



Report and Financial Statements

For the year ended 30 April 2021



CHURCH PASTORAL AID SOCIETY
Sovereign Court One (Unit 3), Sir William Lyons Road, Coventry, CV4 7EZ.

*A company limited by guarantee Registered in England no. 02673220
Registered office at the above address
Registered charity no. 1007820 (England & Wales)*

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Trustees' Annual Report (Including Directors' Report & Strategic Report)

Year Ended 30 April 2021

CHURCH PASTORAL AID SOCIETY (CPAS)

Registered office Sovereign Court One (Unit 3), Sir William Lyons Road, Coventry CV4 7EZ

Registered company number 02673220

Registered charity numbers 1007820 (England & Wales)

Patron: Her Most Gracious Majesty the Queen

President: The Rt. Rev Christopher Cocksworth

Vice-presidents

The Rt. Rev Ruth Bushyager
The Rt. Rev Jill Duff
The Rt. Rev Peter Hancock

The Rt. Rev Dr Emma Ineson
The Rt. Rev Keith Sinclair
The Rt. Rev Rod Thomas

Vice-patrons

The Archbishop of Armagh
Lord MacKay of Clashfern

Trustees during year to 30 April 2021 and at 29 September 2021

Mrs Jenny Bray
The Rev Jane Beaumont
Miss Deborah Buggs
The Rev Simon Chesters

Mrs Eleanor Doolan
Mrs Sarah Gough *Vice-chair*
The Rev Tamsin Merchant
Mr Richard Montgomery (*from March 2021*)

The Rev Paul Peterson
The Ven Andrew Piggott *Vice-chair*
Mr Rod Street
The Rt. Rev Mark Tanner *Chair*

Council of Reference as at 29 September 2021

The Rev Chris Balding
The Rev Canon Mark Brown
The Rev Stuart Browning
Dr Nick Burt
The Rev Richard Coombs
The Rev Lesley Currie
The Rev Roger Driver
The Ven Paul Dundas
The Rev Mones Farah
The Rev Andrew Fearnley

The Rev (Sqn-Ldr) Geoffrey Firth
The Rev Fiona Gibson
The Rev Chris Green
The Rev David Hammond
The Rev John Hookway
The Rev Samantha Hustwayte
The Rt. Rev Dr Emma Ineson (*Chair*)
Mrs Davina Irwin-Clark
Capt. Nicholas Lebey
The Rev Catherine Mabuza

The Rev Jane Morris
The Rev Alex Oehring
The Rev Dr Philip Plyming
The Rev Eddie Scrase-Field
Mrs Sarah Slater
The Rev Rick Stordy
The Rev Simon Talbot
Mrs Abi Todd
Mrs Nikki Tomkins

Recruitment Group as at 29 September 2021

Mrs Jenny Bray
The Rev Sam Corley

The Rev Tamsin Merchant
The Rev Canon Andy Perry

The Rev Dr Philip Plyming
Miss Victoria Ritchie

Key Management Personnel

The General Director
Director of Ministry

The Rev Canon John Dunnett
The Rev Canon Graham Archer

Professional Advisers

Bankers

The Royal Bank of Scotland PLC Drummond House 1 Redheugh Avenue Edinburgh EH12 9JN

Auditors

Dafferns LLP One Eastwood Harry Weston Road Coventry CV3 2UB

Solicitors

Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

Investment Advisers

CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET

Structure, Governance and Management

Constitution and Governance

CPAS was founded as an unincorporated charity in 1836 and was incorporated on 19 December 1991 as a company limited by guarantee, having no share capital. The company took over the operations of the Society on 1 April 1992, the assets being transferred by a Charity Commission scheme dated 25 March 1993. On 1 May 2010, CPAS merged with CYFA Pathfinder Ventures Ltd, an incorporated charity. In the event of a winding-up, each member is liable to contribute a sum not exceeding £10 towards the assets of the Society.

CPAS's governing document is its Articles of Association. The current Articles were adopted as from 12 October 2004 and amended at an Extraordinary General Meeting held on 1 October 2005 and further amended at the Annual General Meetings on 30 November 2006 and on 27 November 2007. At an Extraordinary General Meeting on 26 April 2010, the membership agreed further changes to the Articles in preparation for the merger with CPV Ltd, those changes becoming effective upon the merger on 1 May 2010. The Articles were subsequently further amended at the Annual General Meeting on 17 November 2010 and on the 13 November 2013. The members of CPAS are the President, Vice-Presidents, Trustees and Council of Reference; as at 30 April 2021 there were 48 members (2020: 48) and as at 29 September 2021 there were 48 members.

There are normally up to twelve Trustees, the Articles permitting the co-option of up to a further four trustees. With the exception of any who are co-opted, the trustees are elected by the members on the basis of skills and experience, from recommendations made by the Recruitment Group established for the purpose of identifying suitable candidates. Under the provisions of the Companies Act 2006 the Trustees are the directors. Newly-elected Trustees receive a comprehensive information pack, and participate in a programme of briefing meetings. Trustees generally meet six times a year. All major decisions regarding strategy, policy and finance are the responsibility of the Trustees. The implementation of decisions of the Trustees is delegated to the staff.

A Council of Reference, representative of the Anglican parishes and churches that the Society is established to serve pursuant to its object, advises the Trustees as to the needs of the beneficiaries of the Society.

CPAS holds insurance to indemnify the Trustees against the consequences of any neglect or default on their part.

Operational structure

Senior leadership – the general director leads the organisation plus, promotes and represents CPAS externally; the director of ministry (also deputy general director) is responsible for co-ordinating and overseeing the three ministry arms of CPAS.

Support functions – comprises a communications and fundraising team and a finance and office services team.

Ministry – the three areas of CPAS's ministry are:

Venture, Falcon and School Venture Holidays:

- Co-ordinates and oversees the annual holidays programme.
- Develop, implement and manages systems for supporting volunteers.
- Promote and market *Ventures and Falcons*.
- Develop relationships with existing and potential overall leaders.

Patronage:

- Works with churches and dioceses in the appointment of incumbents to CPAS parishes.
- Supports the patronage trustees in the administration of their functions.
- Represents CPAS' patronage nationally.

Leadership development:

- Holds and develops corporate thinking on leadership development.
- Initiates, develops and implements leadership development courses, resources and programmes.
- Co-ordinates delivery through associates and partners (i.e. non staff provision).

Trustees wish to build on the network of volunteers for *Venture and Falcon Holidays* and recruit volunteer and paid partners to facilitate, particularly, the leadership development ministry, and thus move towards a less staff-dependent model of delivery.

Financial Instruments

The financial instruments of CPAS comprise cash, liquid resources and various other items such as trade debtors, trade creditors etc, that arise directly from its operations. The main purpose of these financial instruments is to finance the operations of CPAS. The nature of these financial instruments means that they are not subject to price risk or liquidity risk.

In addition, CPAS has investments with CCLA Investment Management Ltd. These investments are subject to price risk arising on the underlying investment portfolio. The trustees review the performance of the investments against market returns to ensure that price risk exposure is kept to a minimum.

Risk Assessment

The Trustees conduct an annual review of the risks to CPAS. A separate, detailed assessment of the risks relating to Ventures and Falcons is also reviewed annually. Although there are a number of underlying risks to the activities of CPAS, at the time of writing, the principal risks are as follows:

- The impact of the Coronavirus pandemic on income from donors, churches, trusts and investments.
- Any future potential decline in the number of children and young people attending Ventures as a result of the cancelled 2020 residential summer programme
- Serious divisions in the Anglican Church or evangelical constituency and CPAS being over identified with one particular group.
- Pension deficit on the (now closed) Defined Benefit Pension Scheme.

The risk assessment details the actions, systems and procedures put in place by the Trustees in order to mitigate and manage those risks.

Pay Policy for Senior Staff

The directors, consider the board of directors, who are the Society's trustees and the senior management team, comprise the key management personnel of the Society in charge of directing and controlling, running and operating the Society on a day by day basis. All directors give their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 5 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with CPI inflation and/or the Central Stipends Authority of the Church of England. The remuneration bench-mark is the National Stipends of senior clergy within the Church of England.

Connected Organisations**Church Pastoral Aid Trust** (registered company number 00041145)

The Church Pastoral Aid Trust (CPAT) was incorporated on 12 May 1894. It acts solely for or under the direction of the Church Pastoral Aid Society. Certain investments and properties held in trust for other bodies are registered in the name of the Trust. The Directors are appointed by the Trustees of CPAS. Directors as at 30 April 2021:

The Rev John Dunnett	The Ven Andrew Piggott	Mrs Sarah Gough
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Church Pastoral Aid Society Patronage Trust (registered company number 00906861)

The Church Pastoral Aid Society Patronage Trust (CPASPT) is an Association incorporated on 24 May 1967. Its object is to hold and administer the patronage of benefices, including in particular the appointment of clergy. Trustees as at 30 April 2021:

The Rev Canon David Banting	The Rev Canon Gary Jenkins <i>Chair</i>	The Rev Robert Paul Oakley	Ms Vic Ritchie
The Rev John Coles	Mr Ross Johnstone	The Rev Canon Andrew Perry	Mrs Helen Simpson
The Rev John Cook	The Rt. Rev Alistair Magowan	The Rev Esther Prior <i>Vice-chair</i>	The Rev Canon Patrick Whitworth

Martyrs Memorial and Church of England Trust (registered company number 00317024)

The Martyrs Memorial and Church of England Trust (MMT) is an Association incorporated on 20 July 1936. Its object is to hold and administer the patronage of benefices, including in particular the appointment of clergy and administer the Allied Schools. Trustees as at 30 April 2021:

The Rev Canon David Banting	The Rev Canon Gary Jenkins <i>Chair</i>	The Rev Robert Paul Oakley	Ms Vic Ritchie
The Rev John Coles	Mr Ross Johnstone	The Rev Canon Andrew Perry	Mrs Helen Simpson
The Rev John Cook	The Rt. Rev Alistair Magowan	The Rev Esther Prior <i>Vice-chair</i>	The Rev Canon Patrick Whitworth

Church Trust Fund Trust

The Church Trust Fund Trust (CTFT) was established in 1871 by Trust Deed. Its object is to hold and administer the patronage of benefices, including in particular the appointment of clergy. Trustees as at 30 April 2021:

The Rev Canon David Banting	Mr Ross Johnstone	The Rev Canon Andrew Perry	The Rev Helen Simpson
The Rev Canon Gary Jenkins	The Rt. Rev Alistair Magowan	The Rev Esther Prior	

The Peache Charitable Trust (charity number 289803)

The Peache Charitable Trust was established by Declaration of Trust on 13 June 1984. Its object is to advance the Christian gospel throughout the UK by all charitable means available and in particular to foster and encourage the work of the gospel within the Church of England parishes where the advowson and rights of patronage are vested in the Trustees of The Peache Charitable Trust. Trustees as at 30 April 2021:

The Rev John Cook	The Rt. Rev Alistair Magowan	The Rev Esther Prior	Mrs Helen Simpson
The Rev Canon Patrick Whitworth			

The Church Patronage Trust

The Church Patronage Trust (CPT) was established in 1871 by Trust Deed. Its object is to appoint clergy of an evangelical complexion to the livings of which the Trust is Patron. Trustees as at 30 April 2021:

The Rev John Coles	The Rt. Rev Alistair Magowan	The Rev Esther Prior	The Rev Robert Paul Oakley
Mrs Helen Simpson			

Objectives and Activities

CPAS is an Anglican evangelical mission agency, formed in 1836. Our work over that time has always been in keeping with the original intent of the founding members and focused on working to support local churches in their evangelical witness.

The objects for which the Society is established are:

- (i) Providing human and material Christian resources mainly to Anglican parishes, churches and groups throughout the world and in particular in England, Wales, Scotland and Ireland, in order to encourage and increase their effectiveness as worshipping communities committed to nurture, training, evangelism, growth and service and seeking to glorify God;
- (ii) Working under the supreme authority of Christian Scripture and in accordance with the Protestant and Evangelical doctrines and principles of the Church of England as set forth in the Book of Common Prayer and the Thirty-nine Articles of Religion read in conjunction with the Society's Basis of Faith as agreed from time to time;
- (iii) Educating and nurturing young people in the Christian faith and in discipleship.

At the heart of CPAS's existence is its mission to enable churches to help every person, whatever their background or situation, hear and discover the good news of Jesus Christ. The organisation's vision, its way of seeing its mission achieved, seeks to see leadership at all levels in local churches developed, so that those churches will be much more effective at enabling local residents to engage with and participate in the life of the local church, coming to, and growing in personal faith. *Venture* and *Falcon Holidays*, as the residential youth ministry of CPAS, are a microcosm of this, where the leaders are enabled to work alongside children and young people.

CPAS's strategic objectives reflect its mission and vision statements. The Trustees review these annually and in doing so have considered the Charity Commission's general guidance on public benefit and in particular, its supplementary public guidance on the advancement of religion for public benefit.

The priorities for 2021-22 are:

- Complete the vision refresh exercise begun 18 months ago and launch our strategic goals;
- Return to the office once government advice re post-COVID allow it
- Further develop our marketing strategy for *Venture* and *Falcon* holidays, including moving to more on-line tools;
- Increase take up of and capacity to deliver an increasing number of *School Ventures* initiative;
- Enable our newly appointed fundraising staff to launch their work;
- Full implementation of new Database;
- To learn from and implement changes following the Covid-19 pandemic.

Staffing

During year to 30 April 2021, the following appointments were made: Catherine Mulkern as Head of Fundraising and Communications, Mark Henderson as Churches Relationship Manager and Matthew Hustwayte as Arrow Programme Manager. During the year we said goodbye to the following staff: John Coyne, Ian Parkinson, Emma Sykes, Sally Taylor, Isobel Wilkinson and Jaqueline Titmas, most of whom have taken up new roles or retired.

CPAS continues to be enormously grateful to those whose contributions in a voluntary capacity enable the Society in the achievement of its objectives. This includes over 700 leaders on *Venture*, *Falcon* and *School Venture* Holidays; those who offer support through the Council of Reference and other advisory bodies; the many friends of CPAS who give of their time to lead and teach on events and programmes, and offer administrative and practical support to staff. In addition, CPAS relies on parish representatives and others who promote and fundraise for CPAS through local churches. To all these, the Trustees wish to express their grateful appreciation.

Strategic Report

Achievements and performance

CPAS carries out a wide range of activities in pursuit of its charitable aims. Each local church has the opportunity to play an important role in and make a significant contribution to the community in which it is located. The Trustees consider the activities of CPAS, as summarised below, provide benefit both for the members of the local churches CPAS serves and the residents of the surrounding communities.

Patronage

CPAS made 65 clergy appointments during the year (2020: 77). Of these 17 were in situations of sole patronage and 48 joint patronages. Two years on from their accepting responsibility for The Church Patronage Trust and The Peache Charitable Trust, the Patronage trustees now have responsibility for a total of 690 patronages across the five trusts administered. During the year, 2 individual parishes have chosen to come under CPAS patronage. The number of vacancies has stayed the same at 95.

By May 2020, the national lockdown consequent on the arrival of the COVID-19 virus had paused almost all appointment processes. Dioceses slowly took confidence to move some parts of their processes to Zoom, and the patronage team were able to help them feel their way forward to a shared best practice, although few dioceses were content to make appointments unless the candidate was already known to them and the parish. The intermittent unlock phases allowed these face-to-face interviews and confirmatory meetings to take place so that the numbers appointed were higher than expected.

The EPCC register continues to assist clergy looking for a move. Over the period an average of 67, names were on the register at any one time. Virtually all clergy registering this year were interviewed by the Patronage Secretary or Director of Ministry, which allowed targeted support during this time of continuing uncertainty. The patronage team produced online materials to offer training for clergy in how to navigate the tricky subject of moving on and handling the appointment process well.

During the summer, finding that many of our vacancy processes had been paused and recognising that our patronage incumbents were facing an unprecedented challenge to their ministry, the patronage team undertook three major projects. The first was a collaboration with the Leadership Team to launch a series of Webinars supporting Leadership in Lockdown. Although this quickly transitioned to the hugely popular series of webinars run by the Leadership Team and open to all churches across the country, this was not before many patronage incumbents had already recognised that the webinars were a highly supportive contribution to their leadership by their patron. The second project, 'Phone-a-Friend', was to phone all patronage incumbents, encourage them in their ministry, listen to their challenges, and invite prayer requests for our daily staff prayers. In 5 months, members of the patronage team, CPAS staff and patronage trustees managed to phone 549 incumbents; the key contributor was John Coyne, who phoned all the first and second year incumbents. The feedback from these two projects was an overwhelming sense from patronage incumbents that they were glad to have a patron who cared about them. This was especially significant for incumbents whose patron is Peache Trust or CPT who did not have a prior history with CPAS. The third project was to recreate their three training/support events ('Stay or Go?', 'Moving on' and 'Looking up, Looking forward') as online events. The first two worked very well with small numbers and demonstrated that we could continue to run those events through the year. The attempt to run local patronage incumbent support days was not so successful, eclipsed as they were by the hugely popular webinar series. (One local event worked reasonably well on a small scale – the others had to be cancelled.)

The team also completed the review and re-publication of the CPAS patronage process brochure. It is intended to send this to all Bishops, Archdeacons and PAs once they are back in their offices – however many have already found the electronic version very helpful.

The Martyrs Memorial and Church of England Trust (MMT) has an ownership responsibility for five independent schools (Canford School, Harrogate Ladies College, Stowe School, Westonbirt School and Wrekin College) of which Westonbirt is in the process of being sold. 4 new trustees were appointed for Westonbirt Schools Ltd to oversee the process of handover following its sale in 2018. New MMT governors were also appointed at Wrekin, Stowe and Harrogate Ladies College.

In order to ease the governance of the 5 major trusts and 12 individual trusts in the patronage portfolio, research and due diligence was carried out to prepare for changes to be made to the founding trust documents of the three unincorporated trusts (CTFT, CPT and Peache) to be carried out in the coming year. 11 parishes whose patronage is held by CTFT Special Trusts were transferred to CPASPT.

In June the Patronage team said farewell to John Coyne with grateful thanks for his sterling service running vacancy processes and supporting both new incumbents and clergy looking for a move.

Venture, Falcon and School Venture Holidays

As the financial year finishes, we look back over a bizarre twelve months. Whilst it was disappointing to cancel our residential programme, we were delighted that our Overall Leaders adapted so well, delivering 45 online Virtual Ventures for over 1,000 young people and 450 *Falcon in a Box* parcels (including games, crafts, teaching materials, a meal voucher for the family) to those facing particular disadvantage. It was incredibly hard work for the 700 leaders involved but rewarding, with 82% of our participants reporting their experience as 'pretty good' or 'amazing'. We have re-launched our programme of residentials for summer 2021 at reduced capacity (approximately 60%), and by the end of April were encouraged to see a majority of those spaces taken with 1,400 bookings. Again, our Overall Leaders have stepped up by taking on the challenge of planning a holiday with a variety of possible restrictions in mind. Our conferences this year have been online and focused on the emotional demands the pandemic will have had on our young people and leaders, and we're planning a follow-up webinar in June.

Behind the scenes, the staff have put in a lot of work to launch the new database and website, providing more helpful information and a better bookings and safer recruitment user experience. We have invested further in safeguarding, (staffing, training and processes) and in the development of our ministries.

Whilst School Ventures have not seen any weekend residentials, we have explored options with schools and parishes, and are piloting a conference for heads and clergy to enable better partnerships. We are also exploring how to further and deepen the work of Falcons, with some positive options beginning to present themselves. We hope and pray that the next 12 months enables us to serve more children in a fruitful way.

Leadership

Last year we wrote as we were trying to adjust our mode of operation to the emerging new reality. It has been both a deeply challenging and incredibly stimulating year.

The challenge has been around holding together a team unable to physically meet together, who themselves have been impacted by the pandemic in a variety of ways. The stimulation has been both to work out how best to serve church leaders through this time, and to rethink how we do what we do in a new online reality.

By the autumn term we had pivoted with the best of them, taken much of our training online and continued to develop some new online engagements. Our monthly webinars seem to have connected well and over the year we have seen the numbers grow from under 100 people attending when we started to just under 1,000 people in March 2021 and 21% of these were people joining us for the first time. The webinars have given us a great way to keep track of where leaders are and to do some simple surveys to discover what is going on.

There have been various further changes in the team, including the departure of Ian Parkinson at the end of 2020. We are so grateful for his contribution to our work among TEs over the last five years and wish him well in his new role with Sheffield diocese. We have continued to develop ideas around our 2020-2025 strategic goals, and post-Easter were able to recruit new team members to replace those who left us last year. They will be joining us at various points over the summer, we're looking forward to all they will bring to the development of new initiatives to deliver against our goals.

2020-2021

The work of the leadership development team falls into four broad areas:

1. Leadership training events for Dioceses/Organisations

During the last year we have continued to provide training through our staff and partners with 27 one day events, including Continuing Ministerial Development (CMD)/Initial Ministerial Education (IME) days, alongside our four more substantial pieces of work. All these have been online; we have learnt lots about the advantages and disadvantages of online training:

- **Leadership courses** (12 days over a year): we have started our fourth cohort in Peterborough diocese, and a new style of leadership course for oversight ministers in Carlisle diocese (cohort 1 began September 2020 and cohort 2 began April 2021). We are in conversation with Portsmouth diocese for a second cohort there and with Hereford diocese for a first cohort later in 2021.
- **Thrive learning communities** (a two-year process working with groups of lay and ordained leaders from MPBs, four two-day gatherings, two one-day): through the year we have led multiple learning community gatherings across a range of diocese (including the Worcester diocese CYD hubs) and have adapted the gatherings to reflect ways to keep people engaged online.
- **Flourish** (a two-year process with a blended learning community of lay and ordained leaders) the pilot with LICC and Gloucester has run through the year with various COVID related delays and will finish in October 2021. It will be evaluated ahead of potential further communities being established in 2022.

We have also delivered training at a number of New Wine leaders' events, The Church Army and a number of DEFs.

2. Leadership development for Theological Educational Institutes (TEIs)

Despite Ian Parkinson's departure at the end of 2020, we still managed to deliver 30 sessions in TEIs. Our offering will look different in 2021-2022, but we continue to be excited by the opportunities to contribute to the formation of ordinands.

3. CPAS events

During the year we have run thirty-six webinars, three online PCC evenings (which have proved very popular, with each event booked out with 200 people), four online training days/mornings, an Arrow community training day, alongside Zoomidential one and two for Arrow 16.

4. Resources

Lead On subscriptions have increased to just under 8,000 people, but hasn't increased by the amount we were hoping for, perhaps because it is easier to get people to sign up at a physically gathered event than online.

Through the year we have produced a wide range of simple resources to help churches navigate the pandemic. Our 'recovery' resources proved very popular, along with the recordings of the webinars posted on our YouTube site. In addition, we published a new resource for PCCs in Multi-parish Benefices, six sessions to help them think through how to lead mission and ministry well.

Partners in Ministry

We continue to run our partner scheme, with people around the country who offer their services to deliver our ministry. We currently have five members who are involved with the delivery of our leadership training.

Fundraising

The Society does not contract with a third party to undertake any fundraising on its behalf. The Society does employ a Head of Fundraising and Communications, Fundraising and Communications Officer, Key Relationships Manager, Churches Relationship Manager and a Marketing Officer, who initiate campaigns and support fundraising activities.

The Society only makes fundraising approaches to contacts who have given explicit consent to receive such campaign documentation under GDPR guidelines. We have received no fundraising complaints during the year.

Financial Review

Investments

The objects include the following investment powers:

'To invest the monies of the Society not immediately required for its purpose in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law.'

CPAS's investments are held in Collective Investment Scheme Units of the CBF Church of England Investment Fund, the income from which is used for the Society's ministries. Ethical considerations form an integral part of the management of these funds. No specific investment objectives are set but results are monitored against market returns. Investment Units achieved an income yield of 2.8%.

Fixed Assets

The Society's fixed assets include the following:

- office and other equipment necessary to fulfil the Society's ministries
- three freehold properties held to house some staff members who have joined CPAS following service in tied accommodation
- land bequeathed to the Society currently held as tenanted farmland.

Reserves

CPAS holds reserves to fund its working capital and to cover fluctuations in levels of incoming resources needed to maintain the Society's normal operations in the short term. During the year general and designated funds (excluding fixed assets) increased from £6,347,000 to £7,434,000. This figure includes an unrealised gain in the value of general fund investments of £990,000. A part of these funds are held on deposit, giving an effective hedge against fluctuations in the stock market.

The Trustees' reserves policy is to hold the equivalent of 6 months expenditure plus £1,600,000 to cover any defined benefits pension scheme liabilities that may arise and £1,000,000 for future purchase of premises; this amounts to approximately £4,200,000. The Trustees plan to use the excess reserves over the next 5 to 10 years on new projects or by extending existing ones.

All Funds

The results for the year showed an overall gain of £129,000 as compared with a gain of £83,000 in 2020, before funds transfer, revaluation of investments and actuarial gains and losses on the defined benefit pension scheme.

Unrestricted Funds

The net gain of 73,000 (excluding gains or losses on sale of tangible fixed assets, funds transfer and before other recognised gains or losses) compares with a loss in 2020 of £102,000. Donations from churches were £6,000 more than in 2020 and from individuals £151,000 more. Donations from Leaders amounted to £33,000 for the year (2020: £506,000). Receipts from legacies were £130,000 less than in 2020. CPAS continues to rely heavily on the generous voluntary giving of supporters, without which its ministry would not be sustainable, and the Society expresses its gratitude to all who have made donations or included CPAS in their Will during the year. Expenditure amounted to £1,675,000 for the year.

Restricted Funds

The combined totals for the restricted funds resulted in a gain of £56,000 (excluding funds transfer and before other recognised gains or losses), as compared with a gain of £185,000 in 2020. Donations of £92,000 were received during the year. Expenditure amounted to £49,000 for the year. Each of these funds carried forward surpluses which will support commitments for the training and grant-making programmes currently under way.

Commitments

Financial projections indicate that the Society's general fund reserves are adequate for it to continue in operation for the foreseeable future. The realisable value of assets and investments are believed to be adequate to meet liabilities in the event of a major curtailment of activities or of liquidation. Information concerning pension contributions and other commitments is contained in notes 1 and 7.

Defined benefit pension scheme deficit

As at 30 April 2021 the deficit arising on the Society's defined benefit scheme amounted to £nil. On 1 August 2011 the scheme was closed to both new entrant and future accrual. Details of the funding payments from the actuarial valuations are set out in note 7 to the financial statements.

Plans for future periods

As a result of our recent vision refresh exercise, we have identified several aspirations that would guide our ministry over the next five years. CPAS longs to see:

- Every church - a pathway to faith
- Every leader - a catalyst for evangelism
- Every Christian - a courageous witness
- Every child - a chance to explore Jesus.

Alongside our continuing work and in order to achieve the aspirations expressed above, we will pursue a number of focused goals:

- Appointing clergy to vacancies in our 700 parishes who will lead in evangelism;
- Upskilling 1,000 oversight ministers and focal leaders to lead fresh expressions, congregations and churches (including multi parish benefices) to be more effective in evangelism;
- Helping church leaders motivate 50,000 Christians to be confident and courageous to share their faith; and
- Supporting the evangelism and discipling of 10,000 children and teenagers through *Ventures*, *Falcons* and *School Ventures*.

It is to be noted that this refreshed vision has been derived from an investigation of current trends and initiatives within the Church of England as a whole and refreshes CPAS' founding commitment to support local churches in enabling those who are far from Christ to be reconciled to him. Christian witness today can feel an uphill challenge when narratives of contemporary culture often appear out of step with those of Scripture. It is therefore our intent over the foreseeable future to enable local churches to present the good news afresh to men, women and children by providing *Venture* and *Falcon* holidays, appointing evangelical clergy to our patronage parishes and training, resourcing and supporting leaders for evangelism and mission.

Covid-19

Due to the Covid-19 pandemic, we cancelled all of our 2020-21 holidays and in-person events and where possible these were substituted with online events. Although this resulted in reduced Holiday and Event Income, this was off-set by reduced costs in these areas.

Additionally, we received approximately £100,000 in donations from individuals, plus £150,000 through Stewardship Philanthropy to off-set against the loss of revenues and costs associated with cancelled events. Some members of staff were furloughed for part of the year and CPAS received grants totalling £16,000 from the Government's Corona virus Job Retention Scheme.

With over £7,000,000 in Reserves, we feel that the Society is still in a good position and the long-term prospects are good.

Trustees' Responsibilities Statement

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

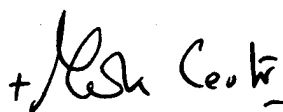
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all steps that we ought to have taken as trustees to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees Annual Report, we also approve the Strategic Report included therein, in our capacity as trustees.

The Rt. Rev Mark Tanner
Chair,
For and on behalf of the Trustees



27 September 2021

Independent Auditor's Report to the Members of Church Pastoral Aid Society

Opinion

We have audited the financial statements of Church Pastoral Aid Society (the 'charitable company') for the year ended 30 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 30 April 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

- adequate 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report to the Members of Church Pastoral Aid Society (cont'd)

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

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Richard Miller FCA MA (Oxon) (Senior Statutory Auditor)
For and on behalf of
Dafferns LLP, Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry CV3 2UB

3 November 2021

Statement of Financial Activities for the year ending 30 April 2021

		2021			2020		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	Notes	£000	£000	£000	£000	£000	£000
INCOME AND EXPENDITURE ACCOUNT							
Income and endowments from:							
Donations and legacies		1,449	92	1,541	1,743	374	2,117
Investments		210	13	223	228	13	241
Charitable activities		89	0	89	886	34	920
Total Income	2	1,748	105	1,853	2,857	421	3,278
Expenditure on:							
Raising funds		152	5	157	151	14	165
Charitable activities		1,523	44	1,567	2,808	222	3,030
Total Expenditure	3	1,675	49	1,724	2,959	236	3,195
Net Income / (Expenditure) before Gains & Losses on Investments and Fund Transfers		73	56	129	(102)	185	83
Net gains (losses) on investments	9	1,189	141	1,330	75	2	77
Net Income / (Expenditure) for year		1,262	197	1,459	(27)	187	160
Funds transfer		0	0	0	0	0	0
Actuarial gains (losses) on defined benefit pension scheme	7	359	0	359	(548)	0	(548)
Net Movement in Funds	13	1,621	197	1,818	(575)	187	(388)
Reconciliation of Funds							
Total funds brought forward		7,809	1,227	9,036	8,384	1,040	9,424
Total Funds Carried Forward		9,430	1,424	10,854	7,809	1,227	9,036

Restricted funds include £382,000 representing permanent endowment funds (note 13).

All gains and losses recognised in the year are included above.

All the activities of the Society are continuing activities, and there were no acquisitions in the year.

Registered Company No. 02673220

Balance Sheet as at 30 April 2021

	Notes	2021 £000	2020 £000
FIXED ASSETS			
Tangible fixed assets	8	1,996	1,462
Investments (unlisted)	9	<u>8,138</u>	<u>7,308</u>
Total Fixed Assets		10,134	8,770
CURRENT ASSETS			
Debtors	10	167	772
Deposits repayable on demand		3	3
Cash at bank and in hand		<u>681</u>	<u>364</u>
Total Current Assets		851	1,139
CURRENT LIABILITIES			
Creditors falling due within 1 year	11	<u>(131)</u>	<u>(327)</u>
Net Current Assets		720	812
NET ASSETS BEFORE PENSION ASSET/(LIABILITY)		10,854	9,582
Defined benefit pension scheme asset/(liability)	7	<u>(0)</u>	<u>(546)</u>
NET ASSETS INCLUDING PENSION ASSET/(LIABILITY)		<u>10,854</u>	<u>9,036</u>
FUNDS	13		
Permanent endowment fund		382	319
Restricted funds		1,042	908
Unrestricted funds:			
Designated fund		293	276
General fund		9,137	8,079
Pension reserve	7	<u>(0)</u>	<u>(546)</u>
		<u>9,430</u>	<u>7,809</u>
TOTAL FUNDS		<u>10,854</u>	<u>9,036</u>

Signed for and on behalf of the Trustees on 27 September 2021

The Rt. Rev Mark Tanner
Chair


Statement of Cash Flows for year ending 30 April 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities:			
Net Income for year		1,459	160
Adjustments for:			
Depreciation charge		67	10
(Gains)/Losses on investments		(1,330)	(77)
Investment income		(223)	(241)
Decrease in stock		0	0
(Increase)/Decrease in debtors		605	(205)
Increase/(Decrease) in creditors		(196)	(92)
Defined Benefit Pension Adjustments		(187)	(198)
Other		0	0
Net cash provided by (used in) operating activities		195	(643)
Cash flows from investing activities:			
Investment income		223	241
Proceeds from sale of investments		500	1,000
Purchase of investment		(0)	(0)
Proceeds from sale of fixed assets		0	0
Purchase of fixed assets		(601)	(466)
Net cash provided by (used in) investing activities		122	775
Cash flows from financing activities:			
Repayment of borrowing		0	0
Cash inflow from new borrowing		0	0
Receipt of endowment		0	0
Net cash provided by (used in) financing activities		0	0
Change in cash and cash equivalents during year		317	132
Cash and cash equivalents at beginning of year		367	235
Cash and cash equivalents at end of year	12	684	367

Analysis of changes in net debt

	1 May 2020 £000	Cashflows £000	30 April 2021 £000
Cash and Cash Equivalents	<u>367</u>	<u>317</u>	<u>684</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Summary of significant Accounting Policies

General information and basis of preparation

CPAS is a company limited by guarantee, incorporated in England within the United Kingdom. The address of the registered office is given in the company information on the front page of these financial statements. The Trustees of CPAS are directors for the purposes of the Companies Act 2006 and are trustees within the meaning of the Charities Acts (see page 3 for full list).

The Society constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice* applicable to charities preparing their accounts in accordance with the *Financial Reporting Standard* applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of fixed asset investments, adopting the policies set out below. The Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Society to be able to continue as a going concern. The financial statements are presented in sterling which is the functional currency of the Society and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Incoming resources

Donations represent amounts received during the year, together with any associated tax refund. Legacies are credited to the statement of financial activities in the year in which the Society becomes legally entitled, being the earlier of the Society being notified of an impending distribution, where the monetary amount can be measured with adequate reliability, or the date of receipt.

Venture and *Falcon* holiday fees are recognised in the statement of financial activities as the activities take place during the year. Holiday fees received in relation to activities taking place after the end of year are deferred and are included in deferred income (note 11).

Income due from both investments and deposits but not received during the year is included in the statement of financial activities. Investments are stated at fair value being market value at the year-end date. Monies placed in deposit funds are classified as short term deposits as they are repayable on demand.

Grants receivable for specific purposes are credited to the statement of financial activities in the year to which they relate as soon as conditions for receipt have been met. Unspent balances are carried forward to subsequent years within restricted funds. Grants for immediate financial support, or received against costs previously incurred, are recognised immediately in the statement of financial activities. Voluntary income is shown gross before deduction of fundraising expenditure.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Society to the expenditure. All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to the category. Support costs attributable to more than one activity are apportioned on the basis of expenditure relating directly to those activities. Any expenditure relating to activities taking place after the end of year are deferred and are included in prepayments (note 10).

Governance costs comprise legal fees, audit fees and charges for audit advice, servicing of trustees and other governance bodies, bank charges, and overheads and staff costs apportioned on the basis of time expended on governance work.

Raising funds expenditure comprises: costs of fundraising mailings, consultancy fees, and staff costs apportioned on the basis of time expended on fundraising activities.

The Society makes no donations for charitable purposes outside the scope of its own work, neither are any donations made for any political purpose.

Assets

Fixed assets are capitalised if they are valued at more than £1,000 and are included at cost.

Depreciation is charged to write off the cost less the estimated residual value of fixed assets on a straight line basis over the periods of time shown below, commencing in the year of acquisition, with no depreciation in the year of disposal:

• land	no depreciation
• staff houses (see below)	no depreciation
• office furniture & equipment	5 years
• computer equipment	3 years
• computer equipment – database	10 years

Depreciation is not provided on staff houses. The Trustees consider that the residual value is not materially different from the carrying value shown in the financial statements and consequently any depreciation charge would be immaterial.

Investments are included at fair value. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Funds

The following types of fund are available for use by the Trustees or Board:

- permanent endowment fund, the income from which is available for the general purposes of the Society
- restricted funds, being applied solely for the purpose of the fund
- designated funds, being applied for the purpose of the fund at the Trustees' discretion.
- general funds, available for the general purposes of the Society.

Pensions

Staff who are ordained Church of England clergy are included in the Church of England Funded Pensions Scheme administered by the Church of England Pensions Board. No funding liability currently arises for the Society in respect of them. Section 28 of FRS102 requires the employer to account for pension costs on the basis of contributions actually payable to the scheme during the year (see note 7 – *pensions*). For other staff the Society operates a funded, defined benefit pension scheme (see note 7 – *pensions*). Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years and updated to reflect current conditions at each balance sheet date. The assets are measured at fair value with liabilities measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A net pension surplus is recognised as an asset in the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the Trustees have agreed a refund from the scheme at the balance sheet date. A net pension deficit is recognised as a liability to the extent that the Society has a legal or constructive obligation to settle the liability. The amounts charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within the statement of financial activities. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in other comprehensive income within the statement of financial activities. This scheme was closed to new entrants and future accrual ceased on 1 August 2011. A new defined contributions scheme with the Church Workers Pension Fund was commenced on 1 January 2012, with the Society matching employees' contributions up to a maximum of 9% of salary. The amount paid by the employer into this scheme during 2021 was £48,000 (2020: £51,000).

Operating leases

The cost of operating leases is charged in the statement of financial activities on a straight line basis over the lease term.

2 Analysis of Income

	<i>Unrestricted funds</i>	<i>2021 Restricted Funds</i>	<i>Total funds</i>	<i>Unrestricted funds</i>	<i>2020 Restricted funds</i>	<i>Total funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Donations and legacies:						
Donations – Churches	348	7	355	342	12	354
– Individuals	552	55	607	401	275	676
– Trusts	218	21	239	92	39	131
– Leaders	33	9	42	506	48	554
Legacies	162	0	162	292	0	292
Grants – Mabledon Charity	120	0	120	110	0	110
Grants – HMRC CJRS	16	0	16	0	0	0
	1,449	92	1,541	1,743	374	2,117
Investment income:						
Investments - note 9	210	13	223	227	13	240
Deposits	0	0	0	0	0	0
Bank and other interest	0	0	0	1	0	1
Net return on pension - note 7	0	0	0	0	0	0
	210	13	223	228	13	241
Charitable activities:						
Events & Resources	68	0	68	118	0	118
Venture and Falcon Holidays	9	0	9	758	34	792
Rent from land & properties	3	0	3	3	0	3
Miscellaneous	9	0	9	7	0	7
	89	0	89	886	34	920
Other income:						
Profit on sale of properties	0	0	0	0	0	0
Total Income	1,748	105	1,853	2,857	421	3,278

As at 30 April 2021 the Society had been notified of 6 legacies (2020: 2), with an estimated average value of £40,000 (2020: £28,000) which have not been included in the financial statements as no notification of impending distribution has been received. 1 are pecuniary legacies (2020: 0) and 5 are residual legacies (2020: 2), including 2 residual legacies (2020: 2) which are subject to life interests. The Society does not have any indication of when it is due to receive these monies and there is no certainty of receipt.

CPAS aims to make its publications and training events available to as many churches and individuals as possible. Amounts charged for these resources (above) do not, therefore, include full staff costs.

3 Analysis of Expenditure

	2021			2020		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£000	£000	£000	£000	£000	£000
Expenditure on charitable activities:						
Leadership	756	0	756	783	0	783
Patronage	330	0	330	329	0	329
Events & Resources	95	1	96	165	0	165
Venture and Falcon Holidays	342	38	380	1,531	211	1,742
Grants Paid						
Ministers in Training	0	5	5	0	11	11
	1,523	44	1,567	2,808	222	3,030
Expenditure on raising funds:						
Fundraising	7	0	7	8	0	8
Advertising	11	0	11	9	0	9
Exhibitions	3	0	3	10	0	10
Venture & Falcon Brochures	29	3	32	31	3	34
Promotional DVD, Leaflets & Gifts	8	0	8	15	1	16
Other	94	2	96	78	10	88
	152	5	157	151	14	165
Total Expenditure	1,675	49	1,724	2,959	236	3,195

Staff costs: see note 6 for details of staff costs included in total resources expended.

Charitable activities

Grants: Ministers in Training Grants are made to individuals and are of amounts not exceeding £1,000. Support costs for the award of grants are included in the total for leadership.

Safeguarding: during the year £4,000 (2020: £7,000) was spent in respect of safeguarding children and vulnerable adults.

Subsidies are granted to assist individuals to attend *Venture and Falcon Holidays* and to contribute to the general costs of running *Falcon Holidays*. During the year subsidies, totalling £nil (2020: £57,000) were granted in respect of *Ventures* and £nil (2020: £12,000) in respect of *Falcons*.

Depreciation charges on and loss on disposal of tangible fixed assets

Depreciation charges for the year on tangible fixed assets amounted to £67,000 (2020: £10,000) and the loss on disposal of tangible fixed assets amounted to £nil (2020: £nil); these amounts are included in *support costs* above.

Venture and Falcon holidays: includes £29k relating to deposits paid for venue hire relating to summer 2020 holidays that were cancelled due to Covid-19 restrictions. This amount is non-refundable and we had a contractual obligation to pay this sum. Many venues have agreed to postpone our bookings until summer 2021 and have deferred any deposit paid until then; a few venues have made refunds.

Other costs

£ 6,000 (2020: £ 9,000) in respect of operating lease costs for office equipment is included in *Support Costs* above.

£ 9,000 (2020: £ 9,000) in respect of operating lease costs for motor vehicles is included in *Charitable Activities costs* above.

£66,000 (2020: £65,000) in respect of operating lease costs for office accommodation is included in *Support Costs* above.

4 Support & Governance Costs

Support costs are allocated in proportion to the total known costs for each area of ministry, with the exception of *Ventures, Falcons* and *School Ventures* which do not have support costs. Charitable activities include support costs of £620,000 (2020: £574,000) in respect of head office costs including salaries, equipment costs and building costs; and governance costs of £181,000 (2020: £198,000) including legal fees, audit fees, trustee costs and bank charges.

Allocation of support costs

Support Cost	Leadership £000	Patronage £000	Resources & Events £000	Total £000
Governance	115	51	15	181
Staff Costs	259	113	32	404
Equipment	30	13	4	47
Depreciation	43	19	5	67
Office incl. Rent	25	11	3	39
Other	40	17	6	63
Total	512	224	65	801

Analysis of governance costs

	2021			2020		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£000	£000	£000	£000	£000	£000
Legal & Professional Fees	20	1	21	18	2	20
Audit Fee	14	0	14	13	0	13
Trustees	2	0	2	12	0	12
Patronage Trustees	0	0	0	4	0	4
Pension Scheme Administration	47	0	47	33	0	33
Pension Deficit Reduction Cost	39	0	39	39	0	39
Bank Charges	4	0	4	5	0	5
Credit Card Commission	2	0	2	15	0	15
Other Costs	52	0	52	57	0	57
	180	1	181	196	2	198

5 Trustee and Key Management Personnel Remuneration and Expenses

The trustees neither received nor waived any remuneration during the year (2020: £nil)

Travel expenses totalling £nil (2020: £3,000) were reimbursed to 12 directors (2020:11); these amounts are included in *governance costs*.

The total amount of donations received from trustees and key management personnel during the year was £3,000 (2020: £3,000).

Mr R Street is a director of RSConsult Ltd, in this capacity he charged the Society £nil (2020: £2,000) during the year in respect of delivering training days.

The total amount of employee benefits received by key management personnel is £113,000 (2020: £114,000). The Society considers its key management personnel to comprise General Director and Director of Ministry.

6 Staff Numbers and Costs

The average monthly head count was 31 staff (2020: 36) and the average number of full-time equivalent employees, (including casual and part-time staff) during the year were as follows:

Numbers	2021	2020
Charitable activities	24.2	26.7
Cost of generating funds	<u>2.0</u>	<u>2.0</u>
	26.2	28.7
Cost of employment of staff	2021	2020
	£000	£000
Salaries	852	941
National Insurance contributions	83	87
Pension costs (see notes 1 and 7 – <i>pensions</i>)	87	90
Staff housing	40	26
Other (incl. Redundancy)	<u>2</u>	<u>15</u>
	1,064	1,159

No employee received emoluments in excess of £60,000.

7 Pensions (see note 1)**Church of England Funded Pensions Scheme**

CPAS participates in the Church of England Funded Pensions Scheme. Contributions (up to an agreed threshold) in respect of clergy staff employed by the Society are paid for by the Archbishops' Council of the Church of England.

For schemes such as the Church of England Funded Pensions Schemes, FRS 102 requires CPAS to account for pension costs on the basis of contributions actually payable to the Scheme in the year and for any deficit recovery plan. The expense recognised in the Statement of Financial Activities, which is equal to the contributions due for the year, amounted to £nil (2020: £nil).

CPAS Pension and Life Assurance Scheme

The Society operates a defined benefit scheme in the UK. This is a separate trustee administered fund, holding the pension scheme assets to meet long term pension liabilities. A full actuarial valuation was carried out at 31 July 2020 and updated to 30 April 2021 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

Principal actuarial assumptions:	2021	2020
	%	%
Discount rate	2.0	1.7
Inflation assumption - RPI	3.3	2.6
Inflation assumption - CPI	2.6	1.9
Salary growth	4.1	3.4
Pension in payment increases of RPI or 5% if less	3.1	2.6
Pension in payment increases of CPI or 2.5% if less	1.9	1.6
Deferred pension revaluation of CPI or 5% if less	2.6	1.9
Deferred pension revaluation of CPI or 2.5% if less	2.5	1.9
Pension in payment increases of RPI or 5% if less, minimum 3% p.a.	3.7	3.4
Pension in payment increases of CPI or 3% if less	2.1	1.8
Allowance for commutation of pension for cash at retirement	100% of Post A Day	100% of Post A Day
Post retirement mortality assumptions:	2021	2020
	Years	Years
Male retiring in 2021	26.3	26.4
Female retiring in 2021	28.2	28.5
Male retiring in 2041	27.8	27.9
Female retiring in 2041	29.8	30.1
The amounts recognised in the balance sheet are as follows:	2021	2020
	£000	£000
Fair value of plan assets	10,389	9,471
Present value of defined obligation	9,900	10,017
Surplus/(deficit) in plan	489	(546)
Unrecognised surplus	<u>(489)</u>	<u>0</u>
Defined benefit asset (liability) to be recognised	<u>(0)</u>	<u>(546)</u>
Defined benefit costs recognised in Statement of Financial Activities:	2021	2020
	£000	£000
Current service cost	0	0
Expenses	39	36
Net interest cost/(income)	8	3
Losses/(gains) due to benefit changes	<u>6</u>	<u>0</u>
Defined benefit costs recognised in Statement of Financial Activities	<u>53</u>	<u>39</u>
Defined benefit costs recognised in other comprehensive income:	2021	2020
	£000	£000
Return on plan assets (excl. amounts included in net interest cost) – gain/(loss)	847	11
Experience gains & losses arising on the plan liabilities – gain/(loss)	22	79
Effects of changes in assumptions of present value of liabilities – gain/(loss)	(21)	(641)
Effects of changes in the amount of surplus not recoverable – gain/(loss)	<u>(489)</u>	<u>0</u>
Total amount recognised in other comprehensive income – gain/(loss)	<u>359</u>	<u>(551)</u>
Reconciliation of opening and closing balances of the defined benefit obligation:	2021	2020
	£000	£000
Defined benefit at start of year	10,017	9,564
Current service cost	0	0
Expenses	39	36
Interest cost	168	235
Contributions by plan participants	0	0
Actuarial losses/(gains)	(1)	562
Benefits paid & expenses	<u>(329)</u>	<u>(380)</u>
Losses/(gains) due to benefit changes	<u>6</u>	<u>0</u>
Defined benefit obligation at end of year	<u>9,900</u>	<u>10,017</u>

Reconciliation of opening and closing balances of the fair value of plan assets:	2021	2020
	£000	£000
Fair value at start of year	9,471	9,368
Interest income	160	232
Actuarial gains/(losses)	847	11
Contributions by the Society	240	240
Contributions by plan participants	0	0
Benefits paid & expenses	(329)	(380)
Fair value of plan assets at end of year	<u>10,389</u>	<u>9,471</u>

The actual return on the plan assets over the year ended 30 April 2021 was £1,007,000 (2020: £243,000)

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

Assets	2021	2020	2019
	£000	£000	£000
UK Equities	566	666	1,667
Overseas Equities	1,446	2,016	1,625
Corporate Bonds	0	0	2,728
Government Bonds	0	0	1,725
Cash	42	23	348
Insured Pensioners	1,171	1,231	1,275
Liability Driven Investment	2,617	2,292	0
Diversified Growth & Multi Asset Fund	<u>4,547</u>	<u>3,243</u>	<u>0</u>
Total assets	<u>10,389</u>	<u>9,471</u>	<u>9,368</u>

Contributions for CPAS for the year ending 30 April 2022 are estimated to be £243,000. The defined benefit pension scheme was closed to all new entrants on 1 August 2011 with future accrual ceasing on that date.

During the year the Society made no contributions to any employee's personal pension scheme (2020: £nil).

8 Fixed Assets

	Land and property bequests £000	Staff houses freehold £000	Office and other equipment £000	Total £000
Cost or valuation				
At 1 May 2020	4	1,454	220	1,678
Additions	0	0	601	601
Disposals	(0)	(0)	(125)	(125)
At 30 April 2021	4	1,454	696	2,154
Depreciation				
At 1 May 2020	0	0	216	216
Charge for year	0	0	67	67
Disposals	(0)	(0)	(125)	(125)
At 30 April 2021	0	0	158	158
Written down value				
At 1 May 2020	4	1,454	4	1,462
At 30 April 2021	4	1,454	538	1,996

Land and property bequests

Included within Land and Property Bequests is 22 acres of land in Devon, held as tenanted farmland.

9 Investments (unlisted)

	2021	2020
	£000	£000
Market value at 1 May 2020	7,308	8,231
Additions	0	0
Disposal	(500)	(1,000)
Net Investment Gains/(Losses)	<u>1,330</u>	<u>77</u>
Market value at 30 April 2021	<u>8,138</u>	<u>7,308</u>
Cost at 30 April 2021	<u>3,940</u>	<u>4,241</u>

These United Kingdom investments, comprising the Collective Investment Scheme Units of the CBF Church of England Investment Fund administered by CCLA Investment Management Ltd, are primarily held to provide a return where monies are not required immediately for the charity's activities.

10 Debtors

	2021 £000	2020 £000
Debtors falling due within one year:		
Trade debtors	5	12
Other debtors	0	0
Prepayments	76	590
Accrued income	<u>86</u>	<u>170</u>
	<u>167</u>	<u>772</u>

11 Creditors

	2021 £000	2020 £000
Creditors falling due within 1 year:		
Trade creditors	29	46
HMRC – Tax, NI & VAT	33	30
Accruals	51	207
Deferred income	<u>18</u>	<u>44</u>
	<u>131</u>	<u>327</u>

Included within the deferred income is £8,000 (2020: £34,000) in relation to holiday fees received for activities taking place after the end of the year.

12 Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand	681	364
Deposits repayable on demand	<u>3</u>	<u>3</u>
Total cash and cash equivalents	<u>684</u>	<u>367</u>

13 Funds

	Balance 1 May 2020	Other gains / (losses)	Incoming resources	Outgoing resources	Transfer	Balance 30 April 2021	Represented by		
	£000	£000	£000	£000	£000	£000	Invest- ments	Fixed assets	Net current assets
Permanent Endowment fund	319	63	0	0	0	382	382	0	0
Restricted fund									
Augmentation	36	5	1	0	0	42	31	0	11
Ministers in Training	120	0	7	(5)	0	122	0	0	122
Bishop Stratton	29	6	0	0	0	35	35	0	0
LCEAS	193	37	0	0	0	230	224	0	6
Falcons	<u>530</u>	<u>30</u>	<u>97</u>	<u>(44)</u>	<u>0</u>	<u>613</u>	<u>188</u>	<u>0</u>	<u>425</u>
	908	78	105	(49)	0	1,042	478	0	564
Designated fund									
Ventures & Schools	276	0	447	(431)	0	292	0	0	292
General fund	7,533	1,548	1,301	(1,244)	0	9,138	7,278	1,996	(136)
Total funds	<u>9,036</u>	<u>1,689</u>	<u>1,853</u>	<u>(1,724)</u>	<u>0</u>	<u>10,854</u>	<u>8,138</u>	<u>1,996</u>	<u>720</u>

Net current assets include £3,000 of monies invested on short term deposit (2020: £3,000).

Permanent Endowment fund: the income from this fund is available for general purposes.

Restricted funds

Augmentation fund: this exists for the purpose of increasing the value of poor benefices in evangelical patronage (per CPAS's 1926 annual report).

Ministers in Training fund: this fund comprises donations and legacies received for the purpose of providing assistance to those in training for the ordained or licensed ministry.

Bishop Stratton and LCEAS (London Clerical Education Aid Society) funds: these funds are available for similar purposes to the Ministers in Training fund (see above).

Falcons: this assists young people with the costs of attending *Falcons* and provides funds for the general running costs of the holidays; it includes individual donations, the proceeds of sale of property at Pooley Bridge, Cumbria and interest received.

Designated fund

Ventures & Schools: comprises monies allocated to the fund by the Trustees from general fund reserves together with donations made to the fund; its purpose is to grant subsidies to assist young people with the costs of attending *Ventures & Schools* and also to provide funds for the general running costs of *Ventures & Schools*.

General fund: funds which are not subject to external restrictions or internally determined designations.

14 Future commitments

Operating leases (see note 1 – operating leases)

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£000	£000
Within 1 year	43	47
1 – 5 years	9	18

Capital commitments

As at 30 April 2021 the Society had £nil outstanding capital commitments (2020: £61,500).

Other commitments

The Society had no material legally binding commitments except as shown above and those arising under staff contracts of employment and other obligations in the normal course of business.

15 Related Parties

Church Pastoral Aid Trust

Certain non-operational properties of the Society remain registered in the name of Church Pastoral Aid Trust (CPAT), a company limited by guarantee, which acts solely for or under the direction of the Church Pastoral Aid Society (see page 5 – *Report of the Trustees*).

J F W Deacon's Mabledon Charity

This charity is administered by Church Pastoral Aid Trust as trustee acting under the direction of the Society. It provides grants and assistance for training, conferences, study leave, rest and special needs to evangelical church societies and to individuals engaged in similar work. Its figures are not consolidated in these financial statements. It made grants to the Society totalling £120,000 in the year to 30 April 2021 (2020: £110,000).

As at 30 April 2021 no balance was due to CPAS from J F W Deacon's Mabledon Charity (2020: £nil).

Other trusts

The Society administers a number of separate trusts without any legal right over their assets or income. Accordingly their figures are not consolidated with those of the Society as to do so would be inappropriate and misleading.

Appointments of clergy to Church of England livings on behalf of certain of these trusts are administered by the Society through its Board of Patronage Trust, MMT, CTFT, Peache and CPT (see page 5 – *Report of the Trustees*).

The Society administers grants to the Allied Schools on behalf of MMT. These grants are to be used for Christian educational purposes only.

Administration charges receivable from connected charities amounted to £1,000 in the year to 30 April 2021 (2020: £1,000).