

**Church Army Pension Scheme
Trustees' Annual Report and Financial Statements
Year Ended 31 March 2024**

Registration number: 10233838

Church Army Pension Scheme

Trustees' Annual Report and Financial Statements

Year Ended 31 March 2024

Contents

	Page
Trustees and Advisors	2
Trustees' Annual Report (including Report on Actuarial Liabilities)	3
Statement of Trustees' Responsibilities for the Financial Statements	8
Independent Auditor's Report	9
Fund Account	12
Statement of Net Assets (available for benefits)	13
Notes to the Financial Statements	14
Independent Auditor's Statement about Contributions	25
Trustees' Summary of Contributions	26
Actuary's Certification of the Schedule of Contributions	27
Appendix I: Implementation Statement	

Church Army Pension Scheme

Trustees and Advisors

Year Ended 31 March 2024

Principal employer	Church Army (The)
Trustees	Mr Des Scott – Chair (Member Nominated Trustee) Mrs Sue Way (Member Nominated Trustee) Mr Robin Webb (Employer Nominated Trustee) Mr John Whitfield (Employer Nominated Trustee)
Actuary	Christopher Martin FIA First Actuarial LLP 182 High Street Tonbridge Kent TN9 1BE
Auditors	BHP LLP Rutland Park Sheffield S10 2PD
Investment Managers	Ruffer LLP (until July 2023) 80 Victoria Street London SW1E 5JL Legal & General Assurance Pensions Management Ltd and Legal & General Unit Trust Managers both at One Coleman Street London EC2R 5AA
AVC Providers	Utmost Life and Pensions Walton Street Aylesbury, Buckinghamshire HP21 7YH
Bankers	Barclays Bank plc c/o Barclays Business 2 nd Floor, 1 St Paul's Place 121 Norfolk Street Sheffield S1 2JW
Enquiries	Miss Faye Popham Church Army Wilson Carlile Centre 50 Cavendish Street Sheffield S3 7RZ Tel: 0300 123 2113 Email: faye.popham@churcharmy.org

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

INTRODUCTION

The Trustees of the Church Army Pension Scheme are pleased to present their Annual Report for the year ended 31 March 2024.

THE SCHEME

The Scheme was established on 1 October 1997 for employees of Church Army. The Scheme is a defined benefits scheme which was contracted out of the State Second Pension and provides benefits for members on their retirement from employment or to their dependents on death before or after retirement.

The Scheme is governed by the 2010 Definitive Deed and Rules, executed on 17 December 2010. The Scheme incorporates the former Torre Pension Fund Schemes A and B, Church Army Headquarters Staff Pension scheme and the Church Army sections of the Church Workers Pension Fund.

The Scheme is a registered scheme under the Finance Act 2004.

As at 15 December 2003, the Scheme was closed to new members subject to transitional provisions for employees of Church Army not yet eligible to join. No changes have been made during the year ended 31 March 2024 affecting members' benefits.

SCHEME MANAGEMENT

The overall management of the Scheme is vested in the Trustees who delegate the general administration of the Scheme to the administrative office of Church Army.

Trustees

Under the terms of the Scheme, Trustees are appointed and removed by Church Army, subject to the statutory member nominated Trustee requirements. The Trustees are required to appoint advisers to act for them. The Trustees who served during the year and the Scheme's advisers are shown on page 2. Despite attempts to appoint a suitable individual, there is no nominated Trustee from the members formerly in the Church Workers Pension Fund.

Scheme audit

These financial statements have been prepared and audited in accordance with regulations made under sections 41(1) and (6) of the Pensions Act 1995.

Scheme membership

The number of beneficiaries being active, deferred and pensioner members during the year were:

	Active	Deferred	Retired	Total
At the beginning of the year	1	29	107	137
New dependents	-	-	1	1
Retirements	-	(2)	2	-
Deaths	-	-	(4)	(4)
At the end of the year	1	27	106	134

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

Pension increases

Increases to pensions in payment

Pensions in payment for Torre B members do not increase.

Pensions in payment for members who transferred from the Church Workers Pension Fund were increased on 1 January 2024 by 5% (being the annual increase in the Retail Price Index to September 2023, subject to a maximum of 5%).

Pensions in payment for members in the main CAPS section of the Scheme were increased on 6 April 2023 by 5% (being the annual increase in the Retail Price Index to September 2022, subject to a maximum of 5%).

Increases to pensions in deferment

Deferred pensions for members formerly in the DCS section of the Church Workers Pension Fund were increased on 1 January 2024 by 5% (being the annual increase in the Retail Price Index to September 2023, subject to a maximum of 5%).

Deferred pensions for all other members who had left the Scheme prior to retirement, and who have not yet commenced drawing their benefits from the Scheme, were increased in accordance with statutory legislation.

There were no discretionary increases awarded in the year.

Transfer values

Cash equivalents paid during the year with respect to transfers have been calculated and verified in the manner prescribed by the Pensions Act 1993 and do not include discretionary benefits.

GMP equalisation

On 26 October 2018 the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits between men and women in relation to guaranteed minimum pensions ("GMP"). Schemes are required to backdate benefit adjustments and provide interest on the backdated amounts. On 20 November 2021 the High Court ruled that schemes will need to revisit individual transfer payments made since 17 May 1990 to check if any additional value is due as a result of GMP equalisation. The Trustees are working with their advisors having regard to best practice as it emerges. An initial assessment of the overall impact of GMP equalisation has been made but no detailed estimate has yet been made of the likely backdated amounts and related interest. As such the Trustees have not included a liability in respect of these matters in these financial statements. They will be accounted for in the year they are determined and a contingent liability has been recognised within the financial statements.

INVESTMENT MANAGEMENT

Investment strategy and principles

The Trustees are responsible for determining the Scheme's investment strategy. In accordance with Section 35 of the Pensions Act 1995, the Trustees have prepared a Statement of Investment Principles (SIP). To comply with the above act and SIP, the Trustees have included the principles and policies relating to ethical investment and the exercise of the rights attaching to investments. Any member may request a copy and the SIP is now publicly available from the following website <https://churcharmy.org/pension>.

The SIP was last revised in December 2023. There has been no departure from these principles at the year end.

The Trustees' investment strategy considers the Scheme's investments in the following groupings:

- **Growth assets:** Assets that are expected to deliver long-term returns in excess of liability growth. The use of Growth Assets is expected to deliver a level of investment returns deemed appropriate by the Trustees given the risk involved.

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

- **Liability Matching assets:** Assets that are expected to react to changes in market conditions in a similar way to the liabilities. The use of Liability Matching Assets is expected to protect the funding position of the Scheme.

As now required the Trustees have produced an Implementation Statement which forms part of this investment report and is included within Appendix I.

Management and custody

The Trustees have delegated the management of investments to professional investment managers which are listed on page 2. The assets are held by the investment managers, and they also appoint the custodians for the underlying assets of the funds. The Trustees hold the policy and mandate document.

These managers, which are regulated by the Financial Conduct Authority in the United Kingdom, manage the investments within the restrictions set out in investment management agreements which are designed to ensure that the objectives and policies set out in the SIP are followed.

The mandates put in place by the Trustees specify how rights attached to the Scheme's segregated investments are acted upon. This includes active voting participation and a requirement to consider environmental, social and governance (ESG) and ethical factors when making investment decisions. The Trustees have less influence over the underlying investments within pooled investment vehicles held by the Scheme but review the managers' policies and statements of compliance in respect of these matters.

The policies the Trustees have put in place are included in the Implementation Statement in Appendix I.

Asset allocation

The long-term asset allocation for the Scheme as at 31 March 2024 was as follows:

Asset Class	Strategic Asset Allocation %	Actual Asset Allocation %
Growth assets		
Diversified Credit funds*	100%	100%
Liability Matching assets		
Buy-out Aware funds	71%	75%
LDI	29%	25%

* This element of the asset portfolio is invested in the M&G Total Return Credit investment fund.

Investment performance

The Trustees assess the performance of the Scheme's investments in the following groupings consistent with the overall strategy:

- **Growth assets** are assessed by reference to benchmarks and performance targets set and agreed with each manager.
- **Matching assets** are compared with benchmarks but the Trustees' main concern is security of cash flows and therefore growth in these assets (which is normally linked to growth in Scheme liabilities, or vice versa) is less relevant.

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

Performance of the Scheme's investments over short and longer periods is summarised as follows:

Annualised return over	1 year	3 years	5 years
Growth assets			
Legal & General Investment Managers	-7%	-39.2%	*
Ruffer	-4%	-14.8%	22.3%
Scheme Total	-6%	-28.2%	4.5%

* the investments have been held for less than 5 years so no longer term return information is available.

The Trustees have considered the nature, disposition, marketability, security and valuation of the Scheme's investments and consider them to be appropriate relative to the reasons for holding each class of investments. More details about investments are given in the notes to the financial statements.

Employer-related investments and late contributions

Contributions of £103,000 due to the Scheme at the year end were paid late on 6 August 2024 which constitutes an employer related investment. The Scheme did not hold any other investment in the Principal Employer at the current year end. The auditor's Statement about Contributions has been modified in respect of these late contributions. The Trustees have ensured that the contributions due for the Scheme year ending 31 March 2025 have been paid within the Scheme year, having been paid on 30 August 2024.

REPORT ON ACTUARIAL LIABILITIES

As required by Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102), the financial statements do not include liabilities in respect of promised retirement benefits. Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions.

Technical Provisions are an estimate, made on actuarial principles, of the assets needed at any particular time to make provision for the benefits already accrued under the Scheme. These include pensions in payment (including those payable to survivors of former members) and benefits accrued by other members which will become payable in the future. Technical Provisions are assessed at least every three years using assumptions which are set out in the Statement of Funding Principles prepared by the Trustees, a copy of which is available to Scheme members on request.

The most recent triennial actuarial valuation of the Scheme was carried out as at 31 March 2023. Since that date, an actuarial update has been carried out as at 31 March 2024.

	31 March 2024	31 March 2023
	£000	£000
Value of the Technical Provisions	9,527	10,067
Value of the assets	7,349	7,951
Surplus/(Shortfall)	(2,178)	(2,116)
Funding level	77%	79%

The value of Technical Provisions is based on benefits accrued under the Scheme at the valuation date, and assumptions about various factors that will influence the Scheme in the future, such as the levels of investment returns and inflation, when members will retire and for how long members will live. Since the previous actuarial valuation at 31 March 2020, the Trustees have chosen to significantly strengthen the way they fund the Scheme, by funding on a much more cautious solvency type basis and investing their assets in better matching funds. The method and significant actuarial assumptions used to determine the Technical Provisions are as

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

follows:

Method

The actuarial method to be used in the calculation of the Technical Provisions is the projected unit method with a three year control period.

Significant actuarial assumptions

		31 March 2024	31 March 2023
Discount interest rate			
Non-pensioner		4.3% pa	3.7% pa
Pensioner		4.2% pa	3.7% pa
Deferred revaluation			
RPI linked		3.4% pa	3.5% pa
CPI linked		3.2% pa	3.3% pa
S148		3.9% pa	4.0% pa
Salary increases		3.2% pa	3.3% pa
Pension increases			
5% or RPI if less			
Non-pensioner		3.3% pa	3.4% pa
Pensioner		3.5% pa	3.5% pa
Cash commutation		No allowance is made for commutation	
Mortality (before and after retirement)			
Males		100% S3PMA with CMI_2021_M 1.50% improvement	100% S3PMA with CMI_2021_M 1.50% improvement
Females		100% S3PFA with CMI_2021_F 1.50% improvement	100% S3PFA with CMI_2021_F 1.50% improvement

Recovery Plan and Schedule of Contributions

Under the previous Recovery Plan, which covered this Scheme year, the employer made contributions of £50,000 per annum over the period from 31 March 2023 to 31 May 2024. These payments included an allowance to cover the cost of accrual of benefits for active members which was expected to average £12,500 per annum over the period of the previous Recovery Plan, with the balance going towards reducing the funding deficit.

A new Recovery Plan was agreed between the employer and Trustees in May 2024.

From 1 June 2024 until 31 May 2027 the employer has agreed to pay contributions of £50,000 per annum which includes an allowance for the cost of future accrual of benefits for the remaining active member (which is expected to average £17,000 per annum over the period of the Recovery Plan). In addition, the employer agreed to pay £1,600,000 per annum over the period from 1 June 2027 to 30 November 2028 such that the funding deficit was expected to be eliminated by 30 November 2028. These arrangements were formalised in the Schedule of Contributions which the Scheme Actuary certified on 7 May 2024. A copy of his certificate is included on page 26 of this annual report.

In addition to the above contributions, the employer also makes additional payments of £50,000 per annum to the Scheme towards the costs and expenses of administering the Scheme.

Next actuarial valuation

The next triennial valuation is due as at 31 March 2026.

Church Army Pension Scheme

Statement of Trustees' Responsibilities for the Financial Statements

Year Ended 31 March 2024

Statement of Trustees' responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) are the responsibility of the Trustees. Pension scheme regulations require, and the Trustees are responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the scheme year of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the scheme year; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging the above responsibilities, the Trustees are responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Scheme will continue as a going concern.

The Trustees are also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustees also have a general responsibility for ensuring that accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

The Trustees are responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising a schedule of contributions showing the rates of contributions payable to the Scheme by or on behalf of the employer and the active members of the Scheme and the dates on or before which such contributions are to be paid. The Trustees are also responsible for keeping records in respect of contributions received in respect of any active member of the Scheme and for adopting risk-based processes to monitor whether contributions are made to the Scheme by the employer in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustees are required by the Pension Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

Further information

Requests for information about the Scheme generally, or queries relating to members' own benefits should be made to the contact listed on page 2.

Approval

The Trustees' report was approved by the Trustees and signed on their behalf by:

Trustee	
Date	Signer ID: YXYQMBG80I... 30/09/2024 GMT

Church Army Pension Scheme

Independent Auditor's Report

Year Ended 31 March 2024

Independent Auditor's report to the Trustees of Church Army Pension Scheme

Opinion

We have audited the financial statements of the Church Army Pension Scheme (the 'Scheme') for the year ended 31 March 2024 which comprise the fund account, statement of net assets (available for benefits) and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2024, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Scheme'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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Church Army Pension Scheme

Independent Auditor's Report

Year Ended 31 March 2024

Independent Auditor's report to the Trustees of Church Army Pension Scheme (continued)

Other information-continued

We have nothing to report in this regard.

Responsibilities of the Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 Scheme'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 wind up the Scheme, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the Scheme, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error.

We focused on laws and regulations relevant to the Scheme which could give rise to a material misstatement in the financial statements. Our testing included discussions with the Trustees of the Scheme and with individuals who had direct responsibility for the compliance of laws and regulations, agreeing financial statement disclosures to underlying supporting documentation and reviewing relevant costs and expenses within the financial statements.

There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

During our audit work, we did not find any major issues with the Scheme's internal controls and our audit work was performed in such a manner as to allow to appropriate evidence to be obtained.

As part of our audit, we addressed the risk of management override of internal controls, including testing of bank transactions. We evaluated whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud. Minutes of meetings were also reviewed. No issues were identified.

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

Church Army Pension Scheme

Independent Auditor's Report

Year Ended 31 March 2024

Independent Auditor's report to the Trustees of Church Army Pension Scheme (continued)

Use of our report

This report is made solely to the Scheme Trustees, as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme Trustees as a body, for our audit work, for this report, or for the opinions we have formed



Signer ID: VYQCKJPOH7...

BHP LLP
Statutory Auditor
Sheffield

30/09/2024 GMT

Church Army Pension Scheme

Fund Account

Year Ended 31 March 2024

	Note	2024 £000	2023 £000
Contributions and benefits			
Employer contributions	3	100	100
Employee contributions	3	3	3
Total contributions		<u>103</u>	<u>103</u>
Other income	4	84	-
Benefits paid or payable	5	(558)	(510)
Administrative expenses	6	(172)	(75)
		<u>(646)</u>	<u>585</u>
Net withdrawals from dealings with members		(543)	(482)
Return on investments			
Investment income	7	-	2
Change in market value of investments	10	(61)	(1,631)
Investment management expenses	9	(21)	(19)
		<u>(82)</u>	<u>(1,648)</u>
Net return on investments		(82)	(1,648)
Net decrease in the fund during the year		(625)	(2130)
Net assets of the scheme available for benefits			
At 31 March 2023		7,966	10,096
At 31 March 2024		7,341	7,966

Church Army Pension Scheme

Statement of Net Assets (available for benefits)

As at 31 March 2024

	Note	2024 £000	2023 £000
Investment assets	10		
Pooled investment vehicles	11	7,328	7,970
AVC investments	12	6	15
		<hr/>	<hr/>
		7,334	7,985
Total net investments		7,334	7,985
Current assets	17	166	48
Current liabilities	18	(159)	(67)
Net assets of the scheme (available for benefits) at 31 March		<hr/> 7,341	<hr/> 7,966

The Financial Statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations for the Scheme, is dealt with in the Report on Actuarial Liabilities included on pages 6 and 7 and these financial statements should be read in conjunction with that report.

Signed for and on behalf of the Trustees of the Church Army Pension Scheme

Trustee: Des Scott Date: 30/09/2024 GMT
Signer ID: YXYQIMBG80I...

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

1. Basis of preparation

The Financial Statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with the guidance set out in the Statement of Recommended Practice (SORP) (revised June 2018).

Identification of the Financial Statements

The Scheme is defined benefit scheme established as a trust under English law. The address for enquiries to the Scheme is Church Army, Wilson Carlile Centre, 50 Cavendish Street, Sheffield, S3 7RZ.

2. Accounting policies

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.

(a) Foreign exchange & presentation currency

The Scheme's functional and presentational currency is pounds sterling (GBP).

Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year end. Foreign currency transactions are translated into sterling at the spot rate of exchange at the date of the transaction. Gains and losses arising on conversion or translation are dealt with as part of the change in market value of investments.

(b) Contributions

Normal contributions from both employers and employees are generally accounted for on an accruals basis in the payroll period to which they relate. In the case of employees this is when deducted from pay.

Employer other contributions are accounted for in accordance with the agreement under which they are paid, or in the absence of an agreement, when received.

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of contributions or on receipt if earlier with the agreement of the employer and Trustees.

(c) Other income

Income from insurance providers is accounted for on an accruals basis once the Trustees have been advised that the death in service claim has been approved.

(d) Benefits

Pensions in payment are accounted for in the period to which they relate.

Where members can choose whether to take their benefits as a full pension or as a lump sum with reduced pension, retirement benefits are accounted for on an accruals basis on the latter of the date of retirement or the date the option is exercised.

Other benefits are accounted for on an accruals basis on the date of retirement, leaving or death as appropriate.

(e) Transfer values

Transfer values represent the capital sums either received from members' previous pension schemes or paid to the subsequent pension schemes of those who have left the Scheme. They are accounted for on an accruals basis on the date the trustees of the receiving scheme accept the liability. For individual transfers this is normally when the payment of the transfer is made.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

2. Accounting policies - continued

(f) Administrative expenses

Administrative expenses are accounted for on an accruals basis.

(g) Investment income

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time in the year, including profits and losses realised on the sale of investments and unrealised changes in market value. In the case of pooled investment vehicles which are accumulation funds, where income is reinvested within the fund without issue of further units, change in market value also includes such income.

Investment management expenses are accounted for on an accruals basis.

(h) Valuation of investments

Investment assets and liabilities are included in the financial statements at fair value. Where separate bid and offer prices are available, the bid price is used for investment assets and the offer price for investment liabilities. Otherwise the closing single price, single dealing price or most recent transaction price is used.

Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager. Shares in other pooled arrangements have been valued at the latest available net asset value (NAV), determined in accordance with fair value principles, provided by pooled investment manager.

(i) Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no critical judgements in applying the accounting policies. The Trustees make estimates and assumptions concerning the future as set out in the above accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results.

For the Scheme, the Trustees believe the only estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are related to the Scheme investments and, in particular, those classified in Level 3 of the fair value hierarchy. The valuation assumptions have been included in (h) above.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

3. Contributions

	2024	2023
	£000	£000
Employer contributions		
Normal	14	13
Deficit funding	36	37
Expense	50	50
Employee contributions		
Normal	3	3
	<u>103</u>	<u>103</u>

In 2017 the Church Army Board agreed to pay £500k over 10 years to accelerate a move toward a self-sufficient status. Following the conclusion of the triennial valuation as at 31 March 2020 a recovery plan was put in place and a new schedule of contributions that required the employer to pay a one off lump sum of £250,000 in respect of the contributions covering the period 1 April 2020 to 31 March 2021. The schedule also requires the employer to pay contributions of £50,000 per annum for the period 1 April 2021 to 30 September 2028. This amount includes an allowance of 30.6% of active member pensionable pay to meet the cost of future accrual of benefits with the balance going to eliminate the funding shortfall.

As a result of the 31 March 2023 valuation, a new recovery plan was certified on 3 May 2024 which replaces the one above. This recovery plan states that the employer will pay contributions as follows:

For the period covering from 1 June 2024 to 31 May 2027 annual deficit contributions of £33,000. This equates to annual contribution of £50,000 less the cost of future accrual of benefits for the remaining active member at the rate 35.2% of pensionable salary (which is expected to average £17,000 per annum over the period of the Recovery Plan).

For the period covering 1 June 2027 to 30 November 2028 annual contributions of £1,600,000 (equating to £2.4 million over the period).

As noted in the Trustee report £103,000 of contributions were received 128 days late. The Auditor's Statement about Contributions on page 25 reflects this late contribution.

4. Other income

	2024	2023
	£000	£000
Income arising from death in service	84	-

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

5. Benefits paid or payable

	2024	2023
	£000	£000
Pensions	423	410
Commutations and lump sum retirement benefits	39	62
Benefit rectification amounts	12	38
Death in service	84	-
	<u>558</u>	<u>510</u>

During the prior year an exercise was carried out to rectify historical pension increase errors where increases were made using CPI as the basis instead of RPI. The amounts due to be paid to members has been included in the above and in creditors at the prior year end.

6. Administrative expenses

	2024	2023
	£000	£000
Actuarial and administration	159	62
Audit	8	9
PPF and other levies	5	4
	<u>172</u>	<u>75</u>

7. Investment income

	2024	2023
	£000	£000
Income from pooled investment vehicles	-	2
	<u>-</u>	<u>2</u>

8. Taxation

The Scheme is a registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

9. Investment management expenses

	2024	2023
	£000	£000
Administration, management and custody	21	19
	<u>21</u>	<u>19</u>

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

10. Reconciliation of investments

	Value at 1 April 2023	Purchases at cost	Sales proceeds	Change in market value	Value at 31 March 2024
	£000	£000	£000	£000	£000
Pooled investment vehicles	7,970	5,632	(6,212)	(62)	7,328
AVC investments	15	-	(10)	1	6
	<u>7,985</u>	<u>5,632</u>	<u>(6,222)</u>	<u>(61)</u>	<u>7,334</u>
	<u>7,985</u>				<u>7,334</u>

Transaction costs

Transactions costs are included in the cost of purchases and sales proceeds. Indirect transaction costs are incurred through the bid-offer spread on investments, and charges made within those vehicles. It has not been possible for the Trustees to quantify such indirect transaction costs.

11. Pooled investment vehicles

	2024	2023 (as- restated)
	£000	£000
Bonds	-	635
Multi asset	1,162	5,631
LDI	6,166	1,704
	<u>7,328</u>	<u>7,970</u>

The 2023 categorisation has been re-stated to more accurately reflect the nature of the pooled funds based on available market information. £1,704k of bond funds have been reclassified as LDI funds and £2,391k of bond funds have been reclassified as Multi asset funds.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

12. Additional voluntary contributions (AVCs)

The Trustees hold assets invested separately from the main defined benefit investments to secure additional benefits on a money purchase basis for those defined benefit members electing to pay AVCs. Members participating in this arrangement each receive an annual statement made up to year end date confirming the amounts held in their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

	2024	2023
	£000	£000
Utmost – unit linked funds	6	15
	<hr/>	<hr/>
	6	15
	<hr/>	<hr/>

13. Fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

- Cash
- Level 1 – The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the reporting date
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable (ie developed using market data) for the asset or liability, either directly or indirectly
- Level 3 – Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability

The Scheme's investment assets have been fair valued using the above hierarchy categories as follows:

31 March 2024

Category	Level 1	Level 2	Level 3	Total
Pooled investment vehicles	-	7,328	-	7,328
AVC	-	6	-	6
Total	-	7,334	-	7,334

31 March 2023

Category	Level 1	Level 2	Level 3	Total
Pooled investment vehicles	635	7,335	-	7,970
AVC	-	15	-	15
Total	635	7,350	-	7,985

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

14. Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks to which the Scheme is exposed at the end of the reporting period. These risks are set out by FRS 102 as follows:

- Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk: this comprises currency risk, interest rate risk and other price risk.
 1. Currency risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.
 2. Interest rate risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.
 3. Other price risk: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Trustees determine their investment strategy after taking advice from relevant advisors. The Scheme has exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustees manage investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. These investment objectives and risk limits are implemented through the investment management agreements in place with the Scheme's investment manager and monitored by the Trustees by regular reviews of the investment portfolio.

Further information on the Trustees' approach to risk management, credit and market risk is set out below. This does not include AVC investments as these are not considered significant in relation to the overall investments of the Scheme.

Investment Strategy

The investment objective for the Scheme is to achieve a return which is sufficient, over the longer term, to meet the Funding Objective, and to balance risk with the achievement of a satisfactory investment return.

The Trustees set the investment strategy taking into account considerations such as the strength of the employer covenant, the maturity of the liabilities of the Scheme and the funding agreed with the Employer. The investment strategy is set out in its Statement of Investment Principles (SIP).

The Trustees' primary investment objectives are:

- To ensure that the assets are sufficient and available to pay members' benefits as and when they fall due.
- To generate an appropriate level of investment returns – to improve the funding position and thereby improve security for members.
- To protect the funding position – limiting the scope for adverse investment experience reducing security for members.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

14. Investment risks- (continued)

The Trustees' investment approach is designed to strike a balance between the above primary objectives but also considers:

- The nature and timing of benefit payments.
- Expected levels of investment return on different asset classes.
- Expected levels of investment return variability and, specifically, the expected level of short-term volatility of the funding position. This takes into account any financially material considerations.
- The sponsoring employer's ability to withstand additional contribution requirements that may arise from volatility in the funding position.
- The full range of available investments (within the bounds of practicality).

The Trustees have taken advice from relevant advisors to construct a portfolio of investments consistent with these objectives. In doing so, consideration is given to all matters which are believed to be financially material.

Credit risk

As the Ruffer strategy formed part of the return seeking assets of the scheme during the year, credit risk exposure of investments was actively managed in order to optimise the risk/return profile of the portfolio. This fund was fully disposed of in the period. The L&G portfolio is exposed to credit risk due to the nature of the bond assets included in the pooled investment vehicles. Previously credit risk arising from directly held bonds was mitigated by investing in government bonds where the credit risk is minimal; we have made this assessment using a combination of both an in-house credit assessment and the use of credit ratings. There are no directly held bonds within the portfolio as at 31 March 2024.

Direct credit risk arising from pooled investment vehicles is mitigated by the underlying assets of the pooled arrangements being ring fenced from the pooled manager, the regulatory environment in which the pooled managers operate and diversification of investments amongst a number of pooled arrangements. The Trustees carry out due diligence checks on the appointment of new pooled investment managers and on an ongoing basis monitor any changes to the operating environment of the pooled manager.

A summary of pooled investment vehicles by type of arrangement is as follows:

	2024	2023
	£000	£000
Unit linked insurance contract	7,328	4,095
Open ended investment companies	-	3,240
Authorised unit trust	-	635
	<hr/> 7,328	<hr/> 7,970
	<hr/>	<hr/>

Indirect credit risk arises in relation to the underlying investments in the bond pooled investment vehicles. The risk is mitigated by only investing in funds which hold at least investment grade credit rated investments.

The information about exposures to and mitigation of credit risk applied to both the current and prior year ends.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

14. Investment risks- (continued)

Currency risk

The Ruffer strategy was subject to currency risk derived from underlying investments in overseas asset markets. Ruffer was cognisant of base currencies, and foreign currency exposure was only sought when said currency fulfilled an empirical and qualitative assessment suggesting its inclusion is beneficial to the overall risk/return profile of the portfolio.

Counterparty risk

Ruffer LLP have limits to monitor the total mark-to-market exposure with each counterparty. Limits are set based upon quantitative and qualitative conditions relating to Ruffer's view of each counterparty's creditworthiness, the investment approach and the general market environment. Ruffer has set procedures for the establishment and review of these limits as well as escalation procedures to identify and resolve breaches to these limits in a timely manner. Currency hedges in the form of Forward FX contracts are executed with the Ruffer appointed custodian. Due diligence is performed at least annually on each of these custodians including a review of their creditworthiness as well as their procedures and controls.

Liquidity risk

Liquidity risk arises from situations in which an asset cannot be liquidated within a desired timeframe at its given mark-to market value. The Trustees in conjunction with their advisors consider the nature, scale, saleability and complexity of investments in order to monitor the liquidity of the Scheme. Where clients are invested in Ruffer funds, should a fund hold illiquid assets additional liquidity restrictions, such as liquidity buffers, redemption restrictions or dilution levies, may be used.

Interest rate risk

The Ruffer strategy was subject to interest rate risk derived from investment in fixed income securities. As the Ruffer strategy formed part of the return seeking assets of the scheme during the year, interest rate risk was actively managed in order to optimise the risk/return profile of the portfolio. The L&G portfolio is also subject to interest rate risk derived from investment in fixed income securities. Scheme liabilities play no role in defining interest rate exposure. Interest rate exposure may be tactically mitigated by the use of limited liability interest rate derivatives.

Other price risk

Other price risk arises principally in relation to the Scheme's return seeking portfolio which includes directly held equities. This portfolio is managed by Ruffer which manages exposure to non-systematic risk by constructing a diverse portfolio of investments.

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

15. Concentration of investments

Investments accounting for more than 5% of the net assets of the Scheme were:

	31 March 2024 Market Value £000	31 March 2024 % of net assets	31 March 2023 Market Value £000	31 March 2023 % of net assets
Ruffer SICAV Fixed Income Z GBP	-	-	3,241	41%
LGIM PMC M&G Total Return Credit Investment	1,162	16%	2,390	30%
LGIM Matching Core Real Short	775	10%	1,248	16%
LGIM Matching Core Real Long	575	8%	456	6%
LGIM All Stocks Gilt Index Trust	-	-	361	5%
CYAH- Buyout Aware Real Short Fund	2,393	33%	-	-
CYAJ - Buyout Aware Real Long Fund	2,219	30%	-	-

16. Employer related investment

Contributions of £103,000 due to the Scheme were paid late which constitutes an employer related investment (2023: nil). The Scheme did not hold any other investment in the Principal Employer at the current year end (2023: nil).

17. Current assets

	2024 £000	2023 £000
Cash balances	60	48
Amounts owed from employer	106	-
	<hr/> 166	<hr/> 48

18. Current liabilities

	2024 £000	2023 £000
Accrued benefits	96	38
Accrued expenses	63	23
Amounts due to employer	-	6
	<hr/> 159	<hr/> 67

Church Army Pension Scheme

Notes to the Financial Statements

Year Ended 31 March 2024

19. Related party transactions

Administrative services were provided free of charge by Church Army during the current and prior year.

At the year-end one Trustee is an active member of the Scheme and one Trustee is a pensioner. Contributions are received and retirement benefits are paid in respect of these Trustees under the Schedule of Contributions and Scheme Rules. (2023: One Trustee was an active member of the Scheme and one trustee was a pensioner). Trustees received reimbursement of travel expenses during the year amounting to nil (2023: nil).

20. Contingent liabilities

- (a) **Torre Pension Fund Scheme 'B'**: In the event that the Scheme is unable to pay its pension commitments in full, pensioners who transferred from the Torre Pension Fund Scheme 'B' have priority over other members. There are 17 such pensioners at the year end (2023: 16) and the combined actuarial value of their pensions is estimated at £9,000 (2023: £15,000).
- (b) **GMP equalisation**: On 26 October 2018 the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded the schemes should be amended to equalise pension benefits between men and women in relation to guaranteed minimum pensions. Schemes are required to backdate benefit adjustments and provide interest on the backdated amounts. On 20 November 2021 the High Court ruled that schemes will need to revisit individual transfer payments made since 17 May 1990 to check if any additional value is due as a result of GMP equalisation. The Trustees are working with their advisors having regard to best practice as it emerges. As the total impact on the Scheme is not yet known a contingent liability has been included in the financial statements.

Church Army Pension Scheme

Auditor's Statement about Contributions

Year Ended 31 March 2024

We have examined the Summary of Contributions to the Church Army Pension Scheme for the year ended 31 March 2024 which is set out on the following page.

Respective responsibilities of Trustee and Auditors

As explained more fully in the Statement of Trustees Responsibilities, the Scheme's Trustees are responsible for ensuring that there is prepared, maintained and from time to time revised a Schedule of Contributions showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the employer and the active members of the Scheme. The Trustees are also responsible for keeping records in respect of contributions received in respect of active members of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the Schedules of Contributions.

It is our responsibility to provide a Statement about Contributions paid under the Schedule of Contributions and to report our opinion to you.

Scope of work on Statement about Contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the attached Summary of Contributions have in all material respects been paid at least in accordance with the Schedule of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the Schedule of Contributions.

Basis for Qualified statement about Contributions

As noted in the Trustees' Report, contributions totalling £103,000 were paid late in respect of the year ended 31 March 2024, being settled 128 days late.

Qualified Statement about Contributions payable under the schedule of contributions

Except for the above instance, in our opinion contributions for the scheme year ended 31 March 2024 as reported in the summary of contributions and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions certified by the Scheme Actuary on 1 April 2021.



Signer ID: VYQCKJPQH7...

BHP LLP

Statutory Auditor
Sheffield

30/09/2024 GMT

Church Army Pension Scheme

Summary of Contributions

Year Ended 31 March 2024

During the year ended 31 March 2024, the contributions due to the Scheme as follows:

	£000s
Contributions required by the Schedule of Contributions	
Member's normal contributions	3
Employer normal contributions	14
Employer deficit funding contributions	36
Employer expense contributions	50
	<hr/>
Total contributions receivable as shown in the financial statements	103

Approved by the Trustees on

and signed on their behalf by

Trustee... Des Scott
Signer ID: YXYQMBG8OI...

30/09/2024 GMT
Date.....

Church Army Pension Scheme

Actuarial Certificate

Year Ended 31 March 2024

Church Army Pension Scheme

Actuarial Certificate for the purposes of Section 227(5) of The Pensions Act 2004

Name of scheme: Church Army Pension Scheme


Adequacy of rates of contributions

1. I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective can be expected to be met by the end of the period specified in the recovery plan dated 4 May 2024

Adherence to statement of funding principles

2. I hereby certify that, in my opinion, this schedule of contributions is consistent with the Statement of Funding Principles dated 4 May 2024

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of their adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Signature: 	Date: 07-May-2024
Name: Christopher Martin	Qualification: Fellow of the Institute and Faculty of Actuaries
Address: First Actuarial LLP Fosse House 182 High Street Tonbridge Kent TN9 1BE	

Church Army Pension Scheme Implementation Statement Year Ending 31 March 2024

Glossary

ESG	Environmental, Social and Governance
Investment Adviser	First Actuarial LLP
Scheme	Church Army Pension Scheme
Scheme Year	1 April 2023 to 31 March 2024
SIP	Statement of Investment Principles
UNPRI	United Nations Principles for Responsible Investment

Introduction

This Implementation Statement reports on the extent to which, over the Scheme Year, the Trustees have followed their policy relating to the exercise of rights (including voting rights) attaching to the Scheme’s investments.

In preparing this statement, the Trustees have considered guidance from the Department for Work & Pensions which was updated on 17 June 2022.

Relevant Investments

The Scheme’s assets are invested in pooled funds, none of which include an allocation to equities at the Scheme Year End. The Scheme did hold the Ruffer Total Return Fund for part of the year; however, this was not for most of the year and has therefore been excluded from the voting analysis. As such the investment managers don’t have an entitlement to vote so there were no voting records for the Trustees to analyse.

The Trustees’ Policy Relating to the Exercise of Rights

Summary of the Policy

The Trustees’ policy in relation to the exercise of rights (including voting rights) attaching to the investments is set out in the SIP. The SIP was updated during the Scheme year to reflect changes made to the Scheme’s investment strategy, but wording relating to the exercise of rights was not revised. A summary of this wording is as follows:

- The Trustees believe that good stewardship can help create, and preserve, value for companies and markets as a whole.

- The Trustees invest in pooled investment vehicles and therefore accept that ongoing engagement with the underlying companies (including the exercise of voting rights) will be determined by an investment Manager's own policies on such matters.
- When selecting a fund, the Trustees consider amongst other things, the investment manager's policy in relation to the exercise of the rights (including voting rights) attaching to the investments held within the fund.
- When considering the ongoing suitability of an investment manager, the Trustees (in conjunction with their Investment Adviser) will take account of any particular characteristics of that manager's engagement policy that are deemed to be financially material.
- The Trustees will normally select investment managers who are signatories to the UN Principles for Responsible Investment (UNPRI).
- If it is identified that a fund's investment manager is not engaging with companies the Trustees may look to replace that fund. However, in the first instance, the Trustees would normally expect their Investment Adviser to raise the Trustees' concerns with the investment manager.

Has the Policy Been Followed During the Scheme Year?

The Trustees' opinion is that their policy relating to the exercise of rights (including voting rights) attaching to the investments has been followed during the Scheme Year. In reaching this conclusion, the following points were taken into consideration:

- There has been no change to the Trustees' belief regarding the importance of good stewardship.
- The Scheme's invested assets remained invested in pooled funds over the period.
- The Trustees did not select any new funds during the period.
- The investment Manager used by the Scheme are signatories to the UNPRI.

Conclusion

The Trustees are satisfied that, over the course of the Scheme Year, it complied with its policy relating to the exercise of rights (including voting rights) attaching to the investments.

In particular, during the Scheme Year, none of the assets held had any voting rights attached. The Trustees will continue to assess whether this continues to remain the case over the next period and will be mindful of potential managers' voting records should the Scheme need to select additional funds.



12 August 2024

..... Date:

Signed on behalf of the Trustees of the Church Army Pension Scheme

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

Dear Sirs

This representation letter is provided in connection with your audit of the Church Army pension scheme (scheme registration number 10233838) (the "Scheme") financial statements and examination of the Scheme's summary of contributions for the year ended 31 March 2024 for the purpose of expressing an opinion as to whether the financial statements show a true and fair view of the financial transactions of the Scheme during the period from 1 April 2023 to 31 March 2024 and of the amount and disposition at the end of the Scheme period of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the period, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and contain information specified in the Audited Accounts Regulations and making a statement about contributions.

The following representations are made on the basis of enquiries of management, trustees and relevant advisors with relevant knowledge and experience such as we consider necessary in connection with your audit of the Scheme's financial statements and examination of the Scheme's summary of contributions for the year ended 31 March 2024. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. The trustees have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

General

1. We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter for ensuring that financial statements are prepared in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view, for keeping records in respect of contributions received in respect of active members of the Scheme and for making accurate representations to you.
2. All the transactions undertaken by the Scheme have been properly reflected and recorded in the accounting records.
3. All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all persons responsible for the operation of, and other advisers to, the Scheme from whom you determine it necessary to obtain audit evidence, and provided you with all other records and related information requested, including minutes of all trustee meetings.
4. The financial statements are free of material misstatements, including omissions.

Internal control and fraud

5. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe that we have appropriately fulfilled these responsibilities. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
6. We have disclosed to you all instances of known or suspected fraud affecting the Scheme involving management, employees who have a significant role in internal control or others where fraud could have a material effect on the financial statements.
7. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the Scheme's financial statements communicated by trustees, current or former employees, analysts, regulators, relevant advisors or others.

Assets and liabilities

8. We confirm the Scheme has satisfactory title to all assets and there are no liens or encumbrances on the assets, except for those disclosed in the financial statements.
9. Where required, the value at which assets and liabilities are recorded in the statement of net assets is, in the opinion of the trustees, the fair value. We are responsible for the reasonableness of any significant assumptions underlying the valuation, including consideration of whether they appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Scheme. Any significant changes in those values since the balance sheet date have been disclosed to you.
10. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
11. All events since the date of the Statement of Net Assets which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or included in the financial statements.
12. The pension Scheme has no unrecorded liabilities, actual or contingent, other than those disclosed in the accounts and liabilities to pay pensions and benefits after the end of the Scheme year, which are not included under pensions legislation.
13. The pension Scheme has, at no time during the year, entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) with any trustee, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.

Accounting estimates

14. The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

Legal claims

15. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

16. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
17. We have not made any reports to The Pensions Regulator nor are we aware of any such reports having been made by any of our advisors. There have been no communications with The Pensions Regulator or other regulatory bodies during the Scheme year or subsequently concerning matters of non-compliance with any legal duty. We have drawn to your attention all correspondence and notes of meetings with regulators.
18. We confirm that, other than the late contributions of £100,000 for the 2023/24 year, we are not aware of any late contributions or breaches of the schedule of contributions that have arisen which we considered did not require reporting. We also confirm that we are not aware of any other matters which have arisen that would require a report to The Pensions Regulator.
19. We confirm that, under section 27 of the Pensions Act 1995, no trustee of the Scheme is connected with, or is an associate of, BHP LLP, which would render BHP LLP ineligible to act as auditor to the Scheme.
20. We confirm that the Scheme is a Registered Pension Scheme. We are not aware of any reason why the tax status of the Scheme should change.
21. We have informed you of all changes to the Scheme rules and confirm that all Scheme documentation is fully up to date.
22. We confirm that no transactions have been made which are not in the interests of the Scheme members or the Scheme during the Scheme year or subsequently.
23. We confirm that there has been no 'self-investment' in a Scheme employer or any stock-lending during the Scheme year or subsequently.
24. We confirm that the Implementation Statement included within the Annual Report is an accurate statement of the work undertaken by the trustees to ensure compliance with the relevant Code of Practice and Regulations. We also acknowledge that the audit of the financial statements has not included any specific procedures to verify the content of the Implementation Statement and accordingly we understand that no audit opinion is expressed thereon.

Related parties

25. We confirm that the related party relationships and transactions set out in Appendix A to this document are a complete list of such relationships and transactions. We confirm that related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of accounting standards and with the recommendations of the Statement of Recommended Practice, 'Financial Reports of Pension Schemes' or any other requirement.

Subsequent events

26. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

Going concern

27. We confirm the trustees have not begun formal wind up proceedings for the Scheme, and that we believe that the Scheme's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Scheme's needs. We also confirm our plans for future action(s) required to enable the Scheme to continue as a going concern are feasible. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the Scheme's ability to continue as a going concern need to be made in the financial statements.

As discussed, approved and minuted by the board of trustees at its meeting on 2024.

Trustee.. Des Scott
Signer ID: YXYQMBG80I...

30/09/2024 GMT

Appendix A – Related Parties and Related Party Transactions

Name	Nature of relationship	Type and purpose of transactions with the related party
Church Army	Sponsoring employer	Pays expenses and contributions, operates bank account and provides admin services
Des Scott	Member nominated trustee- Pensioner member	Pensions paid travel expenses related to meetings
Sue Way	Member nominated trustee- active member	Contributions paid travel expenses related to meetings
Robin Webb	Employer nominated trustee (not scheme member)	Travel expenses related to meetings only
John Whitfield	Employer nominated trustee (not scheme member)	Travel expenses related to meetings only