

Nottingham Roman Catholic
Diocesan Education Service



**ANNUAL REPORT
AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED
31 AUGUST 2021

Charity Registration No. 1149466

Company Registration No. 07713392 (England and Wales)



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Ms K M Cohoon
Ms A Gillespie
Rev S Gillespie
Mr G A Hirst
Mr J Lynch
Mr P G McCole
Rt Rev P J McKinney
Ms L M O'Brien

Secretary

Ms J Sweeney

Charity number

1149466

Company number

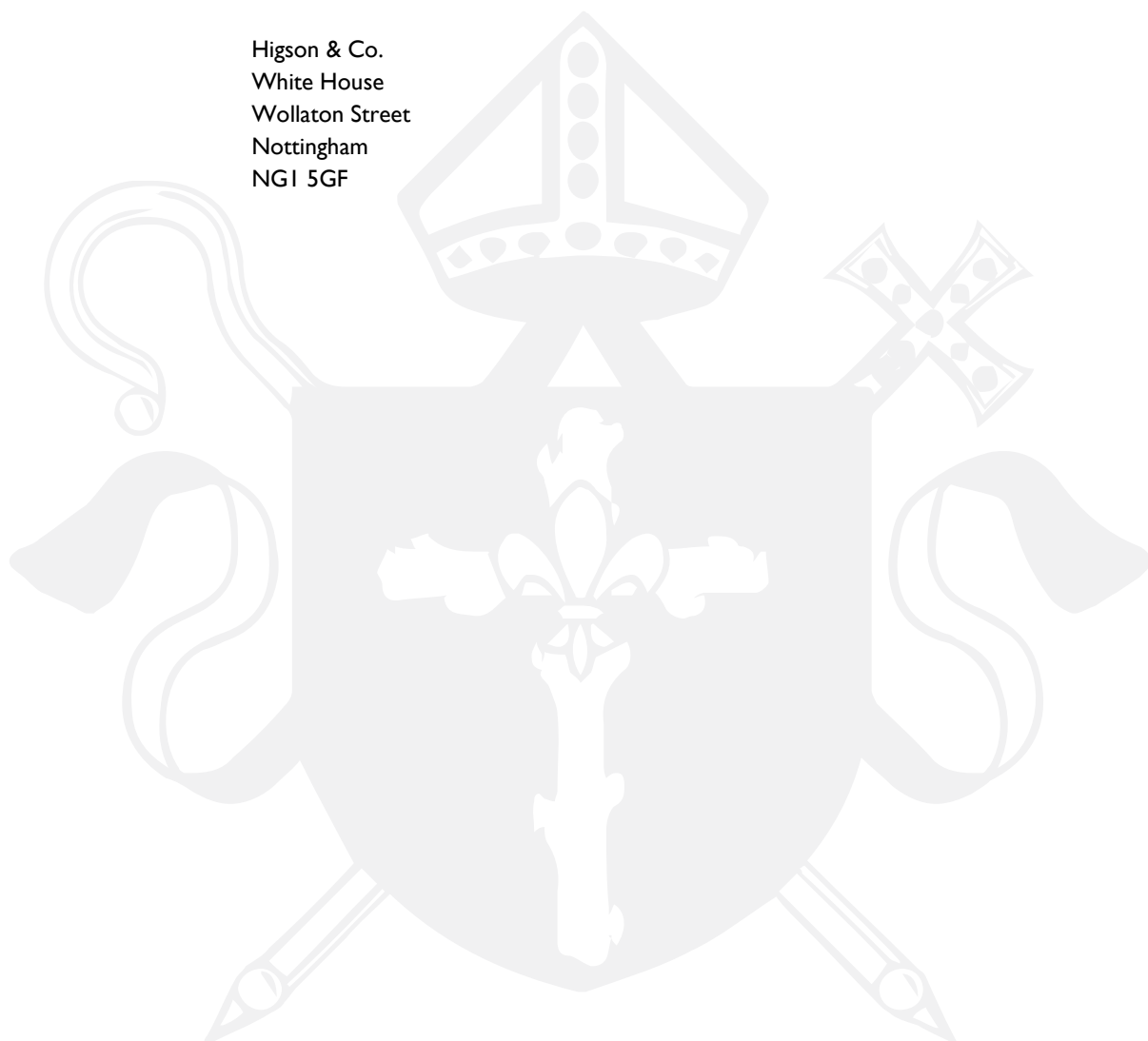
07713392

Registered office

The Diocesan Centre
Morrington Crescent
Mackworth
Derby
DE22 4BD

Auditor

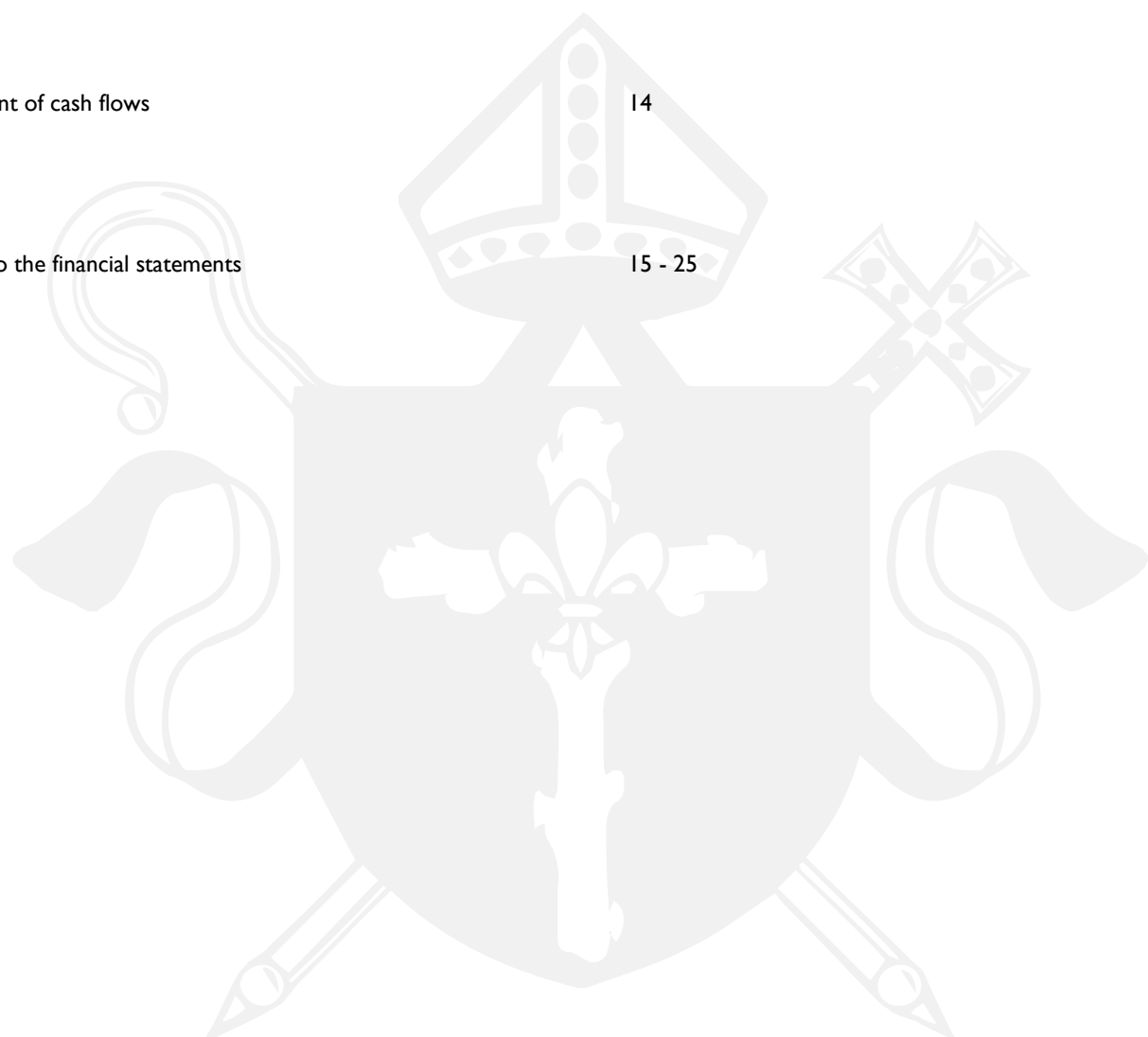
Higson & Co.
White House
Wollaton Street
Nottingham
NG1 5GF



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

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NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

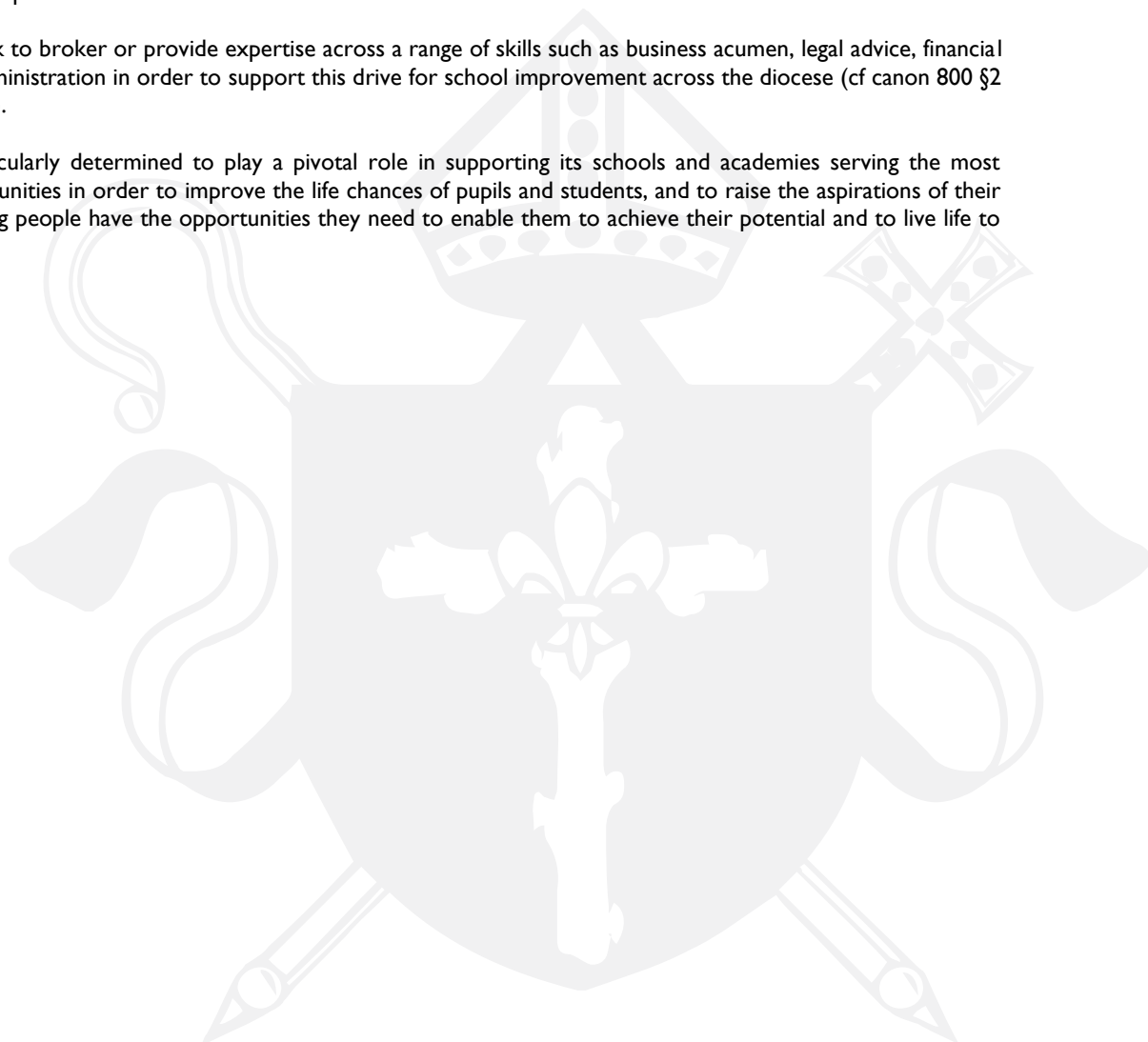
The Charity is committed to challenging and supporting all its schools and academies to become good and outstanding providers of Catholic education in collaboration with the Catholic Multi-Academy Trusts established in September 2018.

To this end the Charity is active in providing practical support and advice, as well as monitoring and inspection (canon 806 §1, Code of Canon Law), as to the Catholic Life, Collective Worship and teaching of Religious Education in the Catholic schools within the Diocese of Nottingham. This support and monitoring is provided to ensure that Christ is at the centre of every Catholic school in the diocese, and that each member of the school communities, whether pupils, students, staff, governors or parents, has the frequent opportunity to encounter the person of the Risen Christ.

Further, 'those who are in charge of Catholic schools are to ensure under the watchfulness of the local Ordinary that the instruction which is given in them is, in its academic standards, at least as outstanding as that in other schools in the area' (canon 806 §2 Code of Canon Law). To this end, the Charity keeps an overview as to each element of the academic achievement of the pupils and students in the Catholic schools of the diocese.

The Charity will seek to broker or provide expertise across a range of skills such as business acumen, legal advice, financial management and administration in order to support this drive for school improvement across the diocese (cf canon 800 §2 Code of Canon Law).

The Charity is particularly determined to play a pivotal role in supporting its schools and academies serving the most disadvantaged communities in order to improve the life chances of pupils and students, and to raise the aspirations of their families so that young people have the opportunities they need to enable them to achieve their potential and to live life to the full.



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Strategies for achieving objectives

The Charity will continue to challenge traditional ways of thinking on how schools are run and what they should be like for pupils and students. The Charity will seek to achieve success and will challenge any low aspirations.

The Charity will contribute to the following key success factors in securing school improvement and raising standards;

- By continuing to promote our distinctive Catholic virtues and ethos in our home, school and parish communities, placing Christ at the centre of all we do
- By helping articulate a clear educational vision that champions the ability of all children to achieve their potential and has buy in at all levels in school and which is clearly underpinned by our Catholic faith
- By recruiting, retaining and developing highly successful school leaders with a commitment to nurturing their own personal faith and professional development as leaders of Catholic communities
- By developing effective and robust governance arrangements at all levels
- By promoting sound financial management skills and rigorously pursuing value for money
- By monitoring clearly defined aspirational and challenging targets and ensuring improvement in performance of all schools in collaboration with the Catholic Multi-Academy Trusts

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

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Significant activities

The principal objects of the Charity are specifically restricted to such charitable purposes as the Directors in their absolute discretion, and under the direction of the Bishop of Nottingham (cf canon 806) think fit including, but not limited to, the advancement of the mission of the Catholic Church through education and faith formation in the United Kingdom.

Social investments

The Charity aims to manage its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation.

The Charity aims to spend the monies with which it is entrusted for the direct benefit of its service users as soon as is prudent.

The charity does not consider the investment of surplus funds as a primary activity and has no plans for social investment during 2021-22.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

Charitable activities

The Director of Education makes a report on the ongoing work of the Charity at each Board meeting. There are four Catholic Multi-Academy Trusts in the Diocese of Nottingham:

- Our Lady of Lourdes (Nottingham and Nottinghamshire)
- St Therese of Lisieux (Lincolnshire, North Lincolnshire, North East Lincolnshire, and Rutland.)
- St Thomas Aquinas (Leicester and Leicestershire)
- St Ralph Sherwin (Derby, Derbyshire, Stockport and Staffordshire)

All but one of our maintained schools are now academies. There are also two independent schools in the diocese.

The Director of Education continues to respond to requests for advice on academy conversion and development from other dioceses.

Diocesan Canonical Inspections (DCI)

The Director of Education has responsibility delegated from the Bishop of Nottingham (canon 806 §1, Code of Canon Law) for undertaking Diocesan Canonical Inspections. The current framework and schedule are now well embedded across the diocese. The inspection framework covers Catholic Life, Religious Education and Collective Worship. During the past year, inspections were paused due to the covid-19 pandemic. Work has now begun on the introduction of a new national inspection framework which will come into force from September 2022.

Director/Governor Support

The Charity continues to support Catholic Multi Academy Trust (CMAT) boards and local governing bodies on a range of matters by providing guidance, support where required. The NRCDES supports with recruitment of senior staff and to reserved posts, the appointment of foundation directors, governors, and advice on policies, admissions and appeals and staffing matters, among other things.

Primary R.E. Adviser

Subject leaders and co-ordinators for Religious Education attend termly meetings and training sessions. The NRCDES continues to provide extensive training on the primary curriculum, Come and See and other training and formation for teachers in Catholic schools – this includes provision for RSE (relationships and sex education).

Headteachers' Retreat and Bishop's Day Conference

These two popular annual events are always well received and allow the Charity to support headteachers and senior staff as well as other school leaders in reflecting on their mission as leaders of Catholic schools.

Lay Chaplaincy

In close collaboration with the Nottingham Diocesan Catholic Youth Service, the Charity provides practical support and resources for the growing network of Lay Chaplains within the diocesan schools. Underpinning this are regular meetings for the CMAT Lead Lay Chaplains, hosted by the Charity, a number of annual INSET days and an annual retreat.

Resource Centre and Bookshop

The NRCDES continues to run a successful bookshop and resource centre.

Other Meetings

The Director of Education, or other designated NRCDES officers, attend a range of meetings with a number of organisations including the DfE, the CES and other dioceses.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Incoming resources for the period were £595,533 and resources expended of £514,321. The net surplus for the period is £81,212.

The balance sheet has a healthy balance of net assets totalling £610,615.

Reserves policy

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three- and six-month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy and objectives

The organisation does not have any investments. The organisation manages its cash by reviewing the short- and medium-term requirements for funds. The organisation will consider the establishment of a programme of short-term investments of surplus cash balances for restricted time periods following analysis of available reserves, if needed.

Going concern

The Board of Directors considers the NRCDES to be sufficiently financially stable to meet its obligations and continue its business for the foreseeable future. This view is based on the budget forecasts for 2021 to 2023 and longer-term projections for following years. The NRCDES has appropriate levels of cash reserves and considers that income streams are sufficiently secure to suggest that no uncertainty exists in this respect. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Future plans

The Charity reviews its strategic development on an ongoing basis.

Following the completion of the establishment of the four Catholic Multi-Academy Trusts, the Charity now continues to work on the effective oversight of the CMATs on behalf of the diocesan bishop. The recent covid-19 pandemic has provided scope for a review of how training and events are organised and led.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms K M Cohoon
Ms A Gillespie
Rev S Gillespie
Mr G A Hirst
Mr J Lynch
Mr P G McCole
Rt Rev P J McKinney
Ms L M O'Brien

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Recruitment and appointment of new trustees

The management of the Charity is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

All new Directors are invited to meet with the Director of Education to be briefed on the work of the Charity and the role of the Board and its committees. They are provided with details of Board and Committee meetings including terms of reference and other documents, and the NRCDES Code of Conduct for Directors. Directors are provided with details of training sessions on governance and the role of Directors delivered either directly by the Charity or by partner organisations and are encouraged to attend.

All Directors are required to declare their business interests annually.

All Directors undertake to hold a DBS enhanced check in line with diocesan policy.



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Organisational structure

The management of the Charity is the responsibility of the Directors who are appointed under the terms of the Articles of Association. The Articles state:

- The number of Directors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- The first Directors shall be those persons notified to Companies House as the first Directors of the charity.
- Subject to Article 30(1)(c), the Bishop of Nottingham shall be entitled (but not obliged) to appoint up to 8 Directors of the charity and at any time to remove his nominated Directors from office.
- The Bishop of Nottingham shall be a director appointed in accordance with Article 30(1)(a).
- The charity may by ordinary resolution appoint a person who is willing to act to be an additional Director or fill a vacancy provided he or she is recommended by not less than two thirds of the Directors; and he or she would not be disqualified from acting under article 37.
- The appointment of a Director, whether by the charity in general meeting or by the other Directors, must not cause the number of Directors to exceed any number fixed as the maximum number of Directors.
- A Director shall cease to hold office if he resigns his office by notice to the Charity (but only if at least two Directors will remain in office when the notice of resignation is to take effect). A Director shall cease to hold office if he is removed by the person or persons who appointed him.
- The Directors are responsible for the strategic direction of the Charity. They review progress towards objectives and outcomes and approve major expenditure requests, set the budget for the following year, and set the staffing structure.

To support them to carry out these responsibilities the Board have established two committees with the following functions delegated to them by the Directors:

HR, Finance and Estates Committee

Responsible for proposal of the Company Accounts and approval of the budget, monitoring financial performance, reviewing the Financial Control and Inspection Procedures, reviewing staffing policies and salaries, and providing support generally on staffing to the Director of Education. The Committee also oversees the annual allocation of capital funding in relation to school buildings (School Condition Allocation).

Catholic Life Committee

Responsible for the oversight and development of Catholic Life within diocesan schools CMATs and the NRCDES. The Committee also oversees diocesan canonical inspection.

A review of the Committee structure is being undertaken during the year 2021-22 to ensure that committees are fit for purpose and that the Directors' responsibilities are appropriately discharged.

Day to Day Management

The Director of Education has overall executive responsibility for the day-to-day financial management of the Charity and has responsibility for the general management, leadership and development of the Charity supported by the Directors. The Director of Education meets regularly with the Diocesan Episcopal Vicar for Catholic Education and the staff team to review progress and performance and to develop strategic plans to meet the evolving needs of the organisation which are submitted to the Board for their approval.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Key management remuneration

The Board of directors at present set the pay level for the Director of Education by reference to the salaries paid for similar jobs in other Catholic Dioceses. Levels of pay for other senior members of staff are determined by ensuring a differential that recognises the differing levels of responsibility and accountability for each role.

Our overall policy is to ensure parity within the pay scales in education, using the agreed CMAT pay scales to ensure parity within the Diocese of Nottingham.

Related parties

The Charity will work in partnership with all schools and academies in the Diocese of Nottingham for the benefit of children and young people in their care, for the benefit of all staff employed in the schools and CMATs and for the advancement of Catholic education and the Catholic faith.

Funds held as custodian trustee

The Charity acts as intermediary agent on behalf of Catholic diocesan schools and academies in respect of capital projects, therefore hold funds as custodian. These funds are separately identifiable from those the Charity is entitled to.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 11th February 2021 and signed on the board's behalf by:

Statement of trustees' responsibilities

The trustees, who are also the directors of Nottingham Roman Catholic Diocesan Education Service for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

Auditor

In accordance with the company's articles, a resolution proposing that Higson & Co. be reappointed as auditor of the company will be put at a General Meeting.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Rt Rev P J McKinney

Trustee

Dated: 10 February 2022



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

Opinion

We have audited the financial statements of Nottingham Roman Catholic Diocesan Education Service (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report², other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report². Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

Matters on which we are required to report by exception

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

- the charitable company has not kept adequate accounting records; 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

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 purpose 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 1443 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

Use of our report

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

David Wallwork BA FCA (Senior Statutory Auditor)
for and on behalf of Higson & Co.

10 February 2022

Chartered Accountants
Statutory Auditor

White House
Wollaton Street
Nottingham
NG1 5GF



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Total 2020 £
	Notes		
<u>Income from:</u>			
Charitable activities	3	565,073	557,124
Other trading activities	4	30,236	32,434
Investments	5	224	1,027
Total income		<u>595,533</u>	<u>590,585</u>
<u>Expenditure on:</u>			
Charitable activities - Costs	6	<u>514,321</u>	<u>538,890</u>
Net income for the year/ Net movement in funds		81,212	51,695
Fund balances at 1 September 2020		<u>529,403</u>	<u>477,708</u>
Fund balances at 31 August 2021		<u>610,615</u>	<u>529,403</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		4,688		7,492
Current assets					
Stocks	11	15,537		15,678	
Debtors	12	17,413		77,191	
Cash at bank and in hand		617,664		491,919	
		<u>650,614</u>		<u>584,788</u>	
Creditors: amounts falling due within one year	13	<u>(44,687)</u>		<u>(62,877)</u>	
Net current assets			605,927		521,911
Total assets less current liabilities			<u>610,615</u>		<u>529,403</u>
Income funds					
Unrestricted funds			610,615		529,403
			<u>610,615</u>		<u>529,403</u>

The financial statements were approved by the Trustees on 10 February 2022

Rt Rev P J McKinney
Trustee

Company Registration No. 07713392

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	18		125,521		100,092
Investing activities					
Interest received		224		1,027	
Net cash generated from investing activities			224		1,027
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			125,745		101,119
Cash and cash equivalents at beginning of year			491,919		390,800
Cash and cash equivalents at end of year			617,664		491,919



NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

I Accounting policies

Charity information

Nottingham Roman Catholic Diocesan Education Service is a private company limited by guarantee incorporated in England and Wales. The registered office is The Diocesan Centre, Mornington Crescent, Mackworth, Derby, DE22 4BD.

I.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

I.2 Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

I.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

I.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

I.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

Support costs are those functions that assist the work of the Charity but do not directly undertake the charitable activities. Support costs include back office payroll, administration, repairs and maintenance and governance costs which support the charitable company's activities. These costs have been allocated to expenditure on charitable activities. The basis on which these support costs have been allocated are set out in note 6.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

I Accounting policies

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10 years straight line
Fixtures and fittings	5 years straight line
Computers	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

I Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

I.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

I.12 Retirement benefits

The charitable company's employees belong to one of two schemes. Firstly, the Teachers' Pension Contribution Scheme for England and Wales (TPS), which is a multi-employer defined benefit scheme and the assets are held separately from those of the charitable company. Secondly, a NEST defined contribution scheme, the assets of which are held separately from those of the charitable company in an independently administered fund.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
School contributions	432,667	417,818
Income from appeals	27,148	43,652
Administration and support	9,117	9,106
Grant - NRCDT	78,630	74,550
Income from inspections	-	7,500
Book sales	2,708	4,387
Consultancy income	-	111
St Mary's - recharge	14,803	-
	<u>565,073</u>	<u>557,124</u>

4 Other trading activities

	Unrestricted funds 2021 £	Total 2020 £
Event income	26,284	31,173
Other income - Self generated	3,952	1,261
Other trading activities	<u>30,236</u>	<u>32,434</u>

5 Investments

	Unrestricted funds 2021 £	Total 2020 £
Interest receivable	<u>224</u>	<u>1,027</u>

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Charitable activities - Costs

	Direct Costs	Support Costs	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Staff costs	286,107	28,305	314,412	297,402
Depreciation and impairment	2,804	-	2,804	5,064
Book purchases	1,870	-	1,870	1,642
Consultancy and appeal costs	79,926	-	79,926	86,233
Irrecoverable VAT	9,632	-	9,632	9,302
Repairs and maintenance	-	6,805	6,805	6,513
Cleaning	-	1,310	1,310	3,517
Computer costs	-	12,558	12,558	9,845
Subscriptions	-	32,305	32,305	27,930
Catering	-	499	499	2,907
Courses and staff travel	-	4,507	4,507	24,541
Audit and accountancy	-	5,996	5,996	4,322
Bank charges	-	275	275	260
Rates, insurance, heat and light	-	10,580	10,580	18,154
Telephone	-	3,259	3,259	3,169
Postage and stationery	-	4,699	4,699	6,929
CMATs and chaplaincy	22,884	-	22,884	31,160
	<u>403,223</u>	<u>111,098</u>	<u>514,321</u>	<u>538,890</u>
	<u>403,223</u>	<u>111,098</u>	<u>514,321</u>	<u>538,890</u>

7 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Audit of the annual accounts	3,600	-
Non-audit services		
Other assurance services	450	450
All other non-audit services	1,250	3,300
Total non-audit fees	<u>1,700</u>	<u>3,750</u>

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year nor for the year ended 31st August 2020.

Trustees expenses

There were no trustees' expenses paid for the year ended 31st August 2021 nor for the year ended 31st August 2020.

9 Employees

Number of employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
7	8

Employment costs

	2021 £	2020 £
Wages and salaries	255,570	240,714
Social security costs	21,891	20,663
Other pension costs	36,951	36,025
	<u>314,412</u>	<u>297,402</u>

The key management personnel of the charity comprise the Director of Education and Company Secretary. The total employee benefits of the key management personnel were £177,655 (2020 £164,281).

The number of employees whose annual remuneration was £60,000 or more was:

	2021 Number	2020 Number
£90,000 - £100,000	1	1

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2020	16,819	7,355	20,039	44,213
At 31 August 2021	16,819	7,355	20,039	44,213
Depreciation and impairment				
At 1 September 2020	12,334	6,482	17,905	36,721
Depreciation charged in the year	1,682	299	823	2,804
At 31 August 2021	14,016	6,781	18,728	39,525
Carrying amount				
At 31 August 2021	2,803	574	1,311	4,688
At 31 August 2020	4,485	873	2,134	7,492

11 Stocks

	2021 £	2020 £
Finished goods	15,537	15,678

12 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	10,365	13,788
Other debtors	-	60,000
Prepayments and accrued income	7,048	3,403
	17,413	77,191

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,789	1,978
Trade creditors	7,310	24,705
Other creditors	14,420	15,621
Accruals and deferred income	21,168	20,573
	<u>44,687</u>	<u>62,877</u>

Other creditors includes £7,400 from Leicestershire County Council.

Deferred income is included in the financial statements as follows:

Nottingham Roman Catholic Diocesan Grant £6,250
Unallocated income £8,966

14 Pension commitments

The charitable company's employees belong to two principal schemes. Firstly, the Teachers' Pension Scheme for England and Wales (TPS). This is a multi-employer defined benefit scheme and the assets are held separately from those of the charity. Secondly, a Nest defined contribution scheme, the assets of which are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the funds which amounted to £36,951 (2020 £36,025). No contributions were outstanding at the year-end (£2020 £1,342).

Teachers' pension scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the charitable company in such a way that the pension cost is substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on a basis of quinquennial valuations using a prospective benefit method. The current employer contribution rate is 23.68% of pensionable pay. The TPS is a multi-employer scheme and the company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Intermediary Agent

The charitable company acts as intermediary agent on behalf of the Catholic diocesan schools and academies in respect of capital projects. The charitable company receives grant funding directly from the Education Skills Funding Agency (ESFA) and LCVAP funding for one remaining voluntary aided school.

Once the academy or school has decided to proceed with a capital project a contract is put into place between the academy or school and a third-party consultant. The project will then be managed by this consultant.

When the contractor has completed the work, either:

1) The charitable company will pay the contractor using the LCVAP funding received from the ESFA and will invoice the school for the remaining 10% of the contract; or

2) The academy will pay the contractor directly and the charitable company will reimburse them from the grant monies received from the ESFA.

There are no entries within the Statement of Financial Activities in relation to these activities in accordance with the Charity SORP.

16 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	1,085	1,085
Between two and five years	2,984	4,069
	<u>4,069</u>	<u>5,154</u>

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Related party transactions

Transactions with related parties

During the year the charitable company entered into the following transactions with related parties:

	Other Income		Other Purchases	
	2021	2020	2021	2020
	£	£	£	£
Other related parties	457,418	433,071	47,800	39,131
	<u>457,418</u>	<u>433,071</u>	<u>47,800</u>	<u>39,131</u>
	<u>457,418</u>	<u>433,071</u>	<u>47,800</u>	<u>39,131</u>

	Grants received	
	2021	2020
	£	£
Other related parties	78,630	74,550
	<u>78,630</u>	<u>74,550</u>
	<u>78,630</u>	<u>74,550</u>

The charity received a grant from the Nottingham Roman Catholic Diocesan Trust for £78k (2020: £74k) a charitable company related by Ms K M Cohoon and Rt Rev P J McKinney being directors/trustees in both charitable companies.

The charity received other income of £457k (2020: £433k) from the CMAT's of the charity. This is made up of income from SCBN £423k (2020: £418k) and income from courses £34k (2020: £15k).

The charity made other payments of £48k (2020: £39k). This is made up of payments to Nottingham Roman Catholic Diocesan Youth Service £17k (2020: £12k) a charity connected by Rt Rev P J McKinney being a trustee in both charities, and payments to Catholic Education Service £31k (2020: £27k).

18 Cash generated from operations	2021	2020
	£	£
Surplus for the year	81,212	51,695
Adjustments for:		
Investment income recognised in statement of financial activities	(224)	(1,027)
Depreciation and impairment of tangible fixed assets	2,804	5,064
Movements in working capital:		
Decrease/(increase) in stocks	141	(1,727)
Decrease in debtors	59,778	75,491
(Decrease) in creditors	(18,190)	(29,404)
Cash generated from operations	<u>125,521</u>	<u>100,092</u>

NOTTINGHAM ROMAN CATHOLIC DIOCESAN EDUCATION SERVICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of changes in net funds

The charitable company had no debt during the year.

