a publisher and distributor of Christian literature since its inception, and helps to resource theological education and ministry on a worldwide basis. The number of members at 30 April 2021 was 158 (2020: 172).

PRINCIPAL PROFESSIONAL ADVISERS

Auditors	Jacob Cavenagh & Skeet 5 Robin Hood Lane Sutton Surrey SM1 2SW
Bankers	Barclays Bank PLC Floor 27 1 Churchill Place London E14 5HP
Insurance Brokers	Scrutton Bland Fitzroy House, Crown Street, Ipswich, Suffolk, IP13LG
Investment Managers	Sarasin & Partners LLP Juxon House St Paul's Churchyard London EC4M 8BU
	Newton Investment Management Ltd Bank of New York Mellon Centre 160 Queen Victoria Street London EC4M 4LA
	M&G Investments Laurence Pountney Hill London EC4R 0HH
	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET



Pension Administrators

The Church of England Pensions Board
29 Great Smith Street
London SW1P 3PS

Solicitors

Wedlake Bell LLP
71 Queen Victoria Street
London EC4V 4AY

Winckworth Sherwood
16 Beaumont Street
Oxford OX1 2LZ

Achievements and performance

This year we have again picked one project from each month of the year, which together give a good sense of the variety of our work and our impact.

In **May** we published two new titles responding directly to the Covid-19 pandemic. First out of the blocks was IVP, with *Healthy Faith and the Coronavirus Crisis*, a collection of essays edited by Luke Cawley and Kristi Mair looking at Covid-19 from multiple practical perspectives. At the end of the month SPCK followed up with *God and the Pandemic* by Tom Wright, which has since sold over 50,000 copies helping people reflect on the coronavirus and its aftermath. SPCK's President, Archbishop Justin Welby, said, "This is classic Tom Wright. It is accessible to almost anyone asking questions, and yet it manages to be demanding for those who think they know the answers. It is superbly written, utterly Bible based, and leaves one satisfied at having learned and yet wanting to know more. I read it in a sitting with pleasure, provocation and profit."

June saw SPCK send out 3,581 copies of our Diffusion prison fiction books into prisons. Many prison libraries were shut due to social distancing, with one librarian writing back to us "I've been running a mobile library service since the lockdown a few weeks ago. This will be for the foreseeable future until the health crisis is getting better, I would imagine. I can put these books in the mobile library trollies for our prisoners to borrow when I visit their halls on a weekly basis. I can also send some copies to those who have low literacy levels but are too shy to borrow them in person via internal mail." In fact we found that with prisoners stuck in their cells demand for the Diffusion books was higher than ever. One reader from HMP Ranby reported back saying, "I liked the questions at the end of each chapter. I'm 37 years old and it's the first time I've read a book. Thank you."

In **July** SPCK published a new edition of *Is God Colour-Blind*, by Anthony G Reddie. The new edition was hurried out to respond to the Black Lives Matter movement in the light of George Floyd's killing. We also saw a major uplift in sales for a prescient book we had published the previous year, *We Need To Talk About Race* by Ben Lindsay. Both of these books proved to be very prophetic in a turbulent period, which also saw the toppling in Bristol of the statue of Edward Colston, a former SPCK donor. Chief Executive Sam Richardson joined other mission agency CEOs in signing a letter to the *Church Times* in which the mission agencies acknowledged past and present injustices and pledged to play a part in creating a fairer future.



Part of this effort from SPCK is the Africa Theological Network Press initiative, and July also saw the publication of a number of blog pieces by Kyama Mugambi, Editorial Manager of the ATNP. The ATNP is about facilitating African theological writing, and Kyama's videos have had hundreds of views on YouTube by what we hope will be the next generation of authors who can publish with the Press.

August saw a new generation of ordinands preparing to start at theological college. Our partnership with the Clergy Support Trust in providing ordinands and curates with a free app containing all SPCK and IVP titles continues to be one of our most significant strategic relationships as we work together with another forward-thinking organisation to support the formation of the next generation of Anglican church leaders needs. Over 30,000 books have now been read through the app, saving the ordinands supported over half a million pounds.

September saw the publication of *Revolutionary*, a landmark collection of essays on the importance of Jesus edited by the historian Tom Holland. Contributors came from a range of perspectives including Joan E Taylor, Amy-Jill Levine, Terry Eagleton, A N Wilson, Tari Khalidi, Julian Baggini and Rowan Williams. Another popular, but much thinner, multi-author title published in September was *Three Vicars Talking*, the moving and frequently hilarious book accompanying the radio 4 series featuring the Reverends Richard Coles, Giles Fraser and Kate Bottley.

In **October** we published *Still Standing: 100 Lessons from an 'Unsuccessful' Life*, the remarkable memoir of Premier presenter Tola Doll Fisher, described by Jo Saxton as "A memoir of raw honesty and resilient faith." As the UK's last remaining broad-based independent Christian publisher, SPCK remains committed to publishing important debut titles from talented authors so that we can create the next generation of Rowan Williamses and Tom Wrights. On which subject, October also saw the publication of Tom's new book *Broken Signposts*, in which he turned with his characteristic wisdom and insight to the Gospel of John to consider how Christianity makes sense of the world.

November brought a major landmark with the publication by IVP of the second edition of *Systematic Theology* by Wayne Grudem. The previous edition of this book had formed the bedrock of theological understanding for a generation of students and church leaders, and this major update had been a very significant exercise and has been very well received in the United Kingdom and around the world. Terry Virgo, founder of the Newfrontiers family of churches, said, "I know of no other systematic theology that has had such an impact on so many believers. I have personally benefited from it and widely recommend it. Both its accessibility and its thoroughness have served to draw many thousands of believers into serious Bible study. I am delighted to recommend this new edition with its additional material."

December saw the key period for our key Christmas publications, including *Closing Ranks: My Life as a Cop* by Leroy Logan. Leroy's story formed an episode of the Steve McQueen's Small Axe series which aired in November and December. John Boyega went on to win a Golden Globe for his portrayal of SPCK author Leroy.



January saw a great deal of confusion as the school term was cancelled for most children on the day before they were due to go back. SPCK's Assemblies website at www.Assemblies.org.uk was there to support teachers and clergy through this challenging time, with over 50,000 unique users a month visiting the site as assemblies were delivered both in-person to the children of key workers and over video technology to the majority who were at home. The Assemblies website remains the number one link when you type assemblies into Google and remains the most trusted partner for primary and secondary schools across the country. For much of the Covid-19 year we were offering special "at home" ideas for the home schooling environment, supported with over sixty specially recorded videos from our children's books which we made available on YouTube.

February saw a major strategic initiative come to fruition, with the launch of the new Home Groups website at www.HomeGroups.org.uk. With hundreds of home group studies and over fifty series compiled by SPCK and IVP authors and partners, the ambition is for HomeGroups.org.uk to do for home groups what Assemblies.org.uk does for assemblies – to become the go-to player in the market where people can no they will find high-quality content whatever their specific needs. The website launched with a big bang, with a wide range of endorsements and the publication of new research from SPCK showing that a third of Christians attend small groups and that churches with small groups are more likely to be growing.

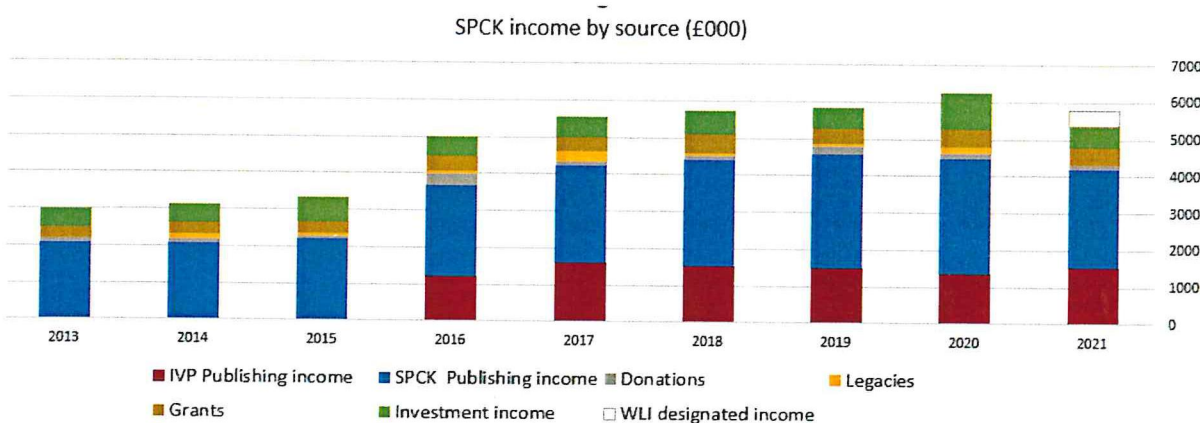
Most of Lent 2021 fell into **March**, and SPCK was blessed to have published a number of significant Lent books, including *Rooted in Love* edited by the Bishop of London. However, it was our partnership on the Archbishop of Canterbury's Lent Book 2021 which saw SPCK secure our first Sunday Times bestseller slot in over a decade, with Hannah Steele's brilliant book *Living His Story*. We were delighted to have worked on a partnership with the Church of England digital team which saw the book supported by the Church of England app and an accompanying physical booklet. But it was word of mouth recommendations which really helped this book reach the next level in terms of sales.

Late in **April**, as the financial year came to an end, we announced news of our impending acquisition of Lion Hudson's publishing. Lion Hudson was the UK's leading Christian publisher for many years, but had fallen into administration in 2017 and had subsequently been stabilised under new ownership. As well as strengthening SPCK's position in the UK market, Lion Hudson has a major business selling rights and co-editions of children's books into over two hundred languages around the world. We are incredibly excited about the opportunity to reinvigorate this important business and ministry, and restructuring the combined organisations so that we can do so efficiently and profitably will be a key objective for 2021-22.

May technically falls outside of the financial year, but it is worth a brief mention of the brilliant new ESV Search the Scriptures Bible published by IVP. IVP's investment in innovative Bible publishing (the ESV Search the Scriptures follows on from the NIV Bible Speaks Today Bible) has been a key part of the way in which IVP has reasserted itself in recent years. We look forward to bringing similar investment and innovation to Lion Hudson's publishing which will enable it to develop a new generation of category-leading products.

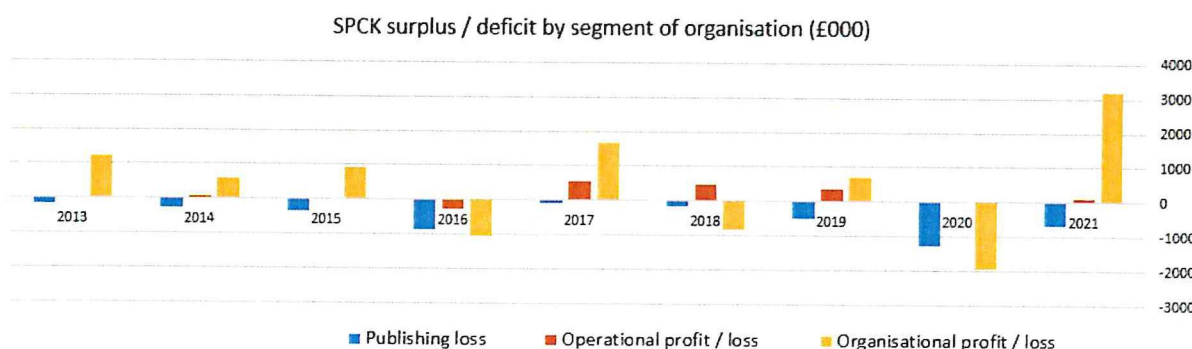
Financial review

The consolidated result shown in the accounts on page 25 shows an increase in funds for the year of £3,200,000 (2020: deficit of £1,917,000), arising primarily from unrealised gains on the revaluation of the Society's investments. For the majority of the year, the publishing market was strongly impacted by Covid-19, and so we saw the end of the six successive years of income growth which had been delivered since the appointment of a new Chief Executive in 2014.



Interestingly, the different publishing imprints were affected very differently by Covid-19. IVP, with its strong bank of reference content which works very well in the digital world, actually saw its income increase from £1,351,000 to £1,532,000. However, SPCK's publishing, which has traditionally done better in Waterstones and cathedral shops, saw a sharp downturn from £3,145,000 to £2,679,000. Overall, publishing income was down from £4,496,000 to £4,205,000. The other income areas of donations and grants were broadly in line with previous years, however legacy income was down by £149,000.

Steps that we took to reduce publishing costs in the light of Covid-19 saw us make £892,000 of savings compared to the previous year in which a number of write-downs had affected profitability severely. Nonetheless, with sales depressed we still saw a loss from publishing of £672,000 once all operating overheads are fully accounted for – the publishing forms the blue box below, and getting this to be profitable for the first time is a key objective from the Lion Hudson merger.

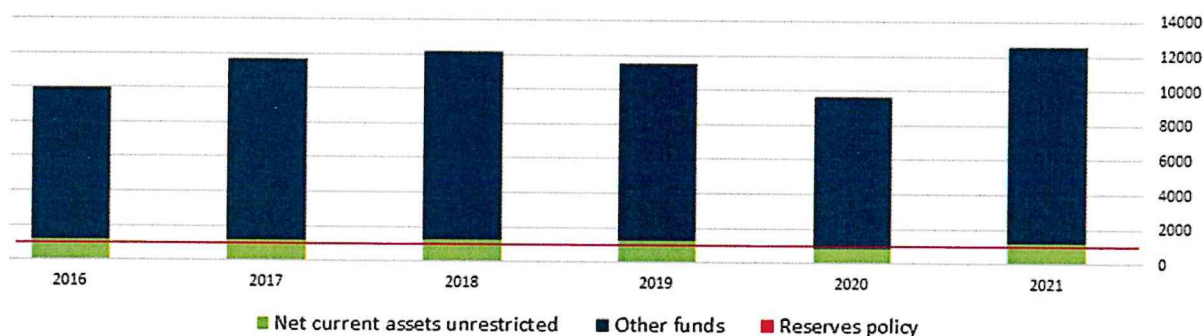


The income we get from our other income streams, including investments, ensured that we did however make an operational surplus (based simply on income less expenditure) of £3,200,000 (2020: Loss £1,917,000) as shown by the orange bars above. For this we are particularly grateful to the William Leech organisations. The Society received £1,216,000 (2020: £1,177,000) in total from William Leech (Investments) Ltd and the William Leech Trusts. This included a special distribution of £400,000, which has been transferred to a designated fund. The Society are, as ever, hugely grateful for the vision and generosity of William Leech and of those who manage his legacy today.

The yellow bar above shows the overall surplus of £3,200,000 which was driven by unrealised increases in the value of SPCK's investments of £2,680,000 (2020: loss in value of £1,960,000).

Cash flow during the year was bolstered after receiving a CBILS loan of £0.6m so generating positive cashflow remains a key objective for the coming year as we seek to repay that. Overall Society assets have recovered to a record high of £12,809,000 (2020: £9,609,000). Our free reserves representing Unrestricted Funds Net Current Assets held on the Group balance sheet stood at £1,173,000. This is line with the minimum level of the reserves policy which targets a £1,000,000-£1,600,000 level as shown by the red line.

SPCK reserves policy and overall funds (£000)



Investment policy and performance

The value of the Society's investments at 30 April 2021 was £17,759,000 (2020: £14,852,000). Of this amount, £12,354,000 (2020: £10,334,000) represented the value of shares and cash awaiting investment in William Leech (Investments) Ltd, and £5,405,000 (2020: £4,518,000) the value of other listed investment. Overall, the SPCK portfolio showed an unrealised net gain of £2,680,000 for the year (2020: Loss £1,960,000) this being a direct reflection of market conditions. The Society's investments other than those in William Leech (Investments) Ltd are invested in four separate common investment funds operated by four separate fund managers. The Society's investment portfolio is managed by the trustees, with authority delegated to the Board Support Group if urgent decisions are needed between the scheduled trustee meetings. The trustees review the portfolio periodically, seeking a balance between capital growth and income, setting benchmarks as they consider appropriate, and following the Church of England's ethical investment guidelines.

Over the past year, the market value of the Society's Common Investment Funds increased by 19.6% (2020: 9.4% decrease) during the same period the FTSE All-Share index increased by



22.1% (2020: 19.8% decrease). The income yield for the year from those investments, which excludes William Leech, was 4.8% (2020: 4.3%), which was above the target range set of between 3% and 3.5%. This reflects the lower market value of the shares towards the year end.

The Society owns 20% of the issued share capital of William Leech (Investments) Limited, an investment company which was established for the benefit of five Christian charities. The directors of this company have invested their funds in marketable securities. The trustees of SPCK periodically review the return on assets of the company and associated trusts and consider that the investment is in accordance with the Society's investment strategy and that the diversity of its investment is enough in the context of its risk assessment. In practice, SPCK is not able to influence the investment policy of William Leech (Investments) Limited.

The Society holds such investments to generate a return and has made no social investments. However, these investments are made ethically in line with the Society's Investment Management Policy as set by the Governing Body. The Governing Body has adopted the terms of the Ethical Investment Policy of the Church of England's Ethical Investment Advisory Group as may be revised from time to time.

Reserves

The total funds held by the Society at the end of the reporting period were £12,809,000 (2020: £9,609,000). We have made a provision of £5,502,000 (2020: £5,801,000) for deficit contributions due to the Church Workers' Pension Fund. Many of these funds are endowed or restricted, and therefore the unrestricted funds available to the Society at the end of the reporting period were £3,633,000 (2020: £1,868,000). Much of the unrestricted funds are held by William Leech (Investments) Ltd and would be difficult for the Society to access at short notice. Therefore, the Society defines its freely available reserves as the Unrestricted Funds Net Current Assets held on the Group balance sheet. On this basis, the Society has available reserves of £1,173,000 at the end of the current period (2020: £837,000). The reserves level is in line with the target range of £1,000,000 to £1,600,000, calculated on the basis of six to nine months' staff costs. The trustees have determined that a prudent level of reserves of approximately 6-9 months of expenditure: this level would be required in the event of an orderly winding down the charity. These costs would cover commitments for intellectual property already contracted, not yet delivered or books already in the pipeline of production, such that it could fulfil its contractual obligations to authors, suppliers and staff (in the event of redundancy).

Risk Management

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks. The trustees have formalized their risk assessment and risk management process to include a thorough annual review of the risk register compiled and updated in consultation with executive staff. We keep under active review the adequacy of the systems which are in place in the light of changing circumstances. As a result of the significant size of the charity, the trustees delegate

responsibility for day-to-day management to staff, using committees, planning and budgeting procedures, and hierarchical authorization.

The major risk categories and mitigation systems are captured in the Risk Register as follows:

- Governance risks, mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.
- Operational risks (included Covid-19), mitigated by Business Continuity Plan, emergency action plans relating to IT issues, notice periods, succession planning and insurance.
- Financial risks, mitigated by financial controls, budgeting, reporting, investment management policy, reserves policy, credit control, and engagement with Church of England Pensions Board supported by professional legal, actuarial and financial advice.
- Legal risks, mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.
- Reputational risk, mitigated by editorial review process, media training and communications planning.
- Data, technological and compliance risks, mitigated by following best practice in IT and by ensuring staff are fully trained in areas of compliance including GDPR and AML.
- Merger risks, mitigated by additional HR support for the merger, projectisation of the merger to enable tracking of risks and projects, and clear cost savings objectives to be delivered in the short-term.

The trustees are of the view that it is financial risks that have the most potential to have a negative impact on the charity, and the trustees and Audit Committee have noted the following specific risks and mitigations.

- Sales not performing to expectations, resulting in cashflow crisis. Mitigations: Annual budget process, with review against progress in monthly KPIs (shared with the board) and weekly internal meeting; book sales are diversified across a large range of titles, authors and territories (more so following the merger with Lion Hudson); 80% of publishing income is from existing rather than new titles; cashflow KPI shared monthly with Governing Body and backup plans in place including overdraft and release of investments.
- Inability to meet contributions to historic pension liabilities. Mitigations: a new plan agreed with the Church of England Pensions Board (CEPB) in spring 2021, based on the valuation dated 31 December 2019, is affordable to us based on our forecasts; we continue to work hard to engage with CEPB and to use professional advisers to assist us with this and with developing our pensions strategy; in July 2020 we received from William Leech (Investments) Ltd the second of five annual payments of £400,000 to improve our pensions position.
- Macro-economic environment, in particular Brexit and Covid-19, could have an impact on SPCK's investments, pension or income. Mitigations: SPCK regularly reviews its investment management policy (most recently in the November 2018 Governing Body) and currently spreads its investments across three different investment managers, all of whom have instructions to keep a portfolio with a spread across both



geography and asset types; encourage measures to reduce volatility in the pension deficit; SPCK is taking significant steps to increase the international scope of its work so that we are less reliant on the UK economy.

Any of the aforementioned could have a potential impact on SPCK's reserves. Currently the Society's freely available reserves (defined as Unrestricted Funds Net Current Assets held on the Group balance sheet) of £1,173,000 (2020: £837,000) which is in line with the targeted amount of £1,000,000 to £1,600,000. In June 2020 we secured a loan under the Coronavirus Business Interruption Loan Scheme to shore up our cash position, and we continue to monitor our performance closely in the expectation of returning to the targeted reserves policy range.

Fundraising Disclosures

During 2020 – 21 SPCK employed two full-time and one part-time fundraiser, who were all members of the Institute of Fundraising. The bulk of voluntary income came from charitable trusts and legacies. However, SPCK also has subscribing members and a number of regular and one-off donors.

SPCK is registered with the Fundraising Regulator and Fundraising Preference Service. We aim to abide by the Code of Fundraising Practice. SPCK has received no complaints directly or via the Regulator, nor any opt-outs via the Fundraising Preference Service. Further details of how we use personal data can be found in our privacy statement www.spck.org.uk/privacy-and-cookies-policy.

We are not aware of any community fundraising that is undertaken by third parties in our name but were we to become so we would ensure that it follows the Code of Fundraising Practice. Our fundraising complaints procedure can also be found on our website.

Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.



The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The trustees' report for the year ended 30 April 2021 was approved by the trustees on 23 September 2021 and signed on their behalf by

A handwritten signature in black ink, which reads 'James Catford'. The signature is written in a cursive, flowing style.

James Catford, Chair of the Governing Body

Society for Promoting Christian Knowledge 36 Causton Street, London SW1P 4ST



Independent Auditor's Report to the Trustees of SPCK

Opinion

We have audited the financial statements of the Society for Promoting Christian Knowledge (the "Charity") and its subsidiary (the group) for the year ended 30 April 2021 which comprise the consolidated statement of financial activities, the consolidated and parent balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the Charity's affairs as at 30 April 2021 and of the group's incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our

opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept;
- The financial statements are not in agreement with the accounting records; or
- We have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Group's and the Charity'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 Group or Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed as auditor under section 151 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items, and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to reviewing trustees' minutes, challenging significant accounting estimates including the pension provision discount rate and valuation of stock and work in progress, evaluating the internal controls, agreeing financial statement disclosures to underlying supporting documentation, and identifying and testing journal entries.



There are inherent limitations in the audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Group's and Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Group's and Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Group and Charity and their trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads 'Miriam Hickson'.

MIRIAM HICKSON FCA Senior Statutory Auditor
for and on behalf of Jacob, Cavenagh & Skeet

Chartered Accountants
Statutory Auditor
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated: 6/10/2021

Jacob, Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 April 2021

Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000
Income and endowments from:								
Donations and legacies								
Donations	77	31	-	108	56	84	-	140
Legacies	4	-	-	4	153	-	-	153
Grants Received	2 172	81	227	480	172	90	218	480
Investments	3 984	-	-	984	991	-	-	991
Charitable activities								
Publishing	4,205	-	-	4,205	4,496	-	-	4,496
Total income	5,442	112	227	5,781	5,868	174	218	6,260
Expenditure on:								
Raising Funds	4 59	-	-	59	142	-	-	142
Charitable activities	4 5,025	177	-	5,202	5,890	185	-	6,075
Total expenditure	5,084	177	-	5,261	6,032	185	-	6,217
Income Less Expenditure	358	(65)	227	520	(164)	(11)	218	43
Gains/(Losses) on Investments	1,394	-	1,286	2,680	(883)	-	(1,077)	(1,960)
Net Income/(Expenditure)	1,752	(65)	1,513	3,200	(1,047)	(11)	(859)	(1,917)
Transfers between funds	13	(13)	-	-	41	(41)	-	-
Net movements in funds	1,765	(78)	1,513	3,200	(1,006)	(52)	(859)	(1,917)
Reconciliation of funds								
Funds brought forward	1,868	160	7,581	9,609	2,874	212	8,440	11,526
Funds carried forward	3,633	82	9,094	12,809	1,868	160	7,581	9,609

The notes on pages 26 to 46 form part of these accounts.



BALANCE SHEETS

As at 30 April 2021

	Notes	Group 2021 £'000	Charity 2021 £'000	Group 2020 £'000	Charity 2020 £'000
Fixed assets					
Intangible assets	6	15	3	30	6
Investments	7	17,759	17,759	14,852	14,852
		17,774	17,762	14,882	14,858
Current assets					
Stocks		760	447	838	539
Debtors	8	1,141	2,408	1,076	1,957
Cash at bank and in hand		1,175	960	604	517
Total Current Assets		3,076	3,815	2,518	3,013
Current liabilities					
Amounts falling due within one year	9	(1,821)	(1,433)	(1,521)	(1,194)
Net current assets		1,255	2,382	997	1,819
Total Assets Less Current Liabilities		19,029	20,144	15,879	16,677
Creditors: amounts falling due > 1yr					
Pension Provision	11	(5,502)	(5,502)	(5,801)	(5,801)
Bank Loans	10	(718)	(718)	(469)	(469)
Net assets		12,809	13,924	9,609	10,407
The funding of the charity					
Endowment funds	13	9,094	9,094	7,581	7,581
Income funds					
Restricted funds	14	82	82	160	160
Unrestricted funds					
Leech fund		4,931	4,931	4,122	4,122
General and Designated funds		(1,298)	(183)	(2,254)	(1,456)
	15	3,633	4,748	1,868	2,666
Total charity funds	16	12,809	13,924	9,609	10,407

The net surplus of the charity during the year was £3,517,000 (2020: £1,738,000 loss). Approved by the Governing Body and authorised for issue on 23/4/21 and signed on its behalf by

James Catford, Chair of the Governing Body.

The notes on pages 26 to 46 form part of these accounts.



CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2021

	2021 £000	2020 £000		
Cash (Used) in Operating Activities	(749)	(696)		
Cash Flows from Investing Activities				
Investment Income Received	984	991		
Purchase of Fixed Asset Investments	(227)	(218)		
Net Cash Inflow	757	773		
Cash Flows From Financing Activities				
New Loan	664	0		
Repayment on Loans	(94)	(87)		
Interest Paid on Loans	(7)	(14)		
	<u>563</u>	<u>(101)</u>		
Net Cash Inflow/(Outflow)	571	(24)		
Cash and Cash Equivalents Brought Forward	<u>604</u>	<u>628</u>		
Cash and Cash Equivalents Carried Forward	<u>1,175</u>	<u>604</u>		
Cash Flow from Operating Activities				
Net Income/(Expenditure)	3,200	(1,917)		
Investment Income Received	(984)	(991)		
Depreciation of Tangible Assets	-	44		
Amortisation of Goodwill	15	15		
Interest Paid on Loans	7	14		
Unrealised (Gains)/Losses on Investments	(2,680)	1,960		
Decrease in Stock	78	45		
(Increase)/Decrease in Debtors	(65)	121		
(Increase)/Decrease in Creditors	(21)	296		
Decrease in Pension Liability	(299)	(283)		
Net Cash Used in Operating Activities	<u>(749)</u>	<u>(696)</u>		
Analysis of Changes in Net Debt	At 1 May 2020	Cash flows	Non-cash flows	At 30 April 2021
Cash	604	571	-	1,175
Bank Loans Falling Due Within One Year	(79)	(266)	(13)	(358)
Bank Loans Falling Due In More Than One Year	(416)	(315)	13	(718)
Other Loans	(53)	10	-	(43)
Total	<u>56</u>	<u>0</u>	<u>0</u>	<u>56</u>

The notes on pages 26 to 46 form part of these accounts.

NOTES TO THE ACCOUNTS

I. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). They are drawn up on the historical cost accounting basis except that investments are carried at fair value.

The financial statements are presented in sterling and figures are rounded to the nearest thousand.

The Society for Promoting Christian Knowledge meets the definition of a public benefit entity under FRS 102.

The Society for Promoting Christian Knowledge is incorporated by Royal Charter in England, with its head office at 36 Causton Street, London SW1P 4ST.

b) Going concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The current position is in line with the range of the agreed reserves policy of six to nine month's committed publishing and staff costs. The trustees believe that the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

c) Consolidation

The group financial statements combine the results of the company and its subsidiary undertaking, Inter-Varsity Press (which also produces and distributes Christian books and materials). A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by Charities SORP FRS 102.

d) Income

i. Turnover

Trading turnover represents the value of sales made during the year, excluding VAT and amounts due to Joint Publishers.

ii. *Donations, legacies and grants receivable*

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received, and the amount of income receivable can be reliably measured.

Grants received from the William Leech Trusts are credited for the period in which they arise. Income from William Leech (Investments) Limited is credited to the Statement of Financial Activities in the period in which the income is received.

Coronavirus Job Retention Scheme income receivable is recognised in the period in which the related staff costs are recognised.

iii. *Other income*

Other income comprises Publishing income from co-editions, royalty advances, rights, permissions and sales commission and is accounted for on the accruals basis.

e) *Expenditure*

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer- term liabilities. Charitable expenditure includes all operating costs relating to SPCK's Publishing and Worldwide activities.

Promotional costs

Promotional costs comprise direct fundraising costs and the costs associated with the Society's website.

ii. *Grants payable and project funding*

Grants payable are taken to the Statement of Financial Activities in the year they are approved and any grants not paid within two years are cancelled unless a continuing need is identified.

iii. *Governance costs*

Governance costs are those associated with charity governance requirements and which relate to the general running of the Society. These have been allocated between expenditure on raising funds and charitable activities according to staff time.

iv. *Support costs*

Support costs include the central office functions of general management, information technology, human resources, office management, accommodation and finance. Costs are allocated to activities on a basis consistent with the use of the resources.

v. *Operating leases*

Rental charges under operating leases are charged on a straight-line basis over the life of the lease.

vi. *Staff pensions*

The Society participates in three pension arrangements. Two are part of the Church Workers' Pension Fund and the third is the UK Government NEST scheme.

The Church Workers' Pension Fund

Qualifying members of staff who joined the Society on or before 30 April 2001 were able to join the Church of England Defined Benefits Scheme (DBS). With effect from 1 May 2001, the Society closed membership of the DBS to all new employees. Qualifying members of staff who joined the Society on or after 1 May 2001 were able to join the Church of England Defined Contributions Scheme (DCS), since renamed the Pension Builder Scheme (PBS) where, since 2014, the funds have been held in the Pension Builder Classic sub-fund of that scheme.

With effect from 1 May 2006, the DBS was closed to all employees, with deferred entitlement preserved for its existing members. From that date, all SPCK members of the Church Workers' Pension Fund have been benefiting from contributions and any accruals as part of the PBS.

At 30 April 2021, the Society had nil (2020: nil) active members and 124 (2020: 131) deferred pensioner members in the DBS, and 22 (2020: 24) active members and 59 (2020: 63) deferred pensioner members in the PBS. At 30 April 2021, the Society had 234 pensioners (2020: 209).

SPCK participates in the Defined Benefits Scheme section of 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 Church Workers Pension Fund 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.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, 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. They do 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.

The scheme is a multi-employer scheme, as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pension costs charged to the SOFA during the year consist of an interest cost of £112,000 (2020: £115,000) and a management charge of £32,400 (2020: £32,000).

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool, 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 DBS is carried out once every three years. The most recent was carried out 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 Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £11.3m.

Following the recent valuation, the Employer has agreed to continue with the existing deficit payment arrangement being £385,842 per year increasing by 3.2% every subsequent 1 April, however with the end date shortened to 14.5 years from 1 April 2018 to 1 October 2032 in respect of the shortfall in the Employer sub-pool. The obligation has been recognised as a liability with the Employer's financial statements. The Employer has an agreement with the Church Workers Pension Fund to pay expenses of £32,400 per year to 31 March 2021 thereafter expenses will increase to £35,600 per year

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out in note 11.

Pension Builder Scheme

SPCK also participates in the Pension Builder Scheme section of 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 Church Workers Pension Fund 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 of the Church Workers Pension Fund 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. Discretionary increases may also be added, depending on 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 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 a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that 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 (2021: £124,545 2020: £129,000)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019.

For the Pension Builder Classic section, the valuation revealed a deficit of £9,300,000 on the ongoing 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 2019 section, the valuation revealed a surplus of £5,500,000 on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

UK Government NEST

With effect from 1st March 2018 all new employees will be enrolled in the UK Government NEST defined contribution scheme. The assets of this Scheme are held separately from those of SPCK in an independently administered fund and are charged to the SOFA as they become payable in accordance with the Rules of the Scheme.

f) **Tangible fixed assets**

Tangible fixed assets costing more than £5,000 are stated in the balance sheet at cost less depreciation. These items are depreciated on a straight-line basis to write off their cost over their estimated useful lives. These rates are currently as follows:

Fixtures and fittings	5 years
Computer systems	3 years

In view of the administrative costs involved, the effect of inflation on costs and the underlying nature of our charitable purpose, the trustees have adopted a policy that only substantial assets which have a long-term on-going value should be capitalised.

g) **Intangible fixed assets**

In 2017 the Society purchased the Children's bibles and study guides from the Scripture Union and regards this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

h) **Investment assets**

Quoted investments are stated at mid-market value at the balance sheet date. Purchases and sales include transaction fees charged by the investment managers. Other investment securities are valued by reference to underlying assets. Any gain or loss on revaluation or disposal is taken to the Statement of Financial Activities.

i) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

j) **Debtors**

Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

k) **Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

l) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount. Concessionary loans are included at historic cost.

m) **Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

n) **Restricted funds**

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the trustees.

o) **Endowment funds**

Endowment funds are those where the capital is maintained and used to generate income. Income is used for the purpose for which the fund was originally created.

p) **Designated funds**

Designated funds are monies set aside from the general fund by trustees for a specific purpose. These funds are 'ring-fenced' and no longer form part of the unrestricted general funds

q) **Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences arising in the ordinary course of business are included in income or expenditure. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date.

2. **Grants Receivable**

Grants are received from the two charitable trusts administered by the William Leech Foundation Limited. SPCK holds one of the five shares in the William Leech Foundation Limited, which was established to support charitable institutions or trusts in the United Kingdom. William Leech Foundation Limited also acts as a trustee to the two charitable trusts known as the Foundation Trust and the Charity Trust. No capital may be distributed from either trust.

The income of the Foundation Trust is distributed in equal proportions to SPCK and four other charities. The income of the Charity Trust is distributed for charitable purposes at the discretion of the trustee, which has, since 1973, adopted the policy of giving most of the income to the same five charities. This policy is reviewed by the Board of the company each year.

Following a resolution of the Board of Directors of the William Leech Foundation Limited on 15 October 1996, the grants are paid out to the five charities on condition that 57% is invested in shares in William Leech (Investments) Limited at par and treated as an addition to the recipient charity's capital funds. The effects of this condition have been reflected in these accounts by showing the grants re-invested in the Leech Fund (see Notes 7 and 13). This company invests its assets in listed securities.



In addition, grants were received from other trusts in the year of £41,000 (2020: £99,000) used to fund various charitable projects of the Society, and £40,000 (2020: £9,000) Government Grant from the Coronavirus Job Retention Scheme.

3. Investment income

The trustees recognise the need for support for the mission of promoting Christian knowledge through the publication and sale of Christian books and resources. Investment income has therefore been used to support this mission.

	2021 £000	2020 £000
William Leech	817	796
Other Investment Income	167	195
	<u>984</u>	<u>991</u>

4. Analysis of total expenditure

	Direct Costs £000	Staff Costs £000	Overhead Costs £000	Support Costs £000	2021 Total Costs £000	2020 Total Costs £000
Raising Funds	-	59	-	-	59	142
Charitable Expenditure						
Publishing	1,393	1,520	1,068	896	4,877	5,769
Worldwide	-	-	22	-	22	40
Other UK Projects	41	-	89	-	130	75
Assemblies	3	-	26	-	29	23
Grants	-	-	-	-	-	21
DBS Pension Scheme	-	144	-	-	144	147
	<u>1,437</u>	<u>1,664</u>	<u>1,205</u>	<u>896</u>	<u>5,202</u>	<u>6,075</u>
Total	<u>1,437</u>	<u>1,723</u>	<u>1,205</u>	<u>896</u>	<u>5,261</u>	<u>6,217</u>
					2021 £000	2020 £000
Support and Governance						
Staff Costs					459	277
Accommodation					181	249
Finance					29	113
IT					169	118
Governance Costs						
Auditor's Fees					22	16
Legal and professional Fees					28	18
Costs of AGM and trustee travel					2	8
Staff and Support Costs					6	9
					<u>896</u>	<u>808</u>



5. Trustees, employees and related parties

Except as stated below, the trustees and persons connected with them have not received or obtained any remuneration or other financial benefits for the year directly or indirectly from the charity's funds:

The aggregate amount of expenses reimbursed to 3 (2020: 8) trustees to cover travel and subsistence expenditure in attending meetings during the year was £1,138 (2020: £1,263).

The total employee benefits of the other key management personnel of the charity were £628,677 (2020: £533,106). A family member of a key management personnel was paid £8,061 (2020: £9,906) for working on Diffusion projects.

A grant of £10,000 (2020: £15,000) was received from The Jerusalem Trust, of which J Catford's wife is the Chairperson.

Transactions with IVP are disclosed in Note 17.

	2021	2020
Staff Costs	£000	£000
Wages and salaries	1,752	1,486
Social security costs	171	154
Pension scheme contributions:		
PBS (current scheme)	125	129
DBS (closed scheme)	144	147
	2,192	1,916

	2021	2020
The average number of employees was:	Number	Number
Publishing	41	33
Worldwide and Projects	2	2
Management and administration	2	3
Fundraising	2	1
	47	39

The number of employees whose emoluments exceeded £60,000 fell within the following ranges:

	2021	2020
£60,000 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	-

During the year, contributions were paid into the Pension Builder Scheme (PBS) for three higher-paid employees (2020: 3); the amounts totalled £24,602 (2020: £27,441).

6. Intangible fixed assets: Group and Charity

The intangible asset of Goodwill arose from the purchase of the Children's Bibles and Study Guides from Scripture Union.

	Group £'000	Charity £'000
Goodwill		
Cost or valuation		
Balance at 1 May 2020	75	15
Acquisition in year	-	-
Disposals in year	-	-
Balance at 30 April 2021	<u>75</u>	<u>15</u>
Amortisation		
Balance at 1 May 2020	45	9
Charge for the year	15	3
Released on disposals	-	-
Balance at 30 April 2021	<u>60</u>	<u>12</u>
Net book value at 30 April 2021	<u>15</u>	<u>3</u>
Net book value at 30 April 2020	<u>30</u>	<u>6</u>

7. Investments: Group and Charity

	Endowment Funds	Other Funds	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
At 1 May 2020	7,581	7,271	14,852	16,594
Additions	227	-	227	218
Unrealised gains /(losses)	1,286	1,394	2,681	(1,960)
At 30 April 2021	9,094	8,665	17,759	14,852
Total net unrealised gains	3,464	3,415	6,879	4,198
Historical Cost 30 April	5,630	5,250	10,880	10,654

	£'000	
William Leech (Investments) Limited (unlisted)	12,297	69%
M&G Securities Limited – 'Charifund' Common Investment Fund (listed)	1,921	11%
Sarasin & Partners LLP – 'Alpha' Common Investment Fund (listed)	1,760	10%
Newton Investment Management Ltd – 'SRI' Common Investment Fund (listed)	1,531	9%
CCLA - Common Investment Fund	193	1%
Cash awaiting investment in William Leech (Investments) Limited	57	0%
	17,759	100%

All investments are held in the UK.

At the year-end, the investments, excluding those held in William Leech (Investments) Limited, were held in four Common Investment Funds managed on behalf of the Society by its investment advisers, Newton Investment Management Ltd, M&G Securities Ltd, Sarasin & Partners LLP and CCLA. Separate investment funds were maintained for the unrestricted funds and for each of the endowment funds. The investments are financial assets measured at fair value through the Statement of Financial Activities.



	2021 Total	2020 Total
	£'000	£'000
a) Unrestricted Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	4,930	4,121
Listed Investments At Market Value	3,735	3,150
	8,665	7,271
b) Endowment Funds		
William Leech (Investments) Limited		
Ordinary shares at market value	7,366	6,157
Cash awaiting investment in William Leech (Investments) Limited	57	55
	7,423	6,212
Trust funds held by the Society		
Van Vryhoven Bequest		
Listed market securities at market value	506	414
Other Trust Funds		
Listed market securities at market value	1,165	955
	9,094	7,581

c) William Leech (Investments) Limited

The investments in the Leech Fund and the Leech Capital Fund are represented by shares held in William Leech (Investments) Limited. The Society holds 20% of the company's ordinary share capital. The Society has no controlling influence over the management of William Leech (Investments) Limited. As there is no market in these shares, the deemed market value of this investment is assessed as 20% of the net assets based on the company's management accounts as at 31 March 2021, as follows:

	2021	2020
	£'000	£'000
Aggregate capital and reserves	61,485	51,397
Turnover (property and investment income)	972	1,472
Net profit/(loss) for the year	14,191	(4,779)

The investment in William Leech (Investments) Limited has been used as security to guarantee the Society's liability for additional pension contributions to the Church of England Defined Benefits Scheme (DBS). This guarantee is restricted to those shares held at 30 April 2009.

d) Inter-Varsity Press

The results for the year 30 April 2021 and balance sheet for the subsidiary, Inter-Varsity Press, are as follows:

	2021 Total £'000	2020 Total £'000
Net expenditure	<u>(316)</u>	<u>(179)</u>
Intangible Assets	12	24
Current Assets	581	567
Creditors: Amount falling due within one year	<u>(1,708)</u>	<u>(1,390)</u>
Net (Liabilities)	<u><u>(1,115)</u></u>	<u><u>(799)</u></u>

8. Debtors: amounts falling due within one year

	2021 Group £'000	2021 Charity £'000	2020 Group £'000	2020 Charity £'000
Trade Debtors	435	430	612	607
Amount owed by Subs	-	1,320	-	1,063
Other Debtors	299	251	410	233
Prepayments	407	407	54	54
	<u>1,141</u>	<u>2,408</u>	<u>1,076</u>	<u>1,957</u>

Legacies and life interests

During the year charity was notified of four legacies (2020: 6). Where the value of the legacy can be determined with a reasonable degree of accuracy, the income has been recognised. In the past, SPCK has been bequeathed shares of a freehold property, which is subject to life tenancies. The conditions for recognition of this income have not been met and therefore this legacy is not included as income in the accounts. The estimated value of the legacy is unknown at present.

9. Creditors: Amounts falling due within one year

	2021 Group	2021 Charity	2020 Group	2020 Charity
	£'000	£'000	£'000	£'000
Bank Loan	358	358	79	79
Trade Creditors	259	223	170	129
Tax and Social Security	55	55	47	47
Other Creditors	1,021	676	1,153	891
Accruals	128	121	72	48
	1,821	1,433	1,521	1,194

10. Creditors: Amounts falling due over one year

	2021 Group	2021 Charity	2020 Group	2020 Charity
	£'000	£'000	£'000	£'000
Bank Loans	718	718	416	416
Other Loans (Concessionary)	-	-	53	53
	718	718	469	469

During the year ended 30 April 2016 the charity obtained a bank loan of £750,000 from Barclays Bank plc, repayable at an interest rate of 1.98% above base rate and secured over the Sarasin & Partners LLP investment assets (see note 7) by a fixed and floating charge.

During the current year the charity received a Coronavirus Business Interruption Loan of £664,000. It is repayable over 3 years and bears interest at 2.99% above the base rate.

At 30 April 2021, the bank loans are repayable as follows:

	2021 Group	2021 Charity	2020 Group	2020 Charity
	£'000	£'000	£'000	£'000
Within one year	358	358	79	79
In 1 - 2 years	421	421	79	79
In 2 - 5 years	297	297	337	337
After 5 years		-	-	-
	1,076	1,076	495	495

The total financial liabilities measured at amortised cost are £1,076,000 (2020: £495,000).

11. Pension provision: Group and Charity

	2021	2020
	£'000	£'000
At 1 May 2020	5,801	6,084
Paid in year	(411)	(398)
Interest cost and charge to balance sheet deficit liability	112	115
At 30 April 2021	5,502	5,801
Charitable expenditure		
Interest cost as above	112	115
Management charge	32	32
	144	147

A provision has been made for deficit contributions due to the Church Workers' Pension Fund (see Note 1 e) vi., Staff Pensions). The provision has been calculated from this information and then discounted at 2.0% (2020: 2.0%). Payments are being made monthly up to July 2033. The triennial valuation to the end of December 2019 has been completed resulting in no impact on the future payment schedule.

12. Other financial commitments and guarantees

As at 30 April 2021, the outstanding commitments for non-cancellable operating leases fall due as follows:

	2021	2020
	£'000	£'000
Operating leases due		
Within one year	9	10
2-5 years	3	14
	12	24

The lease payments recognised as an expense during the year were £11,000 (2020: £13,000). The charity also has a lease commitment for the next 2 years for the use of its premises (expires April 2023). The annual amount payable is the income arising on the M&G investment portfolio which is around £81,000 per annum.

13. Endowment Funds: Group and Charity

	Balance at 1 May 2020 £'000	Income £'000	Gains £'000	Balance at 30 April 2021 £'000
Leech Capital Fund	6,211	227	984	7,422
Van Vryhouven Bequest	413	-	93	506
Other Trust Funds				
Bray Endowed Capital	795	-	178	973
Bray Charity	53	-	10	63
D'Allone Charity	109	-	21	130
	957	-	209	1,166
	7,581	227	1,286	9,094
	Balance at 1 May 2019 £'000	Income £'000	Losses £'000	Balance at 30 April 2020 £'000
Leech Capital Fund	7,010	218	(1,017)	6,211
Van Vryhouven Bequest	433	-	(20)	413
Other Trust Funds				
Bray Endowed Capital	834	-	(39)	795
Bray Charity	53	-	0	53
D'Allone Charity	110	-	(1)	109
	997	-	(40)	957
	8,440	218	(1,077)	7,581

Income from the Leech Capital Fund is expendable for the Society's general purposes at the discretion of the trustees. Income from the other endowment trust funds is restricted in accordance with the terms of the relevant trusts. Further details on the endowment trust funds are available from SPCK's office.

14. Restricted Funds: Group and Charity

	Balance at 1 May 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2021 £'000
Other UK Projects	160	112	(177)	(13)	82
	<u>160</u>	<u>112</u>	<u>(177)</u>	<u>(13)</u>	<u>82</u>

	Balance at 1 May 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 30 April 2020 £'000
SPCK Newcastle Bible House	49	-	(8)	(41)	-
Other UK Projects	163	174	(177)	-	160
	<u>212</u>	<u>174</u>	<u>(185)</u>	<u>(41)</u>	<u>160</u>

Transfers were made during the year from Other UK Projects as these projects are now closed.

Transfers were made in the previous year from the SPCK Newcastle Bible House supporting Diffusion projects following Charity Commission permission to spend the accumulated and future income on general purposes.

The purpose of the Newcastle Bible House fund was to provide for the sale of Bibles and religious literature in Newcastle-upon-Tyne.

15. Unrestricted Funds

Group	Balance at 1 May 2020	Income	Expenditure	Transfers	Gains	Balance at 30 April 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,122	-	-	-	809	4,931
Designated funds 1	-	-	-	200	-	200
Designated funds 2	-	-	-	200	-	200
Other charitable funds	(2,254)	5,442	(5,084)	(387)	585	(1,698)
Total	1,868	5,442	(5,084)	13	1,394	3,633

Charity	Balance at 1 May 2020	Income	Expenditure	Transfers	Gains	Balance at 30 April 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Leech fund	4,122	-	-	-	809	4,931
Designated funds 1	-	-	-	200	-	200
Designated funds 2	-	-	-	200	-	200
Other charitable funds	(1,456)	3,910	(3,235)	(387)	585	(583)
Total	2,666	3,910	(3,235)	13	1,394	4,748

Group	Balance at 1 May 2019	Income	Expenditure	Transfers	Gains	Balance at 30 April 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,595	-	-	-	(473)	4,122
Other charitable funds	(1,721)	5,868	(6,032)	41	(410)	(2,254)
Total	2,874	5,868	(6,032)	41	(883)	1,868

Charity	Balance at 1 May 2019	Income	Expenditure	Transfers	Gains	Balance at 30 April 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Leech Fund	4,595	-	-	-	(473)	4,122
Other charitable funds	(1,102)	4,517	(4,502)	41	(410)	(1,456)
Total	3,493	4,517	(4,502)	41	(883)	2,666

In a Governing Body meeting 4 July 2019 it was agreed to set up designated funds for any additional payments received from William Leech (Investments) Ltd. Designated Fund 1 to set aside the first £200,000 each year which might be required to make additional pension payment contributions under the terms of the Individual Payment Plan agreed with the Church of England Pensions Board; and Designated Fund 2 for the next £200,000 each year, to be set aside for strategic opportunities.

16. Analysis of the Society's net assets by Fund

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2021 are represented by:				
Intangible fixed assets	15	-	-	15
Investments	8,665	-	9,094	17,759
Current assets	2,994	82	-	3,076
Current liabilities	(1,821)	-	-	(1,821)
Long-term liabilities	(718)	-	-	(718)
Pension Provision	(5,502)	-	-	(5,502)
Total net assets	3,633	82	9,094	12,809

Freely available reserves are defined as the Unrestricted Funds Net Current Assets, (that is Current Assets less Current Liabilities) of £1,173,000 (2020: £837,000).

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
Fund balances at 30 April 2020 are represented by:				
Intangible fixed assets	30	-	-	30
Investments	7,271	-	7,581	14,852
Current assets	2,358	160	-	2,518
Current liabilities	(1,521)	-	-	(1,521)
Long-term liabilities	(469)	-	-	(469)
Pension Provision	(5,801)	-	-	(5,801)
Total net assets	1,868	160	7,581	9,609

17. Transactions with IVP

During the year, the following transactions took place with IVP:

	2021 £'000	2020 £'000
Management charge paid by IVP	834	400
At the year end the amount owed to SPCK was:	1,320	1,063

18. Post Balance Sheet Events

In July 2021, SPCK received a third additional payment from William Leech (Investments) Ltd of £400,000. In September 2021, SPCK received a fourth additional payment of £800,000. This completes, earlier than expected, the additional contributions that William Leech (Investments) was intended to make.

The Society for Promoting Christian Knowledge (SPCK) and the AFD Group announce it has been agreed that SPCK will acquire from AFD the publishing business of Lion Hudson.

In May 2021, SPCK acquired the publishing business of Lion Hudson from the AFD Group. The acquisition brings new expertise in children's books and international rights sales which will broaden SPCK's fulfilment of its mission to lead the way in creating books and resources which will help everyone to make sense of faith. The acquisition will also deliver specific opportunities for synergies and cost savings which, as part of a successful integration, will significantly improve SPCK's financial sustainability. The acquisition was supported by detailed due diligence carried out by independent professional legal and financial advisors carried out mostly in the financial year ended April 30 2021, the costs of which will be included in the accounts for the financial year ended April 30 2022.