

**REGISTERED COMPANY NUMBER: 03573958 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1073139**

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS  
(A COMPANY LIMITED BY GUARANTEE)**

**GROUP REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

Scott & Wilkinson LLP  
Chartered Accountants and Statutory Auditors  
Dalton House  
9 Dalton Square  
LANCASTER  
LA1 1WD

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2021**

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<b>Trustees</b>	Mr P Maiden (deceased 14/7/2020) Mr B J Sweeney Mr M Thompson Mr N Wrigley Rev S S Abel Boanerges Rev A R Wadsworth
<b>Company secretary</b>	Mrs J A Burrows
<b>Registered office</b>	Capernwray Hall Capernwray CARNFORTH LA6 1AG
<b>Registered company number</b>	03573958 (England and Wales)
<b>Registered charity number</b>	1073139
<b>Auditors</b>	Scott & Wilkinson LLP Chartered Accountants and Statutory Auditors Dalton House 9 Dalton Square LANCASTER LA1 1WD

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Objectives and activities**

The Objects (as set out in the Memorandum and Articles of Association and under "Public Benefit" below) are fulfilled in the programmes currently being run; namely short-term Bible Schools, Christian conferences and holidays with a Bible-teaching focus, and reflected in the Charity's Mission Statement, which reads:

"Our mission is to proclaim the transforming presence of Jesus Christ through biblical teaching and practical training, equipping men and women for service in his Church worldwide."

All the programmes, including the conferences and holidays, involve a balance of formal teaching, activity based learning and practical experience and application. Through these programmes, the Charity seeks to bring people into a vital relationship with Jesus Christ, and then equip them to better serve their home community and help others to come to the same understanding.

The Charity also, through its objectives, is able to support work in countries overseas where there are particular needs that cannot be met because of the lack of resources. Funds are sent overseas to various mission organisations or national churches for training purposes or needed development, when CMFOT also acts as a conduit for the provision of relief in times of international catastrophe.

**Aims and objectives for the coming year**

It is hoped and anticipated that the devastating effects of the coronavirus pandemic in the UK will decrease and that this will lead to Capernwray's annual calendar and numbers attending moving closer to normality. We anticipate, however, that there will, at least for some of this year, continue to be limitations required by reason of the ongoing coronavirus pandemic.

As an education provider it is hoped that a significant proportion of the Charity's annual calendar will again provide the Bible teaching courses that have now been established for over 70 years. Capernwray will seek to enable an international body of students to increase their knowledge and understanding of the Word of God, deepen their faith and help to equip them for service in His church worldwide.

Aside from the Bible School, it is intended that the Christian conferences and holidays that were the foundational programmes of the Charity in 1947 will also recommence as soon as practicable to fill the remainder of the calendar, with the aim that Capernwray will provide Bible teaching and encouragement as well as relaxation for a cross section of ages.

Capernwray will also seek to ensure that its work develops its impact locally, nationally and internationally. To the extent Capernwray is able to do so in light of ongoing restrictions, outreach and mission opportunities will be pursued, as well as partnerships with churches, knowing that an important part of the work is to impact lives outside our immediate environment, while giving practical experience to those who take part in such programmes.

Any building projects will be relatively small in scope due to the impact of coronavirus on the charity's reserves, but the desire remains to continue to improve staff and guest accommodation where required and proportionate.

It remains an aim of CMFOT to purchase the entire share capital of Capernwray Hall Limited (which owns a number of houses on site which are used by staff for accommodation).

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Objectives and activities (cont.)**

**Key Strategies**

It is vital that Capernwray continues to have the effective staff and active board of trustees it has had for the ministry to fulfil the aims and objectives of the Charity. With Peter Maiden sadly having passed away in May 2020, the trustees will consider how it can strengthen the board.

The Senior Management Team ("SMT") will assess the staff needs as well as the current programme and plan for the necessary changes enabling them to guide and develop the work in the days ahead.

There needs to be careful thought and planning as to how Capemwray carries out marketing and communications.

**Significant activities**

The annual programmes of the Bible School, conferences and holidays remain the major focus of the on-site activities. Two accredited courses are available to students each year, providing a strong foundation of biblical knowledge, a deepening relationship with Christ and increased equipping for service in the worldwide church. Fifteen conferences and holidays throughout the year have the same aim in mind for all ages, with the opportunity of additional recreational activities to suit the age range of participants. There will, subject to coronavirus restrictions, continue to be the opportunity for Capernwray to play a role in supporting churches and other Christian organisations in both the local area and around the country.

**Public benefit**

The Charity's objects (the "Objects") as set out in the Memorandum and Articles of Association are: -

(a) To advance the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule hereto in such parts of the United Kingdom or the world as the directors of the Charity (herein called the "trustees") may from time to time think fit;

(b) To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in such parts of the United Kingdom or the world as the trustees may from time to time think fit.

The Objects are currently fulfilled through the following:

- Provision of short-term Bible training courses;
- Students, as part of their training, are involved in presenting the Christian faith to others both in word and deed;
- Provision of Christian conferences and holidays with a Bible-teaching focus;
- Distribution of gifts that may be received from time to time in line with the donors' wishes;
- Staff accept speaking engagements in churches, youth groups, seminars and conferences;
- Provision of mission trips, practical assistance and projects and financial support in overseas contexts;
- Support for local churches and organisations.

The courses, conferences and holidays offered are available to any who wish to participate, and are designed to introduce participants to the Christian faith and enable them to develop further in that faith. The fees charged are considered by the trustees to be reasonable, but provision is also made by the Charity to enable some to attend who, because of financial reasons, may otherwise be unable to participate. During this current financial year the level of provision was £12,586 for those attending Bible School, with no support provided for conferences or holidays due to the pandemic preventing us from running them.

The Charity also provides benefit to the wider community through the following:

- Litter picking initiatives in conjunction with Lancaster City Council and practical help in the community to those in need;
- Availability of sports facilities, swimming pool and sports hall;
- Free events during the year, such as Open Day, Christmas Presentations;
- Night School classes from October to March each year;
- Involvement with local schools in making facilities available for the Forest Schools project.

## **THE CAPERNWRAY MISSIONARY FELLOWSHIP OF TORCHBEARERS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Objectives and activities (cont.)**

##### **Volunteers**

Voluntary workers play an important part in the ministry of Capernwray every year. Applications come from a variety of countries and are usually from young people who have a desire to serve in a Christian environment and want to experience a different culture or surroundings from their own. They contribute to the ministry at Capernwray, while also seeing their own Christian lives develop and quite a number improve in their English language skills. Bible studies and social activities are organised for the voluntary workers and they are given the opportunity to attend lectures, seminars and a local church.

Our voluntary workers assist in many aspects of the ministry, including domestic and maintenance duties, sports and audio visual work, as well as being involved in the programmes and training of guests and students, along with opportunities of outreach into the community.

During the Bible School we typically have 20 voluntary workers and this number normally rises to 40 or more during the holiday periods.

#### **Strategic report**

##### **Achievement and performance**

The message of the Risen Christ remains at the centre of life at Capernwray and all its activities and the Bible is foundational in all that is taught. The response by students to Winter Bible School which operated in the midst of a global pandemic with 60 students attending was incredibly encouraging. It is a great credit to the staff for the energy and dedication they demonstrated in re-opening the centre and making the necessary adjustments such as social distancing, one-way systems and barriers which the students also observed really well.

The quality and commitment of students was again something for which we are grateful as they were both receptive and responsive. It is always of great encouragement to see the clear development in the lives of those who attend. Their understanding of the Christian life and its practical outworking along with a greater understanding of God's Word will have been of further preparation for their involvement in His Church worldwide. At the completion of each term the reports from our outside verifiers, NCFE, were again excellent.

In order to facilitate online learning, our wifi capability was significantly improved prior to the course commencing in September, and now all rooms have wifi availability.

It was with great sadness that we were unable to offer any holiday programmes due to the implications of the coronavirus pandemic. All the same, it was so encouraging to receive such generous donations from guests who would normally come.

Similarly, the coronavirus pandemic meant that we were unable to offer a Spring Bible School in 2020.

As we were closed during Spring, the interim inspection by the British Accreditation Council (BAC) that we were due to have was pushed back to 20 October 2020 and was conducted online due to the restrictions in place. The report was highly complimentary and can be accessed on the BAC website.

The successful inspection by BAC was essential as we are reliant upon such inspections in order to be an accredited education provider. A welcome visa change that has helped Capernwray is that the Home Office confirmed that a new Visitor Visa route (which permits study for up to 6 months) can be used in close succession if a student leaves the UK and then returns. This will mean it is once more possible for students to attend both Winter and Spring School (which had not been possible since the Tier 4 Trusted Sponsor Status revocation in October 2016 for non-EU, or non-Canadian, Australian or New Zealand students).

Although Brexit has brought some welcome changes to the visa situation as far as students go, it will be increasingly difficult to recruit sufficient numbers of voluntary workers as we will be reliant in future years on UK citizens or those able to obtain a Youth Mobility Visa.

With us having to restrict numbers on site, it has not been possible to have "Taster Weeks" students in the past year.

## **THE CAPERNWRAY MISSIONARY FELLOWSHIP OF TORCHBEARERS**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Strategic report (cont.)**

The outreach programme plays a very important part in the student experience and contact with churches and outside organisations was once again invaluable and mutually beneficial, despite a large proportion of students having only been able to attend online services. The coronavirus pandemic also severely restricted opportunities to serve the local community although in February 2021 a number of outreaches took place virtually.

In December 2020, after many years of faithful service, Ian Ellershaw (Dean of Students) moved on to take up a role as a Community Pastor for a local church with whom we have an excellent relationship - Carnforth Free Methodist. We have filled this position by appointing Matthew Wraight (who had been job sharing the Outreach Coordinator role with his wife) to Male Dean of Students and promoted Hester Martin from Assistant Dean of Students to Female Dean of Students. It remains an ongoing need to fill the Maintenance Coordinator position.

The development of the facilities at Capernwray attracts requests from other churches and organisations to make use of what is available. Regrettably it has not been possible to have outside groups in the past year but it continues to be our desire for us to be both a resource for the local churches, local organisations and also the local region.

The absence of guests over the summer made it possible to make a number of improvements to the roof of the Main Hall. The estate, grounds, and gardens continue to be managed well, thereby keeping them attractive for guests, students and visitors. The grounds have provided very adequate space for the development of more outside activities benefiting those taking part in the programmes. Leasing of the grazing land continues and the relationship with those involved is healthy and arrangements will continue.

With physical concerts not being possible, it was decided to offer the 2020 Christmas Presentation and Ladies Conference in March online - both were made available on YouTube and have had 10,227 views and 8,300 views respectively. It was a benefit that many former guests, staff and students from all over the world could feel like they were back at Capernwray, even though they were in some cases many miles away.

The trustees are grateful for the team of staff who continue to serve the work of Capemwray in such a challenging external environment and thank the Lord for all that He has been pleased to do in the past year. It is a great joy to see the impact that the message of the Lord Jesus Christ has in the many lives of those who participate in the various programmes. In addition to the permanent staff many volunteers have once again shared in this vital work of His Kingdom on earth. It is the continuing desire of the trustees to see that Capemwray will always stand firm on the Word of God and be a means in this broken world to proclaim the restoring message of the Gospel to the glory of God.

#### **Financial review**

##### **Reserves policy**

The trustees have agreed that the Charity should work towards holding a reserve sufficient to cover 3 months payroll (including National Insurance), which currently equates to approximately £182,553. Due to the impact of the pandemic, it has been necessary to utilise part of this payroll reserve, meaning that the level set aside has fallen to £95,739. The reserves policy will continue to be reviewed on an annual basis and free reserves as at 31 March 2021 amounted to £269,299 (2020 - £455,047) for the group.

##### **Pension fund**

Further accruals to the Final Salary Scheme ceased at the end of March 2009. The employees who were formerly contributing members of the Final Salary Scheme at that date have now joined the Group Personal Pension Scheme. All new staff are automatically enrolled onto the current scheme on the same terms.

##### **Funding sources**

Funds are principally drawn from fees paid for the Bible School, conferences and holidays. Other resources are received by way of gifts each year, including contributions to the new Conference Hall Fund and other projects. The expenditure in the year has been used to enable the running of the Bible School and holidays and conferences, which includes maintaining and improving the facilities available to guests and students, as well as promoting the courses.

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Structure, governance and management**

**Governing document**

Memorandum and Articles of Association dated 2 June 1998. Incorporated as a Charitable Company number 03573958.

**Recruitment and appointment of new trustees**

Names of future possible trustees are brought to the Trustees' Meeting and considered by the current trustees. Consideration is given to the qualities and skills they would bring to the Board. Potential trustees are made fully aware of the aims and purpose for which the Charity was established and must concur with the governing documents along with the "Principles and Practices". Trustees are provided with information made available by the Charity Commission that lays out the responsibilities of trustees, describes and clarifies legislation and ensures they are kept up to date with the charity sector.

**Organisational structure**

The appointment of two key positions that need to be approved by the Board of Trustees are the Managing Director and Bible School Principal.

Major financial decisions relating to capital expenditure will also be taken at board level. The preparation of the annual budget is the responsibility of the Finance Manager, and is presented by the Managing Director to the Board for approval. These policies and the relationship between the Board of Trustees and the Managing Director are documented in the CMFOT Governance Policy.

**Related parties**

CMFOT has a wholly owned subsidiary company, Capernwray Parkland Farm Limited, which is responsible for the running of the Capernwray Hall estate. CMFOT leases the land to Capernwray Parkland Farm Limited.

Transactions with related parties are disclosed in note 22 to the financial statements.

**Risk management**

The trustees carry out a rolling review of risk assessment of the Charity, with regular reports provided to the trustees by the Head of Human Resources and Compliance. In conjunction with the Managing Director and key managers, they ensure that systems and procedures are in place to manage and minimise those risks.

**Wider Network**

The Capernwray Missionary Fellowship of Torchbearers is an autonomous body, but is part of a broader fellowship known as Torchbearers International. The terms regarding unity and cooperation between the organisations of the worldwide fellowship are contained in an agreement dated 19 December 2000.

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2021**

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**Statement of trustees' responsibilities**

The trustees (who are also the directors of The Capernwray Missionary Fellowship Of Torchbearers for the purposes of company law) are responsible for preparing the Report of the Trustees 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, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

The auditors, Scott & Wilkinson LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... and signed on the board's behalf by:

.....  
Rev A R Wadsworth - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

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**Opinion**

We have audited the financial statements of The Capernwray Missionary Fellowship Of Torchbearers (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Auditors' 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- 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; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

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**Matters on which we are required to report by exception**

In the light of the 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 Report of the Trustees.

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.

**Responsibilities of trustees**

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

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**Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- enquiries are made of management and those charged with governance as to whether there is any knowledge of actual, suspected, or alleged fraud, whether there is any known non-compliance with laws or regulations, and whether the company has been subject to any litigation or any legal claims.
- minutes of meetings of management and those charged with governance are reviewed.
- audit work over the risk of management override of controls is undertaken. This includes 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.
- analytical reviews are performed on the financial statements at all stages of the audit by comparison to prior years, budgets and expectations to ensure the reasonableness of the figures therein.
- third party confirmation is obtained from the company's bankers to confirm bank balances, loan facilities and security held.
- detailed audit testing is undertaken in specific areas to ensure that income and expenditure is correctly recorded and is a genuine income or expense of the company.
- financial statement disclosures are reviewed and tested to supporting documentation to assess compliance with applicable laws and regulations.

Due to 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

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**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 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.

T M Preece FCCA (Senior Statutory Auditor)  
for and on behalf of Scott & Wilkinson LLP  
Chartered Accountants and Statutory Auditors  
Dalton House  
9 Dalton Square  
LANCASTER  
LA1 1WD

Date: .....

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>Income and endowments from</b>					
Donations and legacies	2	329,965	57,477	387,442	178,186
<b>Charitable activities</b>					
Bible schools, courses and conferences	4	671,128	8,825	679,953	1,842,066
Outreach		-	-	-	403
Investment income	3	4,030	-	4,030	8,051
Other income		<u>68,647</u>	<u>-</u>	<u>68,647</u>	<u>104,551</u>
<b>Total</b>		<b>1,073,770</b>	<b>66,302</b>	<b>1,140,072</b>	<b>2,133,257</b>
<b>Expenditure on</b>					
Raising funds	5	25,572	-	25,572	62,212
<b>Charitable activities</b>					
Bible schools, courses and conferences	6	1,349,469	11,064	1,360,533	2,108,344
Outreach		89	-	89	4,337
Other		<u>68,921</u>	<u>413</u>	<u>69,334</u>	<u>133,231</u>
<b>Total</b>		<b>1,444,051</b>	<b>11,477</b>	<b>1,455,528</b>	<b>2,308,124</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(370,281)</b>	<b>54,825</b>	<b>(315,456)</b>	<b>(174,867)</b>
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on defined benefit schemes		<u>(265,000)</u>	<u>-</u>	<u>(265,000)</u>	<u>(5,800)</u>
<b>Net movement in funds</b>		<b>(635,281)</b>	<b>54,825</b>	<b>(580,456)</b>	<b>(180,667)</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		<b>5,585,739</b>	<b>11,870</b>	<b>5,597,609</b>	<b>5,778,276</b>
<b>Total funds carried forward</b>		<b><u>4,950,458</u></b>	<b><u>66,695</u></b>	<b><u>5,017,153</u></b>	<b><u>5,597,609</u></b>

The notes form part of these financial statements

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS (REGISTERED NUMBER: 03573958)**

**CONSOLIDATED BALANCE SHEET  
31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>Fixed assets</b>					
Tangible assets	12	4,787,684	-	4,787,684	4,947,736
Investments	13	<u>11,340</u>	<u>-</u>	<u>11,340</u>	<u>11,340</u>
		4,799,024	-	4,799,024	4,959,076
<b>Current assets</b>					
Stocks	14	52,043	-	52,043	45,208
Debtors	15	152,323	-	152,323	44,529
Cash at bank and in hand		<u>433,040</u>	<u>66,695</u>	<u>499,735</u>	<u>833,400</u>
		637,406	66,695	704,101	923,137
<b>Creditors</b>					
Amounts falling due within one year	16	(322,972)	-	(322,972)	(284,604)
		<u>314,434</u>	<u>66,695</u>	<u>381,129</u>	<u>638,533</u>
<b>Net current assets</b>					
		5,113,458	66,695	5,180,153	5,597,609
<b>Total assets less current liabilities</b>					
Pension (liability)/asset	19	(163,000)	-	(163,000)	-
		<u>4,950,458</u>	<u>66,695</u>	<u>5,017,153</u>	<u>5,597,609</u>
<b>NET ASSETS</b>					
<b>Funds</b>					
Unrestricted funds	18			4,950,458	5,585,739
Restricted funds				<u>66,695</u>	<u>11,870</u>
<b>Total funds</b>				<u>5,017,153</u>	<u>5,597,609</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....  
and were signed on its behalf by:

.....  
Rev A R Wadsworth - Trustee

The notes form part of these financial statements

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS (REGISTERED NUMBER: 03573958)**

**CHARITY BALANCE SHEET  
31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>Fixed assets</b>					
Tangible assets	12	4,787,197	-	4,787,197	4,947,082
Investments	13	<u>11,341</u>	<u>-</u>	<u>11,341</u>	<u>11,341</u>
		4,798,538	-	4,798,538	4,958,423
<b>Current assets</b>					
Stocks	14	51,943	-	51,943	44,708
Debtors	15	164,402	-	164,402	44,589
Cash at bank and in hand		<u>404,332</u>	<u>66,695</u>	<u>471,027</u>	<u>817,055</u>
		620,677	66,695	687,372	906,352
<b>Creditors</b>					
Amounts falling due within one year	16	(321,378)	-	(321,378)	(282,953)
		<u>299,299</u>	<u>66,695</u>	<u>365,994</u>	<u>623,399</u>
<b>Net current assets</b>					
		<u>5,097,837</u>	<u>66,695</u>	<u>5,164,532</u>	<u>5,581,822</u>
<b>Total assets less current liabilities</b>					
Pension (liability)/asset	19	(163,000)	-	(163,000)	-
		<u>4,934,837</u>	<u>66,695</u>	<u>5,001,532</u>	<u>5,581,822</u>
<b>NET ASSETS</b>					
<b>Funds</b>					
Unrestricted funds	18			4,934,837	5,569,952
Restricted funds				<u>66,695</u>	<u>11,870</u>
<b>Total funds</b>				<u>5,001,532</u>	<u>5,581,822</u>

The financial statements were approved by the Board of Trustees and authorised for issue on .....  
and were signed on its behalf by:

.....  
Rev A R Wadsworth - Trustee

The notes form part of these financial statements

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

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	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(339,528)	(313,050)
Interest paid		<u>-</u>	<u>(1,000)</u>
Net cash used in operating activities		<u>(339,528)</u>	<u>(314,050)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(28,360)
Sale of tangible fixed assets		1,833	23
Interest received		<u>4,030</u>	<u>8,051</u>
Net cash provided by/(used in) investing activities		<u>5,863</u>	<u>(20,286)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(333,665)	(334,336)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>833,400</u>	<u>1,167,736</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>499,735</u>	<u>833,400</u>

The notes form part of these financial statements

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>1. Reconciliation of net expenditure to net cash flow from operating activities</b>	<b>2021</b>	<b>2020</b>	
	<b>£</b>	<b>£</b>	
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(315,456)	(174,867)	
<b>Adjustments for:</b>			
Depreciation charges	160,049	164,063	
(Profit)/loss on disposal of fixed assets	(1,830)	909	
Interest received	(4,030)	(8,051)	
Interest paid	-	1,000	
(Increase)/decrease in stocks	(6,835)	7,097	
(Increase)/decrease in debtors	(107,794)	14,406	
Increase/(decrease) in creditors	38,368	(165,608)	
Difference between pension charge and cash contributions	<u>(102,000)</u>	<u>(151,999)</u>	
<b>Net cash used in operations</b>	<u>(339,528)</u>	<u>(313,050)</u>	
<b>2. Analysis of changes in net funds</b>	<b>At 1/4/20</b>	<b>Cash flow</b>	<b>At 31/3/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<u>833,400</u>	<u>(333,665)</u>	<u>499,735</u>
<b>Total</b>	<u>833,400</u>	<u>(333,665)</u>	<u>499,735</u>

The notes form part of these financial statements

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies**

**Basis of preparing the financial statements**

The financial statements of the charitable company (limited by guarantee), which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The Capernwray Missionary Fellowship of Torchbearers meets the definition of a public benefit entity.

Although the charity has been adversely affected by Covid-19 since the year end and significantly reduced the level of activities carried out, it has a strong Balance Sheet and liquidity position and therefore has no concerns over the ability to continue.

The financial statements consolidate the results of the charity and its wholly owned subsidiary, Capernwray Parkland Farm Limited. A separate Statement of Financial Activities for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

Indirect costs, including support and governance costs have been apportioned to the charity's activities using a basis consistent with the use of resources. For example, staff costs are apportioned by time spent, property costs by floor area and other costs by their usage.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% - 4% Straight line
Plant and machinery	- 25% Reducing balance
Fixtures and fittings	- 40% Reducing balance

**Business combinations**

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

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**1. Accounting policies - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Stock is valued at the lower of cost and estimated selling price less costs to sell, after due regard for slow moving and obsolete stocks. Cost is determined using the first-in, first-out (FIFO) basis.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

**Fund accounting**

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined benefit pension scheme which was closed to new entrants on 31 March 2004. In the light of consultation held with the then active members of the scheme and following the decision of the directors, there have been no further accruals to the defined benefit scheme since 31 March 2009.

For defined benefit schemes the amounts charged in resources expended are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the SOFA if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over that period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in Other recognised gains/losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately on the face of the balance sheet.

**Going concern**

There are no material uncertainties regarding the charity's ability to continue as a going concern.

**2. Donations and legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	305,551	105,052
Legacies	50,554	-
Platinum jubilee appeal	<u>31,337</u>	<u>73,134</u>
	<u>387,442</u>	<u>178,186</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

<b>3. Investment income</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Deposit account interest		<u>4,030</u>	<u>8,051</u>
<b>4. Income from charitable activities</b>		<b>2021</b>	<b>2020</b>
	<b>Activity</b>	<b>£</b>	<b>£</b>
Literature and merchandise	Bible schools, courses and conferences	10,268	74,690
Bible schools, courses and conferences	Bible schools, courses and conferences	388,117	1,658,773
Grants	Bible schools, courses and conferences	182,104	-
Other income	Bible schools, courses and conferences	90,639	92,374
Conference fund gifts	Bible schools, courses and conferences	110	-
Student fund gifts	Bible schools, courses and conferences	8,715	16,229
Outreach income	Outreach	-	403
		<u>679,953</u>	<u>1,842,469</u>
Grants received, included in the above, are as follows:			
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Government grants		<u>182,104</u>	<u>-</u>
<b>5. Raising funds</b>			
<b>Raising donations and legacies</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Staff costs		22,256	29,218
Purchases		9	4,689
Advertising		<u>3,307</u>	<u>28,305</u>
		<u>25,572</u>	<u>62,212</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**6. Charitable activities costs**

	<b>Direct Costs £</b>	<b>Support costs (see note 7) £</b>	<b>Totals £</b>
Bible schools, courses and conferences	1,210,560	149,973	1,360,533
Outreach	<u>89</u>	<u>-</u>	<u>89</u>
	<u>1,210,649</u>	<u>149,973</u>	<u>1,360,622</u>

**7. Support costs**

	<b>Finance £</b>	<b>Other £</b>	<b>Governance costs £</b>	<b>Totals £</b>
Bible schools, courses and conferences	<u>6,430</u>	<u>122,698</u>	<u>20,845</u>	<u>149,973</u>

Staff costs have been allocated according to time spent and overheads have been allocated on a usage basis.

**8. Net income/(expenditure)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2021 £</b>	<b>2020 £</b>
Auditors' remuneration	12,745	9,383
Depreciation - owned assets	160,049	164,064
Surplus/(deficit) on disposal of fixed assets	<u>(1,830)</u>	<u>909</u>

**9. Trustees' remuneration and benefits**

	<b>2021 £</b>	<b>2020 £</b>
Trustees' salaries	<u>425</u>	<u>-</u>

During the year the aggregate amount of donations from trustees was £4,700 (2020 - £1,200).

**Trustees' expenses**

	<b>2021 £</b>	<b>2020 £</b>
Trustees' expenses	<u>-</u>	<u>1,074</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

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**10. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	639,294	726,229
Social security costs	41,479	49,994
Other pension costs	<u>52,545</u>	<u>45,970</u>
	<u>733,318</u>	<u>822,193</u>

The total amount of employee benefits received by key management personnel during the year, including trustees, was £135,850 (2020 - £148,677).

The average monthly number of employees during the year was as follows:

	<b>2021</b>	<b>2020</b>
Course and conference staff	31	37
Management and administration	<u>4</u>	<u>4</u>
	<u>35</u>	<u>41</u>

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

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**11. Comparatives for the statement of financial activities**

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
<b>Income and endowments from</b>			
Donations and legacies	100,507	77,679	178,186
<b>Charitable activities</b>			
Bible schools, courses and conferences	1,825,837	16,229	1,842,066
Outreach	403	-	403
Investment income	8,051	-	8,051
Other income	<u>104,551</u>	<u>-</u>	<u>104,551</u>
<b>Total</b>	2,039,349	93,908	2,133,257
<b>Expenditure on</b>			
Raising funds	62,212	-	62,212
<b>Charitable activities</b>			
Bible schools, courses and conferences	1,965,110	143,234	2,108,344
Outreach	4,337	-	4,337
Other	<u>133,063</u>	<u>168</u>	<u>133,231</u>
<b>Total</b>	2,164,722	143,402	2,308,124
<b>NET INCOME/(EXPENDITURE)</b>	(125,373)	(49,494)	(174,867)
<b>Other recognised gains/(losses)</b>			
Actuarial gains/(losses) on defined benefit schemes	<u>(5,800)</u>	<u>-</u>	<u>(5,800)</u>
<b>Net movement in funds</b>	(131,173)	(49,494)	(180,667)
<b>Reconciliation of funds</b>			
<b>Total funds brought forward</b>	<u>5,716,911</u>	<u>61,365</u>	<u>5,778,276</u>
<b>Total funds carried forward</b>	<u><u>5,585,738</u></u>	<u><u>11,871</u></u>	<u><u>5,597,609</u></u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**12. Tangible fixed assets**

<b>Group</b>	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Totals £</b>
<b>Cost</b>				
At 1 April 2020	6,683,250	77,460	219,069	6,979,779
Disposals	<u>-</u>	<u>(1,200)</u>	<u>-</u>	<u>(1,200)</u>
At 31 March 2021	<u>6,683,250</u>	<u>76,260</u>	<u>219,069</u>	<u>6,978,579</u>
<b>Depreciation</b>				
At 1 April 2020	1,807,478	67,263	157,302	2,032,043
Charge for year	145,082	2,614	12,353	160,049
Eliminated on disposal	<u>-</u>	<u>(1,197)</u>	<u>-</u>	<u>(1,197)</u>
At 31 March 2021	<u>1,952,560</u>	<u>68,680</u>	<u>169,655</u>	<u>2,190,895</u>
<b>Net book value</b>				
At 31 March 2021	<u>4,730,690</u>	<u>7,580</u>	<u>49,414</u>	<u>4,787,684</u>
At 31 March 2020	<u>4,875,772</u>	<u>10,197</u>	<u>61,767</u>	<u>4,947,736</u>
<b>Charity</b>				
<b>Cost</b>				
At 1 April 2020 and 31 March 2021	<u>6,683,250</u>	<u>61,760</u>	<u>219,069</u>	<u>6,964,079</u>
<b>Depreciation</b>				
At 1 April 2020	1,807,478	52,217	157,302	2,016,997
Charge for year	<u>145,082</u>	<u>2,450</u>	<u>12,353</u>	<u>159,885</u>
At 31 March 2021	<u>1,952,560</u>	<u>54,667</u>	<u>169,655</u>	<u>2,176,882</u>
<b>Net book value</b>				
At 31 March 2021	<u>4,730,690</u>	<u>7,093</u>	<u>49,414</u>	<u>4,787,197</u>
At 31 March 2020	<u>4,875,772</u>	<u>9,543</u>	<u>61,767</u>	<u>4,947,082</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

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**13. Group fixed asset investments**

	<b>Unlisted investments £</b>	<b>Totals £</b>
<b>Market value</b>		
At 1 April 2020 and 31 March 2021	<u>11,340</u>	<u>11,340</u>
<b>Net book value</b>		
At 31 March 2021	<u>11,340</u>	<u>11,340</u>
At 31 March 2020	<u>11,340</u>	<u>11,340</u>

There were no investment assets outside the UK.

**Details of undertakings**

The charity holds one investment of 20% or more of the nominal value of any class of share capital. This is the 100% owned subsidiary undertaking, Capernwray Parkland Farm Limited, which is incorporated in England with a principal activity of agriculture and £1 share capital.

The profit/loss after tax for the year of Capernwray Parkland Farm Limited was a loss of £167 (2020 - £240) and the aggregate amount of capital and reserves at the end of the year was £15,621 (2020 - £15,788).

**14. Stocks**

**Group**

	<b>2021 £</b>	<b>2020 £</b>
Stocks for resale	13,228	14,609
Raw materials	<u>38,815</u>	<u>30,599</u>
	<u>52,043</u>	<u>45,208</u>

**Charity**

	<b>2021 £</b>	<b>2020 £</b>
Stocks for resale	13,228	14,609
Raw materials	<u>38,715</u>	<u>30,099</u>
	<u>51,943</u>	<u>44,708</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**15. Debtors: amounts falling due within one year**

<b>Group</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other debtors	133,981	22,007
Prepayments and accrued income	<u>18,342</u>	<u>22,522</u>
	<u>152,323</u>	<u>44,529</u>
<b>Charity</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other debtors	146,060	22,067
Prepayments and accrued income	<u>18,342</u>	<u>22,522</u>
	<u>164,402</u>	<u>44,589</u>

**16. Creditors: amounts falling due within one year**

<b>Group</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	34,180	34,140
Social security and other taxes	11,070	12,452
VAT	2,823	262
Other creditors	42,441	15,373
Accrued expenses	22,200	30,284
Pension contributions accrual	6,184	6,837
Deferred income	<u>204,074</u>	<u>185,256</u>
	<u>322,972</u>	<u>284,604</u>
<b>Charity</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	34,156	34,014
Social security and other taxes	11,070	12,452
VAT	2,823	262
Other creditors	42,441	15,373
Accrued expenses	20,630	28,759
Pension contributions accrual	6,184	6,837
Deferred income	<u>204,074</u>	<u>185,256</u>
	<u>321,378</u>	<u>282,953</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**17. Leasing agreements**

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Within one year	29,885	31,737
Between one and five years	<u>-</u>	<u>9,260</u>
	<u>29,885</u>	<u>40,997</u>

**18. Movement in funds**

	<b>At 1/4/20</b>	<b>Net</b>	<b>At</b>
	<b>£</b>	<b>movement</b>	<b>31/3/21</b>
		<b>in funds</b>	<b>£</b>
		<b>£</b>	
<b>Unrestricted funds</b>			
General fund	5,585,739	(635,281)	4,950,458
<b>Restricted funds</b>			
Sponsored student fund	531	22,150	22,681
Sponsored conference fund	6,688	110	6,798
Library books	3,699	246	3,945
Platinum Jubilee Fund	-	31,272	31,272
Sports equipment fund	952	147	1,099
Staff fund	<u>-</u>	<u>900</u>	<u>900</u>
	<u>11,870</u>	<u>54,825</u>	<u>66,695</u>
<b>TOTAL FUNDS</b>	<u>5,597,609</u>	<u>(580,456)</u>	<u>5,017,153</u>

Net movement in funds, included in the above are as follows:

	<b>Incoming</b>	<b>Resources</b>	<b>Gains and</b>	<b>Movement</b>
	<b>resources</b>	<b>expended</b>	<b>losses</b>	<b>in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General fund	1,073,770	(1,444,051)	(265,000)	(635,281)
<b>Restricted funds</b>				
Sponsored student fund	31,396	(9,246)	-	22,150
Sponsored conference fund	110	-	-	110
Library books	2,000	(1,754)	-	246
Platinum Jubilee Fund	31,336	(64)	-	31,272
Sports equipment fund	560	(413)	-	147
Staff fund	<u>900</u>	<u>-</u>	<u>-</u>	<u>900</u>
	<u>66,302</u>	<u>(11,477)</u>	<u>-</u>	<u>54,825</u>
<b>TOTAL FUNDS</b>	<u>1,140,072</u>	<u>(1,455,528)</u>	<u>(265,000)</u>	<u>(580,456)</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**18. Movement in funds - continued**

**Comparatives for movement in funds**

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
<b>Unrestricted funds</b>			
General fund	5,716,911	(131,172)	5,585,739
<b>Restricted funds</b>			
Sponsored student fund	19,879	(19,348)	531
Sponsored conference fund	6,884	(196)	6,688
Library books	3,699	-	3,699
Platinum Jubilee Fund	30,903	(30,903)	-
Sports equipment fund	<u>-</u>	<u>952</u>	<u>952</u>
	<u>61,365</u>	<u>(49,495)</u>	<u>11,870</u>
<b>TOTAL FUNDS</b>	<u><u>5,778,276</u></u>	<u><u>(180,667)</u></u>	<u><u>5,597,609</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	2,039,349	(2,164,721)	(5,800)	(131,172)
<b>Restricted funds</b>				
Sponsored student fund	16,229	(35,577)	-	(19,348)
Sponsored conference fund	-	(196)	-	(196)
Police family day	3,425	(3,425)	-	-
Platinum Jubilee Fund	73,134	(104,037)	-	(30,903)
Sports equipment fund	<u>1,120</u>	<u>(168)</u>	<u>-</u>	<u>952</u>
	<u>93,908</u>	<u>(143,403)</u>	<u>-</u>	<u>(49,495)</u>
<b>TOTAL FUNDS</b>	<u><u>2,133,257</u></u>	<u><u>(2,308,124)</u></u>	<u><u>(5,800)</u></u>	<u><u>(180,667)</u></u>

The specific purposes for which the funds are to be applied are as follows:

The sponsored student fund is to sponsor students through their studies.

The sponsored conference fund is used to help visitors pay holiday and conference fees.

Police family day funds are to be spent on a police and family fun day.

The library book fund is to buy new books for the hall's library.

The platinum jubilee fund is to finance property improvements and building projects.

The sports equipment fund is to help finance the purchase of new sports equipment.

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

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**19. Employee benefit obligations**

The employer operated a defined benefit scheme in respect of certain employees, which is now accruing no further benefit. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Contributions are paid to the scheme in accordance with the recommendations of an independent actuarial advisor.

The most recent comprehensive actuarial valuation was carried out at 31 March 2019 by Claire Davidson of Mercer Limited, who also provide the charity with interim FRS102 disclose information.

The most recent full actuarial valuation showed a deficit of £479,000. The employer has agreed with the trustees that it will aim to eliminate the deficit over a period of 8 years from 1 April 2020. The employer and the trustees have also agreed to review the contribution levels annually, with the support of the Scheme Actuary where relevant. In addition, the employer has agreed with the trustees that it will meet expenses of the scheme and levies due to the Pension Protection Fund.

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fair value of plan assets	1,429,800	1,859,800
Present value of defined benefit obligation	(1,592,800)	(1,859,800)
	<hr/>	<hr/>
Net scheme deficit	<u>(163,000)</u>	<u>-</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net interest from net defined benefit asset/liability	(4,000)	1,000
	<hr/>	<hr/>
	<u>(4,000)</u>	<u>1,000</u>
Actual return on plan assets	<u>249,000</u>	<u>(109,000)</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

**19. Employee benefit obligations - continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	1,859,800	2,410,000
Interest cost	34,000	51,000
Actuarial losses/(gains)	-	94,800
Benefits paid	(873,000)	(356,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	150,000	(340,000)
Actuarial (gains)/losses from changes in financial assumptions	422,000	-
	<u>1,592,800</u>	<u>1,859,800</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	1,859,800	2,263,800
Assets surplus not realisable	92,000	(92,000)
Contributions by employer	102,000	153,000
Expected return	38,000	50,000
Actuarial gains/(losses)	211,000	(159,000)
Benefits paid	(873,000)	(356,000)
	<u>1,429,800</u>	<u>1,859,800</u>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	(150,000)	340,000
Actuarial (gains)/losses from changes in financial assumptions	(422,000)	-
Irrecoverable surplus	96,000	-
Return on plan assets excluding interest	211,000	-
	<u>(265,000)</u>	<u>340,000</u>

**THE CAPERNWRAY MISSIONARY FELLOWSHIP  
OF TORCHBEARERS**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2021**

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**19. Employee benefit obligations - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
UK Equities	245,000	289,000
Overseas Equities	799,000	700,000
Bonds	299,000	489,000
Property	30,000	77,000
Cash	33,800	352,800
Other / Pensions managed fund	23,000	44,000
Asset surplus, not realisable	-	(92,000)
	<u>1,429,800</u>	<u>1,859,800</u>

Principal actuarial assumptions at the balance sheet date are as follows:

Discount rate: 2.1% (2020 - 2.4%)

Inflation (RPI): 3.3% (2020 - 2.7%)

Inflation (CPI): 2.4% (2020 - 1.8%)

Allowance for revaluation of deferred pensions of CPI or 5% pa if less: 2.4% (2020 - 1.8%)

Allowance for pension in payment increases of RPI or 5% pa if less: 3.1% (2020 - 2.7%)

Allowance for pension in payment increases of RPI or 2.5 %pa if less 2.1% (2020 - 1.9%)

Allowance for commutation of pension for cash at retirement: 100% of Post A Day (2020 - 100%)

The mortality assumptions adopted at 31 March 2021 imply the following life expectancies at age 65 years:

A male retiring in 2021 has a life expectancy of 21.1 years.

A female retiring in 2021 has a life expectancy of 22.9 years.

A male retiring in 2041 has a life expectancy of 22.4 years.

A female retiring in 2041 has a life expectancy of 24.4 years.

The best estimate of contributions to be paid by the employer to the scheme for the period commencing 1 April 2021 is £30,000.

**20. Related party disclosures**

Mr A M Thomas, a director emeritus, is also a director and shareholder of Capernwray Hall Limited. During the year the charity paid rent in the sum of £20,625 (2020 - £20,625) to Capernwray Hall Limited and received management charges of £900 net of VAT (2020 - £900) from the company. At the year end there was £4,076 (2020 - £nil) owed to Capernwray Hall Limited.

During the year the charity undertook transactions with Capernwray Parkland Farm Limited, its subsidiary company. At the year end the charity was owed £17,279 (2020 - £2,187) from Capernwray Parkland Farm Limited.

Mr A M Thomas is also a trustee of Torchbearer Trust Fund, another registered charity. At the year end a balance of £645 was owed to (2020 - £126 owed to) Torchbearer Trust Fund. During the year, in preparation for its closure, Torchbearer Trust Fund transferred £30,085 of funds it held to the charity.