



Report and Financial Statements

For the year ended 30 April 2017

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. 2673220
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 2017

CHURCH PASTORAL AID SOCIETY (CPAS)

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

Registered company number 2673220

Registered charity numbers 1007820 (England & Wales)

Patron: Her Most Gracious Majesty the Queen

President: The Rt Rev Mike Hill

Vice-presidents

The Rt Rev Donald Allister
The Rt Rev Peter Broadbent
The Rt Rev Graham Cray

The Rt Rev Peter Hancock
The Rev Dr Emma Ineson
The Rt Rev James Newcome

Vice-patrons

The Archbishop of Armagh
Lord MacKay of Clashfern
The Archbishop of York

Trustees during year to 30 April 2017 and at 25 September 2017

Mrs Jenny Bray
Miss Deborah Buggs (from 31/01/17)
The Rev Simon Chesters
The Rev Tim Crook (to 31/01/17)
The Rev (Sqn-Ldr) Geoffrey Firth (to 31/01/17)

Mrs Sarah Gough *Vice-chair*
Mrs Jane Jefferis
The Rev Tamsin Merchant
The Rev Paul Peterson (from 31/01/17)

The Ven Andrew Piggott *Vice-chair*
The Rev Stephen Pullin
The Rt Rev Martyn Snow *Chair*
Mr Rod Street

Recruitment Group as at 25 September 2017

Mrs Jenny Bray
The Rev Sam Corley

The Rev Jackie Cray
The Rev Paul Harcourt

The Rev Tamsin Merchant
The Rev Canon Andy Perry
The Rev Dr Philip Plyming

Council of Reference as at 25 September 2017

Mr Chris Balding
The Rev David Barnsley
Miss Joan Botterill
Dr Nick Burt
The Rev Canon Sam Corley
The Rev Roger Driver
The Rev Paul Dundas
The Rev Richard Espin Bradley
The Rev Mones Farah
The Rev Andrew Fearnley
The Rev (Sqn-Ldr) Geoffrey Firth

The Rev David Hammond
The Rev Paul Harcourt
Prof Glynn Harrison
The Ven Simon Heathfield
Mr Peter Hillman
Mrs Davina Irwin-Clark
The Ven Daniel Kajumba
Mrs Elizabeth Langmead
Capt. Nicholas Lebey
The Rev Andrew McClellan

The Rev Catherine Morris
The Rev Jane Morris
The Rev Canon Philip Mounstephen
Mrs Christine Penfold
The Rev Dr Philip Plyming
The Rt Rev Keith Sinclair *Chair*
Mr Luke Smith
The Ven William Strange
The Rev Simon Talbot
The Rt Rev Mark Tanner
The Rev Stephen Wilcockson

Key Management Personnel

The General Director
Director of Ministry

The Rev John Dunnett
The Rev Canon Graham Archer

Professional Advisers

Bankers

The Royal Bank of Scotland PLC 91-93 Regent Street Leamington Spa CV32 4NT

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 2017 there were 51 members (2016: 55) and as at 25 September 2017 there were 50 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 a 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 meet at least 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 and promotes/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 and Falcon 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 economic context on donation income from both individuals and churches.
- Changing patterns of church giving, moving away from the historic models of giving to the para-church Anglican mission agencies.
- Failure to reverse the decline in the number of children/young people attending *Ventures*.
- Serious divisions in the Anglican Church and/or evangelical constituency and CPAS being identified with one particular group.
- Systems risk in particular data loss or corruption during the launch of the new database.
- 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 41145)

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 2017:

The Rev John Dunnett The Ven Andrew Piggott Mrs Sarah Gough

Church Pastoral Aid Society Patronage Trust (registered company number 906861)

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 2017:

The Rev Canon Steve Allen <i>Chair</i>	The Rev Jackie Cray	The Rt Rev Alistair Magowan	The Rev Esther Prior
The Rev Canon David Banting	The Rev Canon Gary Jenkins	The Rt Rev Nick McKinnel	Miss Stella Weaver
Dr Mary Clark	Mr Ross Johnstone	The Rev Canon Andrew Perry	

Secretary: The Rev John Fisher

Martyrs Memorial and Church of England Trust (registered company number 317024)

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 2017:

The Rev Canon Steve Allen <i>Chair</i>	The Rev Jackie Cray	The Rt Rev Alistair Magowan	The Rev Esther Prior
The Rev Canon David Banting	The Rev Canon Gary Jenkins	The Rt Rev Nick McKinnel	Miss Stella Weaver
Dr Mary Clark	Mr Ross Johnstone	The Rev Canon Andrew Perry	

Secretary: The Rev John Fisher

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 2017:

The Rev Canon Steve Allen <i>Chair</i>	The Rev Canon Gary Jenkins	The Rt Rev Nick McKinnel	The Rev Esther Prior
The Rev Canon David Banting	Mr Ross Johnstone	The Rev Canon Andrew Perry	

Secretary: The Rev John Fisher

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 ministry.

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 2017-18 are:

- Refresh our vision and strategy for the next 3 to 5 years of leadership development delivery;
- Recruit further partners and church training centres to increase our ministry delivery capacity;
- Further develop our work with Dioceses and Theological Educational Institutes (TEIs);
- Develop a marketing strategy for *Venture* and *Falcon* holidays, including moving to more on-line tools;
- Take new steps in developing out *School Ventures* initiative; and
- Full implementation of new Database.

Staffing

During the year our Marketing Officer - Jon Smith, left CPAS in order to take a role closer to his home.

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 3,000 leaders on *Venture* and *Falcon* 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 67 clergy appointments during the year. Of these 16 were in situations of sole patronage and 51 joint patronages. The number of vacancies continues to rise, with recruitment and deployment issues becoming increasingly more complex in the wider Church of England. CPAS now has responsibility for a total of 526 patronages across the three trusts administered. New patronages were recorded at St Anne, Edgeside (Manchester Diocese), Finchingfield (Chelmsford Diocese), and Felixstowe, Christ Church (St Edmundsbury and Ipswich Diocese). The EPCC register continues to assist clergy looking for a move. Over the period an average of 65 names were on the register at any one time. The department offers training for clergy in how to navigate the tricky subject of moving on and handling the appointment process well. 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) and this oversight involves the Patronage department in significant work. In March 2017 the CPAS Patronage trustees held one of the regular trust meetings at Wrekin College and much appreciated the hospitality of the school community. During the year the CPAS Patronage trustees welcomed Miss Victoria Ritchie as a new trustee and said a fond farewell to Mrs Gill Morrison who stepped down as a trustee after 16 years of greatly valued service.

Venture and Falcon Holidays

The most significant development in our ministry has been around *School Ventures* which first ran in February and March 2016 with two pilots (65 children and 40 children) on the Wirral. In the past 12 months, we ran a larger *School Venture* for 9 Wirral Schools (89 children), honed the model, set-up an advisory group of educational leaders and identified five 'early engagers' (Hereford, Nottingham, Winchester, Leicester, Blackburn). Wirral School Venture also has the potential to plant elsewhere in the Chester diocese. We are in the early stages of exploring possible *School Ventures* with other dioceses. These residential holidays have attracted children from both the *Ventures* and *Falcons* demographic and are drawing on current and retired Overall Leaders to lead the teams. The development of this strand of holidays is significant for two reasons: firstly, with just five new School Ventures, we expect to reverse the decline in holiday bookings year-on-year. Secondly, this increase in bookings is also an increase in unchurched children engaging with the ministry.

Falcon holidays have explored partnerships with four like-minded children and youth charities. We set up a new *Falcon* for one larger group, and incorporated a smaller group into an existing *Falcon*. Two leaders of the latter have signed-up to become Overall Leaders next year.

Other developments include a leadership booklet introducing new Overall Leaders to the role, a new suite of marketing videos, plus a *Ventures* presence for the first times at the Good Book Company's children and youth conference and Big Church Day Out.

The VF Management Committee has become the VF Futures Committee which will meet to inform governance, risk management and ministry development.

The number of bookings in 2016-17 fell by 4% compared with the previous year. The table below analyses this information:

	2016-17		2015-16		Change %
	Holidays	Members	Holidays	Members	
<i>Ventures</i>	77	3,566	83	3,706	-3.8
<i>Schools' Ventures</i>	1	89	2	105	-15.2
<i>Falcons</i>	20	444	20	458	-3.1
Total	98	4,099	105	4,269	-4.0
Number of leaders	3,287		3,546		

Leadership

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

1. Leadership training events for Dioceses

During the last year we have continued to provide training through our staff and partners at over 40 Continuing Ministerial Development (CMD)/Initial Ministerial Education (IME) days, alongside our three more substantial pieces of work:

- Leadership courses (a year long process): we have completed cohort two and begun cohort three in Bristol Diocese. We have also started cohort two in Peterborough (16 participants), and completed cohort seven in Exeter (16 participants).
- Learning communities (a two year process working with groups of lay and ordained leaders from MPBs): through the year we have run three learning communities in Lichfield diocese (all at different stages), one in Hereford, continued to run one with ARC in Worcester and are in the process of negotiating four further learning communities in Worcester Diocese to start in Sept 2017 focused on their growing younger initiative.
- Mentor training: we have continued to provide training for clergy as mentors in London Diocese (four cohorts with the fifth booked), but haven't been able to develop this work further in other dioceses over this year.

The work with Dioceses continues to develop well, although it has been slightly hindered by one of our team being off sick for three months due to surgery. We continue to have significant involvement in a growing number of Dioceses.

Emma Sykes has developed the work on vocations with several Dioceses and has been involved with events in Bristol, Leeds, and Birmingham. However, these events tend to attract small numbers and we are re-evaluating our approach. The work within the VF community has led to the creation of a video for young people about vocations and a seminar outline to run during a Venture. We are also creating a new resource that will be published in September 2017 (see below) and are planning for a vocation weekend for the Venture community in 2018.

2. Leadership development for Theological Educational Institutes (TEIs)

Ian Parkinson's role in TEIs continues to grow and over the last year he has been teaching in ten of the TEIs, including the two year School of Leadership at Trinity Bristol. We have also developed a pack to give to ordinands leaving a TEI for ordination in the summer of 2017. It includes a variety of free resources and discounts on other resources as well as promotion of the work of CPAS' work. Ian has also planned a symposium of both TEI and Diocesan staff on the creation of a leadership syllabus for the first seven years of Initial Ministerial Education to be held on May 2017.

3. CPAS events

During the year we have run two You and Ministry weekends, one Buck Stops Here, two Moving On days, and seven leadership days at our training centres, plus residential two and three of our *Arrow Leadership Programme*. We have also run 12 training evenings for PCCs based on our resource *PCC Tonight*, three *Growing Messy Leader* days in partnership with Messy Church, and three *Growing Bridgebuilders* training days in partnership with Bridge Builders.

4. Resources

A further three titles in the CPAS sponsored Grove Leadership Series have been published (Facing Disappointment, Managing Change, Effective Line Management). We have increased the circulation of *Lead On*, our monthly leadership email, to over 5000 and are on track to break 5,500 by the end of 2017.

We have written two new resources:

- *Lead On*: a book based on our *Lead On* emails over the last five years that offers readers a process for reflecting on their leadership, due to be published July 2017.
- *Talk Calling*: materials for clergy and youth leader to use to explore issues of vocation with young people, due to be published autumn 2017.

During the course of the year:

- *DiscipleKit* – launched in the autumn 2015, we have continued to increase the number of resources reviewed and rated to 222.
- *Mentor Connect* has had a difficult year. Two of the partners have concluded their involvement with the project (Fresh Expressions and Stewardship) and there have been continued difficulties with the website. We have also had a change of project manager, and are in conversation with a new potential partner.

- *PCC Tonight* – published in summer 2015, we have now sold over 700 packs and had over 1700 people attend our PCC evenings.
- *Growing Bridgebuilders* (produced in partnership with Bridge Builders) – published in September 2016 we have held three training days and sold over 100 packs.

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 3.3%

Fixed Assets

The Society's fixed assets include the following:

- office and other equipment necessary to fulfil the Society's ministries
- two 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 £5,836,000 to £6,734,000. This figure includes an unrealised gain in the value of general fund investments of £968,000. 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 £4,000,000. 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 £247,000 as compared with a gain of £36,000 in 2016, before funds transfer, revaluation of investments and actuarial gains and losses on the defined benefit pension scheme.

Unrestricted Funds

The gain of £251,000 (excluding gains or losses on sale of tangible fixed assets, funds transfer and before other recognised gains or losses) compares with a gain in 2016 of £75,000. Donations from churches were £27,000 less than in 2016 and from individuals £34,000 more. Donations from Leaders amounted to £559,000 for the year (2016: £589,000). Receipts from legacies were £238,000 more than in 2016. 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 £2,796,000 for the year.

Restricted Funds

The combined totals for the restricted funds resulted in a loss of £4,000 (excluding funds transfer and before other recognised gains or losses), as compared with a loss of £39,000 in 2016. Donations of £191,000 were received during the year. Expenditure amounted to £311,000 for the year. With the exception of *Arrow*, each of these funds carried forward surpluses which will support commitments for the training and grant-making programmes currently under way. *Arrow* will continue, however, it will be part-funded from Unrestricted Funds.

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 2017 the deficit arising on the Society's defined benefit scheme amounted to £197,000. 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

The Trustees look forward to the opportunities of the coming year to consolidate CPAS's situation and develop new initiatives. In particular, the priorities in the three ministry areas are:

Patronage:

The work of patronage includes:

- Managing 70 plus vacancies of which at least 15 will be fully administered by CPAS;
- Run 2 *Moving On* days;
- Run 2 Patronage Incumbent resource days;
- Recruit and induct at least one new Patronage Trustee;
- Manage EPCC steering committee and vacancy register;
- Monitor General Synod Simplification agenda as it relates to patronage;
- Establish links with the new Ecclesiastical Secretary for appointments in UK Government; and
- Patronage Secretary to continue to attend Allied Schools' Board meetings and help procure governors when vacancies occur.

Ventures and Falcon Holidays:

In addition to the regular work of providing the infrastructure and support so that 3,000 volunteers can implement 100 Holidays for 4,000 members;

Key objectives for Ventures and Falcons include:

- Deliver 5 new *School Ventures* in new regions;
- Broaden access to *Falcons* by seeking partnerships with similar charities and planting 2 new *Falcons*;
- Deepen the impact of *Falcons* by piloting "follow-up" for members;
- Provide support for leaders using the new "soon-to-be" launched database; and
- Develop effective training options for leaders regarding: overall leading, safeguarding and health & safety, including on-line training videos.

Leadership development:

To resource churches in developing missional leaders including:

- To run one *New Chapters* conference for those moving into new incumbent roles;
- To develop 2 further *Leading Edge* topics;
- To run 10 training evenings for *PCC Tonight*;
- To run 3 training days for *Growing Bridgebuilders*;
- To run 10 events at our training centres and establish one new training centre;
- To publish a new book for leaders;
- To increase distribution of *Lead On* by 500 subscribers; and
- To run a vocations seminar on multiple *Venture* holidays.

To work with dioceses to develop key local church leaders as missional leaders:

- To complete *Multi Parish Benefice (MPB)* learning communities in Lichfield, Hereford and Worcester dioceses;
- To start a new *MPB* learning community in Bristol;
- To identify and "bring on board" one new diocese for a learning community;
- To complete diocesan leadership courses in Exeter, Peterborough & Bristol and identify one further diocese to run a leadership course starting in January 2018;
- To run 3 younger vocations events with Dioceses;
- To run 60 training events, many as part of IME or CME programmes within dioceses; and
- To roll out a diocesan mentor training scheme for clergy, in a new diocese.

To develop our leadership partners:

- To develop a further 2 partners to deliver our leadership development days and vocation work; and
- To run an annual partner day.

To work with Theological Educational Institutions (TEIs) in developing missional leaders:

- To increase the number of TEIs where we deliver leadership training by two colleges and two courses;
- To start a School of Leadership in a further TEI;
- To host a symposium on IME Phase 1 and 2; and
- To provide college leavers with a memory stick and leaflet promoting the work of CPAS.

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 2015 (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.

Sarah Gough
Vice Chair,
For and on behalf of the Trustees

25 September 2017

Independent Auditors' Report to the Members of Church Pastoral Aid Society

We have audited the financial statements of Church Pastoral Aid Society for the year ended 30 April 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely for 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 auditors' 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.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 10 of the Trustees' Annual Report, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Geoffrey Cox BA FCA (Senior Statutory Auditor)
For and on behalf of
Dafferns LLP, Statutory Auditor
One Eastwood
Harry Weston Road
Binley Business Park
Coventry CV3 2UB

25 September 2017

Statement of Financial Activities for the year ending 30 April 2017

		2017			2016		
		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		1,840	191	2,031	1,625	163	1,788
Investments		237	11	248	242	12	254
Charitable activities		970	105	1,075	986	53	1,039
Other		0	0	0	0	0	0
Total Income	2	3,047	307	3,354	2,853	228	3,081
Expenditure on:							
Raising funds		168	10	178	180	12	192
Charitable activities		2,628	301	2,929	2,598	255	2,853
Total Expenditure	3	2,796	311	3,107	2,778	267	3,045
Net Income / (Expenditure) before Gains & Losses on Investments and Fund Transfers		251	(4)	247	75	(39)	36
Net gains (losses) on investments	9	884	84	968	(303)	(28)	(331)
Net Income / (Expenditure) for year		1,135	80	1,215	(228)	(67)	(295)
Funds transfer – Arrow		(19)	19	0	(27)	27	0
Actuarial gains (losses) on defined benefit pension scheme	7	(210)	0	(210)	(548)	0	(548)
Net Movement in Funds	13	906	99	1,005	(803)	(40)	(843)
Reconciliation of Funds							
Total funds brought forward		6,835	842	7,677	7,638	882	8,520
Total Funds Carried Forward		7,741	941	8,682	6,835	842	7,677

Restricted funds include £276,000 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. 2673220

Balance Sheet as at 30 April 2017

	<i>Notes</i>	2017 £000	2016 £000
FIXED ASSETS			
Tangible fixed assets	8	1,007	999
Investments (unlisted)	9	<u>7,136</u>	<u>6,168</u>
Total Fixed Assets		8,143	7,167
CURRENT ASSETS			
Stock		11	13
Debtors	10	413	404
Deposits repayable on demand		301	241
Cash at bank and in hand		<u>377</u>	<u>211</u>
Total Current Assets		1,102	869
CURRENT LIABILITIES			
Creditors falling due within 1 year	11	<u>366</u>	<u>359</u>
Net Current Assets		736	510
NET ASSETS BEFORE PENSION ASSET/(LIABILITY)		8,879	7,677
Defined benefit pension scheme asset/(liability)	7	<u>(197)</u>	<u>(0)</u>
NET ASSETS INCLUDING PENSION ASSET/(LIABILITY)		8,682	7,677
FUNDS	13		
Permanent endowment fund		276	238
Restricted funds		665	604
Unrestricted funds:			
Designated fund		463	561
General fund		7,475	6,274
Pension reserve	7	<u>(197)</u>	<u>(0)</u>
		<u>7,741</u>	<u>6,835</u>
TOTAL FUNDS		8,682	7,677

Signed for and on behalf of the Trustees on 25 September 2017

Sarah Gough
Vice Chair

Statement of Cash Flows for year ending 30 April 2017

	<i>Notes</i>	2017 £000	2016 £000
Cash flows from operating activities:			
Net Income for year		1,215	(295)
Adjustments for:			
Depreciation charge		6	8
(Gains)/Losses on investments		(968)	331
Investment income		(248)	(254)
Decrease in stock		2	6
Increase in debtors		(9)	(146)
Increase/(Decrease) in creditors		7	(27)
Defined Benefit Pension Adjustments		(13)	(631)
Other		0	0
Net cash provided by (used in) operating activities		(8)	(1,008)
Cash flows from investing activities:			
Investment income		248	254
Proceeds from sale of investments		0	300
Purchase of investment		(0)	(0)
Proceeds from sale of fixed assets		0	0
Purchase of fixed assets		(14)	(6)
Net cash provided by (used in) investing activities		234	548
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		226	(460)
Cash and cash equivalents at beginning of year		452	912
Cash and cash equivalents at end of year	12	678	452

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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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 market value at the balance sheet 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

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 market value. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

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

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 2017 was £42,000 (2016: £38,000).

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

	Unrestricted funds	2017 Restricted Funds	Total funds	Unrestricted funds	2016 Restricted funds	Total funds
	£000	£000	£000	£000	£000	£000
Donations and legacies:						
Donations – Churches	364	13	377	391	20	411
– Individuals	431	133	564	397	108	505
– Leaders	559	45	604	589	35	624
Legacies	396	0	396	158	0	158
Grants – Mabledon Charity	90	0	90	90	0	90
– Other	0	0	0	0	0	0
	1,840	191	2,031	1,625	163	1,788
Investment income:						
Investments - note 9	224	11	235	232	12	244
Deposits	0	0	0	1	0	1
Bank and other interest	1	0	1	1	0	1
Net return on pension - note 7	12	0	12	8	0	8
	237	11	248	242	12	254
Charitable activities:						
Events & Resources	93	66	159	98	15	113
Venture and Falcon Holidays	833	39	872	867	38	905
Rent from land & properties	38	0	38	14	0	14
Miscellaneous	6	0	6	7	0	7
	970	105	1,075	986	53	1,039
Other income:						
Profit on sale of properties	0	0	0	0	0	0
Total Income	3,047	307	3,354	2,853	228	3,081

As at 30 April 2017 the Society had been notified of 6 legacies (2016: 4), with an estimated average value of £60,000 (2016: £52,000) which have not been included in the financial statements as no notification of impending distribution has been received. 4 are pecuniary legacies (2016: 0) and 2 are residual legacies (2016: 4), including 2 residual legacies (2016: 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

	2017			2016		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£000	£000	£000	£000	£000	£000
Expenditure on charitable activities:						
Leadership	752	42	794	648	31	679
Patronage	262	0	262	271	0	271
Events & Resources	103	59	162	170	17	187
Venture and Falcon Holidays	1,511	189	1,700	1,509	190	1,699
Grants Paid						
Ministers in Training	0	11	11	0	17	17
	2,628	301	2,929	2,598	255	2,853
Expenditure on raising funds:						
Fundraising	11	2	13	17	1	18
Advertising	11	0	11	36	0	36
Exhibitions	3	0	3	10	0	10
Venture & Falcon Brochures	29	3	32	28	2	30
Promotional DVD, Leaflets & Gifts	25	0	25	9	1	10
Other	89	5	94	80	8	88
	168	10	178	180	12	192
Total Expenditure	2,796	311	3,107	2,778	267	3,045

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.

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 £59,000 (2016: £54,000) were granted in respect of *Ventures* and £6,000 (2016: £10,000) in respect of *Falcons*, each of the amounts not exceeding £100.

Depreciation charges on and loss on disposal of tangible fixed assets

Depreciation charges for the year on tangible fixed assets amounted to £6,000 (2016: £8,000) and the loss on disposal of tangible fixed assets amounted to £nil (2016: £nil); these amounts are included in *support costs* above.

Other costs

£ 5,000 (2016: £ 5,000) in respect of operating lease costs for office equipment is included in *Support Costs* above.

£ 9,000 (2016: £ 8,000) in respect of operating lease costs for motor vehicles is included in *Charitable Activities costs* above.

£58,000 (2016: £64,000) 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 and Falcons*, which do not have support costs. Charitable activities include support costs of £547,000 (2016: £539,000) in respect of head office costs including salaries, equipment costs and building costs; and also governance costs of £167,000 (2016: £164,000) 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	112	39	16	167
Staff Costs	219	77	30	326
Equipment	23	8	3	34
Depreciation	5	1	0	6
Office incl. Rent	103	36	14	153
Other	19	6	3	28
Total	481	167	66	714

Analysis of governance costs

	2017			2016		
	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
	£000	£000	£000	£000	£000	£000
Legal & Professional Fees	5	0	5	7	0	7
Audit Fee	12	0	12	12	0	12
Trustees	11	0	11	10	0	10
Patronage Trustees	4	0	4	4	0	4
Pension Scheme Administration	44	0	44	38	0	38
Bank Charges	6	0	6	6	0	6
Credit Card Commission	12	0	12	12	0	12
Other Costs	73	0	73	75	0	75
	167	0	167	164	0	164

5 Trustee and Key Management Personnel Remuneration and Expenses

The trustees neither received nor waived any remuneration during the year (2016: £nil)

Travel expenses totalling £3,000 (2016: £3,000) were reimbursed to 12 directors (2016:12); these amounts are included in *governance costs*.

The total amount of donations received from trustees and key management personnel during the year was £2,000 (2016: £5,000).

Mr R Street is a director of RSConsult Ltd, in this capacity he charged the Society £2,000 (2016: £3,000) during the year in respect of delivering training days.

The total amount of employee benefits received by key management personnel is £106,000 (2016: £107,000). 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 33 staff (2016: 30) and the average number of full-time equivalent employees, (including casual and part-time staff) during the year were as follows:

Numbers	2017	2016
Charitable activities	25	23
Cost of generating funds	<u>2</u>	<u>2</u>
	27	25
 Cost of employment of staff	 £000	 £000
Salaries	821	751
National Insurance contributions	72	65
Pension costs (see notes 1 and 7 – <i>pensions</i>)	72	74
Staff housing	14	9
Other	<u>5</u>	<u>4</u>
	984	903

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 (2016: £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 2014 and updated to 30 April 2017 by a qualified actuary, independent of the scheme's sponsoring employer. The major assumptions used by the actuary are shown below.

Principal actuarial assumptions:	2017	2016
	%	%
Discount rate	2.6	3.5
Inflation assumption - RPI	3.4	3.0
Inflation assumption - CPI	2.4	2.0
Salary growth	4.2	3.8
Pension in payment increases of RPI or 5% if less	3.3	2.9
Pension in payment increases of CPI or 2.5% if less	1.9	1.7
Deferred pension revaluation of CPI or 5% if less	2.4	2.0
Deferred pension revaluation of CPI or 2.5% if less	2.4	2.0
Allowance for commutation of pension for cash at retirement	100% of Post a Day	100% of Post a Day
Post retirement mortality assumptions:	2017	2016
	Years	Years
Male retiring in 2017	26.7	26.9
Female retiring in 2017	28.6	29.0
Male retiring in 2037	28.3	28.7
Female retiring in 2037	30.3	31.0
The amounts recognised in the balance sheet are as follows:	2017	2016
	£000	£000
Fair value of plan assets	9,332	8,342
Present value of defined obligation	9,529	8,002
Surplus /(deficit) in plan	(197)	340
Unrecognised surplus	<u>0</u>	<u>(340)</u>
Defined benefit asset (liability) to be recognised	<u>(197)</u>	<u>0</u>
Defined benefit costs recognised in Statement of Financial Activities:	2017	2016
	£000	£000
Current service cost	0	0
Expenses	30	34
Net interest cost /(income)	<u>(12)</u>	<u>(8)</u>
Defined benefit costs recognised in Statement of Financial Activities	<u>18</u>	<u>26</u>
Defined benefit costs recognised in other comprehensive income:	2017	2016
	£000	£000
Return on plan assets (excl. amounts included in net interest cost) – gain/(loss)	937	(441)
Experience gains & losses arising on the plan liabilities – gain/(loss)	49	106
Effects of changes in assumptions of present value of liabilities – gain/(loss)	(1,536)	127
Effects of changes in the amount of surplus not recoverable – gain/(loss)	<u>340</u>	<u>(340)</u>
Total amount recognised in other comprehensive income – gain/(loss)	<u>(210)</u>	<u>(548)</u>
Reconciliation of opening and closing balances of the defined benefit obligation:	2017	2016
	£000	£000
Defined benefit at start of year	8,002	8,212
Current service cost	0	0
Expenses	30	34
Interest cost	276	283
Contributions by plan participants	0	0
Actuarial losses/(gains)	1,487	(233)
Benefits paid & expenses	<u>(266)</u>	<u>(294)</u>
Defined benefit obligation at end of year	<u>9,529</u>	<u>8,002</u>

Reconciliation of opening and closing balances of the fair value of plan assets:	2017	2016
	£000	£000
Fair value at start of year	8,342	8,129
Interest income	288	291
Actuarial gains/(losses)	937	(441)
Contributions by employer	31	657
Contributions by plan participants	0	0
Benefits paid & expenses	<u>(266)</u>	<u>(294)</u>
Fair value of plan assets at end of year	<u>9,332</u>	<u>8,342</u>

The actual return on the plan assets over the year ended 30 April 2017 was £1,225,000 (2016: £150,000)

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

Assets	2017	2016	2015
	£000	£000	£000
UK Equities	1,454	1,581	1,631
Overseas Equities	1,770	1,924	1,771
Corporate Bonds	2,317	1,390	1,619
Government Bonds	1,735	905	1,013
Cash	561	1,123	598
Insured Pensioners	<u>1,495</u>	<u>1,419</u>	<u>1,497</u>
Total assets	<u>9,332</u>	<u>8,342</u>	<u>8,129</u>

Contributions for CPAS for the year ending 30 April 2018 are estimated to be £31,000. 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 (2016:£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 2016	4	992	228	1,224
Additions	0	0	14	14
Disposals	(0)	(0)	(9)	(9)
At 30 April 2017	4	992	233	1,229
Depreciation				
At 1 May 2016	0	0	225	225
Charge for year	0	0	6	6
Disposals	(0)	(0)	(9)	(9)
At 30 April 2017	0	0	222	222
Written down value				
At 1 May 2016	4	992	3	999
At 30 April 2017	4	992	11	1,007

Land and property bequests

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

9 Investments (unlisted)

	2017	2016
	£000	£000
Market value at 1 May 2016	6,168	6,799
Additions	0	0
Disposal	(0)	(300)
Net Investment Gains/(Losses)	<u>968</u>	<u>(331)</u>
Market value at 30 April 2017	<u>7,136</u>	<u>6,168</u>
Cost at 30 April 2017	<u>4,811</u>	<u>4,811</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

	2017 £000	2016 £000
Debtors falling due within one year:		
Trade debtors	9	4
Other debtors	0	0
Prepayments	308	271
Accrued income	<u>96</u>	<u>129</u>
	413	404

11 Creditors

	2016 £000	2016 £000
Creditors falling due within 1 year:		
Trade creditors	48	64
Tax and National Insurance	19	22
Accruals	44	38
Deferred income	<u>255</u>	<u>235</u>
	366	359

Included within the deferred income is £230,000 (2016: £223,000) in relation to holiday fees received for activities taking place after the end of the year.

12 Analysis of cash and cash equivalents

	2017 £000	2016 £000
Cash in hand	377	211
Deposits repayable on demand	<u>301</u>	<u>241</u>
Total cash and cash equivalents	678	452

13 Funds

	Balance 1 May 2016	Other gains / (losses)	Incoming resources	Outgoing resources	Transfer	Balance 30 April 2017	Represented by		Net current assets
	£000	£000	£000	£000	£000	£000	Invest- ments	Fixed assets	£000
Permanent Endowment fund	238	38	0	0	0	276	276	0	0
Restricted fund									
Augmentation	26	3	1	(0)	0	30	22	0	8
Ministers in Training	143	0	6	(11)	0	138	0	0	138
Bishop Stratton	22	3	0	0	0	25	25	0	0
LCEAS	146	22	0	0	0	168	162	0	6
Arrow	0	0	67	(86)	19	0	0	0	0
Falcons	263	18	213	(199)	0	295	135	0	160
Mentor connect	<u>4</u>	<u>0</u>	<u>20</u>	<u>(15)</u>	<u>0</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>9</u>
	604	46	307	(311)	19	665	344	0	321
Designated fund									
Ventures	561	0	1,523	(1,621)	0	463	0	0	463
General fund	6,274	674	1,524	(1,175)	(19)	7,278	6,516	1,007	(245)
Total funds	7,677	758	3,354	(3,107)	0	8,682	7,136	1,007	539

Net current assets include £301,000 of monies invested on short term deposit (2016: £241,000).

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).

Arrow: donations received and not yet expended in respect of the *Arrow Leadership Programme*, which offers high-quality, in-depth training to younger church leaders and potential leaders.

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.

Mentor Connect: this is a collaborative project run in partnership with Evangelical Alliance which seeks to develop a network of Christian mentors that can be accessed by Christian leaders through the *Mentor Connect* website.

Designated fund

Ventures: 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* and also to provide funds for the general running costs of *Ventures*.

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:

	2017 £000	2016 £000
Within 1 year	73	78
1 – 5 years	12	85

Capital commitments

As at 30 April 2017 the Society had £15,000 outstanding capital commitments (2016: £17,000).

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*).

CPAT acts as trustee for customers of CPAS by holding monies in respect of overseas Ventures in accordance with the Package Travel, Package Holidays and Package Tours Regulations 1992. As at 30 April 2017 £nil (2016: £nil) of these monies was separately deposited with the Royal Bank of Scotland and is not included in these financial statements.

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 £90,000 in the year to 30 April 2017 (2016: £90,000).

As at 30 April 2017 no balance was due to CPAS from J F W Deacon's Mabledon Charity (2016: £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 and CTFT (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 2017 (2016: £1,000).