



Nottingham Roman Catholic
Diocesan Education Service
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022



Prepared By

Forrester Boyd
Statutory Auditor
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Louth
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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees



Miss K M Cohoon



Ms A Gillespie



Reverend S Gillespie



Mr P McCole



Right Reverend P J McKinney



Mrs L O'Brien



Mrs J Sweeney (Secretary)

Charity Registration Number

1149466

Company Registration Number

07713392

The charity is incorporated in England and Wales

Registered Office

The Diocesan Centre
Mornington Crescent
Mackworth
Derby
Derbyshire
DE22 4BD

Auditor

Forrester Boyd
Statutory Auditor
Waynfilet House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ



TRUSTEES' REPORT

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2022.

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

Objects and aims

The Charity is committed to challenging and supporting all of its schools 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 serving the most disadvantaged communities of the Diocese 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 God-given potential and to live life to the full.



TRUSTEES' REPORT

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 to 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 encouraging the recruitment, retention and development of highly successful school leaders with a commitment to nurturing their own personal faith and professional development as leaders of Catholic communities
- By developing and supporting 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
- Establishing effective partnerships with key stakeholders, particularly with our outstanding schools

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

Objectives, strategies and activities

Significant activities

The principal objects of the Charity are specifically restricted to such charitable purposes as the trustees in their absolute discretion, and under the direction of the Bishop of Nottingham (cf canon 806, Code of Canon Law) 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.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Social investment policies

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 had no plans for social investment during 2021-22.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 August 2022, in compliance with s414C of the Companies Act 2006.

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)

The Charity has been working extensively this year on the amalgamation of the St Therese of Lisieux CMAT with the Our Lady of Lourdes CMAT, and the St Thomas Aquinas CMAT. This is expected to be completed on 1 September 2022.

All of the maintained schools in the Diocese are now academies; there are also two independent Catholic 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 Inspection (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 (Catholic School Inspection) which will come into force from September 2022.

Director/Governor Support

The Charity continues to support CMAT boards and local governing bodies on a range of matters by providing guidance and support where required. The Charity 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 Charity 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).

Headeachers' 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.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2022

Lay Chaplaincy

In close collaboration with the Nottingham Roman Catholic Diocesan 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 Charity made the decision in 2021-22 to close the bookshop and has plans to convert the space released to a Chapel, whilst disposing of the remaining stock through the diocese, writing off the stock's value to zero.

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.

School Standards

This continues to be an important area of the Charity's work but is now undertaken in collaboration with the Catholic Multi-Academy Trusts.

Financial Review

Incoming resources for the period were £620,153 and resources expended of £615,137. The net surplus for the period is £5,016.

The balance sheet has a healthy balance of net assets totalling £615,631.

Policy on reserves

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-months' 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 objective

The charitable company does not have any investments. The charitable company manages its cash by reviewing the short and medium-term requirements for funds

The charitable company is currently considering options for the release of some day-to-day surplus funds into a reserves fund, ensuring that such funds not only provide additional income through sound investment, but that such investment is in line with the Church's teachings and reflects ethical stands of financial management. Any such investments would be undertaken to ensure no damage was done to the day-to-day financial management of the charitable company.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2022

Plan for future periods

Aims and key objectives for future periods

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.

Fuller details of the Charity's future plans are contained in the annual strategic plan.

The strategic report was approved by the trustees of the charity on 02/03/2023 and signed on its behalf by:

Right Reverend P J McKinney

Trustee



TRUSTEES' REPORT

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, the Board of Directors continues 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.

Structure, governance and management

Nature of governing document

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:

Miss K M Cohoon

Ms A Gillespie

Rev S Gillespie

Mr G A Hirst Died 27th April 2022

Mr J Lynch Resigned 12th May 2022

Mr P G McCole

Rt Rev P J McKinney

Mrs L M O'Brien

Recruitment and appointment of trustees

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

All new trustees 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. Trustees are provided with details of training sessions on governance and the role of trustees delivered either directly by the Charity or by partner organisations and are encouraged to attend.

All trustees are required to declare their business interests annually.

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

Arrangements for setting key management personnel remuneration

The Board of Directors (Trustees) 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, generally using the agreed CMAT pay scales to ensure parity within the Diocese of Nottingham.



TRUSTEES' REPORT

Organisational structure

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

The number of Directors (trustees) shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

- The first Directors (trustees) shall be those persons notified to Companies House as the first Directors (trustees) 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 (trustees) of the Charity and at any time to remove his nominated Directors (trustees) from office.
- The Bishop of Nottingham shall be a Director (trustee) 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 (trustee) or fill a vacancy provided he or she is recommended by not less than two thirds of the Directors (trustees); and he or she would not be disqualified from acting under article 37.
- The appointment of a Director (trustee), whether by the Charity in general meeting or by the other Directors (trustees), must not cause the number of Directors (trustees) to exceed any number fixed as the maximum number of Directors (trustees).
- A Director (trustee) shall cease to hold office if he or she resigns his or her office by notice to the Charity (but only if at least two Directors (trustees) will remain in office when the notice of resignation is to take effect). A Director (trustee) shall cease to hold office if he or she is removed by the person or persons who appointed him or her.
- The Directors (trustees) 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 (trustees):

Finance and Estates Committee

Responsible for proposal of the Company Accounts and approval of the budget, monitoring financial performance, reviewing the financial control Procedures, reviewing staff salaries. The Committee also oversees the annual allocation of capital funding in relation to school buildings (School Condition Allocation).

Human Resources and Staffing Committee

Responsible for the oversight and development of the staffing structure of the Charity, the development of relevant staffing policies; pay awards and increments, and staff welfare.

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.



TRUSTEES' REPORT

Relationships with related parties

The Charity will work in partnership with all schools and academies in the Diocese of Nottingham for the benefit of pupils and students 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.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Funds held as custodian trustee on behalf of others

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 2nd March 2023 and signed on the board's behalf by: Rt Reverend P J McKinney.

Statement of trustees' responsibilities

The trustees (who are also the directors of Nottingham Roman Catholic Diocesan Education Service for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".



TRUSTEES' REPORT

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 business.

The trustees are responsible for keeping proper accounting records that can 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.

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

The annual report was approved by the trustees of the charity on 02/03/2023 and signed on its behalf by:

.....
Right Reverend P J McKinney
Trustee



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 'charity') for the year ended 31 August 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



Independent Auditor's Report to the Members of Nottingham Roman Catholic Diocesan Education Service

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.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 9 and 10), 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.



Independent Auditor's Report to the Members of Nottingham Roman Catholic Diocesan Education Service

Auditor responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the operations and review of compliance with such laws and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Adam Millson ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

Waynflete House
139 Eastgate
Louth
Lincolnshire
LN11 9QQ

Date



Statement of Financial Activities for the Year Ended 31 August 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	3	155	155
Charitable activities	4	540,653	540,653
Other trading activities	5	79,289	79,289
Investment income	6	56	56
Total income		620,153	620,153
Expenditure on:			
Raising funds	7	(39,338)	(39,338)
Charitable activities	8	(575,799)	(575,799)
Total expenditure		(615,137)	(615,137)
Net movement in funds		5,016	5,016
Reconciliation of funds			
Total funds brought forward		610,615	610,615
Total funds carried forward	22	615,631	615,631

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Charitable activities	4	562,365	562,365
Other trading activities	5	32,944	32,944
Investment income	6	224	224
Total income		595,533	595,533
Expenditure on:			
Raising funds	7	(1,869)	(1,869)
Charitable activities	8	(512,452)	(512,452)
Total expenditure		(514,321)	(514,321)
Net movement in funds		81,212	81,212
Reconciliation of funds			
Total funds brought forward		529,403	529,403
Total funds carried forward	22	610,615	610,615

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 23.

The notes on pages 17 to 27 form an integral part of these financial statements.



(Registration Number: 07713392)

Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	4,812	4,688
Current assets			
Stocks	16	-	15,537
Debtors	17	16,774	17,413
Cash at bank and in hand	18	645,070	617,664
		<u>661,844</u>	<u>650,614</u>
Creditors: Amounts falling due within one year	19	<u>(51,025)</u>	<u>(44,687)</u>
Net current assets		<u>610,819</u>	<u>605,927</u>
Net assets		<u>615,631</u>	<u>610,615</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>615,631</u>	<u>610,615</u>
Total Funds	22	<u>615,631</u>	<u>610,615</u>

The financial statements on pages 14 to 27 were approved by the trustees, authorised for issue on 02/03/2023 and signed on their behalf by:

.....
Right Reverend P J McKinney
 Trustee

The notes on pages 17 to 27 form an integral part of these financial statements.



Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		5,016	81,212
Adjustments to cash flows from non-cash items			
Depreciation	7	2,133	2,804
Investment income	6	(56)	(224)
		<u>7,093</u>	<u>83,792</u>
Working capital adjustments			
Decrease in stocks	16	15,537	141
Decrease in debtors	17	639	59,778
Increase/(decrease) in creditors	19	6,338	(18,190)
Net cash flows from operating activities		<u>29,607</u>	<u>125,521</u>
Cash flows from investing activities			
Interest receivable and similar income	6	56	224
Purchase of tangible fixed assets	15	(2,257)	-
Net cash flows from investing activities		<u>(2,201)</u>	<u>224</u>
Net increase in cash and cash equivalents		27,406	125,745
Cash and cash equivalents at 1 September		<u>617,664</u>	<u>491,919</u>
Cash and cash equivalents at 31 August		<u><u>645,070</u></u>	<u><u>617,664</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 17 to 27 form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

1 Charity status

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

The Diocesan Centre
Mornington Crescent
Mackworth
Derby
Derbyshire
DE22 4BD

These financial statements cover the individual entity, Nottingham Roman Catholic Diocesan Education Service.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Nottingham Roman Catholic Diocesan Education Service meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

These 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 pound.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	10 years straight line
Fixtures and fittings	5 years straight line
Computer equipment	5 years straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

3 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £
Donations and legacies;		
Donations from individuals	155	155
	<u>155</u>	<u>155</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Income from appeals	29,937	29,937	27,148
School contributions	415,456	415,456	432,667
Administration and support	9,455	9,455	9,117
Grant - NRCDT	78,630	78,630	78,630
St Mary's - Recharge	-	-	14,803
Inspections - section 48 grant	7,175	7,175	-
	<u>540,653</u>	<u>540,653</u>	<u>562,365</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Trading income;			
Sales of goods and services	16,945	16,945	2,708
Events income;			
Events income	37,074	37,074	26,284
Property rental income	7,562	7,562	-
Other income from other trading activities	17,708	17,708	3,952
	<u>79,289</u>	<u>79,289</u>	<u>32,944</u>

6 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	56	56	224
	<u>56</u>	<u>56</u>	<u>224</u>



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

7 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total 2022 £
Costs of goods sold		14,662	14,662
Events and conferences		24,676	24,676
Total for 2022		39,338	39,338
Total for 2021		1,869	1,869

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Staff costs	383,435	-	383,435	314,412
Depreciation and impairment	2,133	-	2,133	2,804
Consultancy and appeal costs	56,230	1,161	57,391	79,926
Irrecoverable VAT	10,699	-	10,699	9,632
Repairs and maintenance	-	14,062	14,062	6,805
Cleaning	-	4,601	4,601	1,310
Computer costs	-	7,898	7,898	12,558
Subscriptions	-	31,598	31,598	32,305
Catering	-	390	390	499
Courses and staff travel	-	10,379	10,379	4,507
Bank Charges	-	324	324	275
Rates, insurance, heat and light	-	13,822	13,822	10,580
Telephone	-	3,618	3,618	3,259
Postage and stationery	-	7,685	7,685	4,699
CMATs and chaplaincy	15,861	-	15,861	22,885
Governance Costs	-	11,903	11,903	5,996
	468,358	107,441	575,799	512,452

In addition to the analysis above, governance costs totalling £11,903 (2021 - £5,996) which, relate to charitable activities are analysed in note 9.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

9

Audit fees

Audit of the financial statements

Other fees paid to auditors

Legal fees

10

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	5,200	5,996
Depreciation of fixed assets	2,811	2,804

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	299,254	255,570
Social security costs	28,911	21,892
Pension costs	55,271	36,950
	<u>383,436</u>	<u>314,412</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Headcount	<u>7</u>	<u>7</u>

7 (2021 - 7) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £55,271 (2021 - £36,951).



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

The total employee benefits of the key management personnel of the charity were £176,585 (2021 - £177,655).

13 Auditors' remuneration

	2022 £	2021 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	3,200	3,600
All other assurance services	-	450
All other non-audit services	2,000	1,250
	<u>5,200</u>	<u>5,300</u>

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 September 2021	16,819	7,355	20,039	44,213
Additions	-	1,257	1,000	2,257
At 31 August 2022	<u>16,819</u>	<u>8,612</u>	<u>21,039</u>	<u>46,470</u>
Depreciation				
At 1 September 2021	14,016	6,781	18,728	39,525
Charge for the year	1,682	251	200	2,133
At 31 August 2022	<u>15,698</u>	<u>7,032</u>	<u>18,928</u>	<u>41,658</u>
Net book value				
At 31 August 2022	<u>1,121</u>	<u>1,580</u>	<u>2,111</u>	<u>4,812</u>
At 31 August 2021	<u>2,803</u>	<u>574</u>	<u>1,311</u>	<u>4,688</u>

Included within the net book value of land and buildings above is £Nil (2021 - £Nil) in respect of freehold land and buildings and £1,121 (2021 - £2,803) in respect of leaseholds.

16 Stock

	2022 £	2021 £
Finished goods	<u>-</u>	<u>15,537</u>



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

The total employee benefits of the key management personnel of the charity were £176,585 (2021 - £177,655).

17 Debtors

	2022 £	2021 £
Trade debtors	6,951	10,365
Prepayments	5,560	7,048
Accrued income	4,263	-
	<u>16,774</u>	<u>17,413</u>

18 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>645,070</u>	<u>617,664</u>

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,187	7,310
Other taxation and social security	8,570	-
VAT	1,872	1,789
Other creditors	7,439	14,420
Pension scheme creditor	6,660	-
Accruals	8,047	5,952
Deferred income	11,250	15,216
	<u>51,025</u>	<u>44,687</u>

	2022 £	2021 £
Deferred income at 1 September 2021	15,216	15,216
Resources deferred in the period	11,250	15,216
Amounts released from previous periods	<u>(15,216)</u>	<u>(15,216)</u>
Deferred income at year end	<u>11,250</u>	<u>15,216</u>

£5,000 of deferred income relates to DfE income (2021: £nil.) The remaining deferred income of £6,250 relates to grant income from the Nottingham Roman Catholic Diocesan Trust (2021: £6,250). In 2021 there was £8,966 of unallocated deferred income.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

20 Obligations under leases and higher purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Other		
Within one year	1,085	1,085
Between one and five years	814	1,898
	<u>1,899</u>	<u>2,983</u>

21 Pension and other schemes

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 £55,271 (2021: £36,950). Contributions of £6,660 were outstanding at the year end (2021: £nil).

22 Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives in such a way that the pension cost is a 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.

23 Funds

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
<i>General</i>				
General funds	<u>610,615</u>	<u>620,153</u>	<u>(615,137)</u>	<u>615,631</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
<i>General</i>				
General funds	<u>529,403</u>	<u>595,533</u>	<u>(514,321)</u>	<u>610,615</u>



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

23 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	4,812	4,812
Current assets	646,614	646,614
Current liabilities	(35,795)	(35,795)
Total net assets	615,631	615,631

	Unrestricted funds General £	Total funds at 31 August 2021 £
Tangible fixed assets	4,688	4,688
Current assets	650,614	650,614
Current liabilities	(44,687)	(44,687)
Total net assets	610,615	610,615

24 Analysis of net funds

	At 1 September 2021 £	Financing cash flows £	At 31 August 2022 £
Cash at bank and in hand	617,664	12,176	629,840
Net debt	617,664	12,176	629,840

	At 1 September 2020 £	Financing cash flows £	At 31 August 2021 £
Cash at bank and in hand	491,919	125,745	617,664
Net debt	491,919	125,745	617,664

25 Related party transactions

During the year the charity made the following related party transactions:

Nottingham Roman Catholic Diocesan Youth Service (NRCDYS)

(The NRCDES collaborates with the NRCDYS in various joint diocesan projects. Bishop P McKinney and Peter Giorgio (Trustees) are both Trustees of the NRCDYS)

During the year, the Charity paid £16,000 (2021:£16,000) to NRCDYS for the advice and direction as outlined above. At the balance sheet date the amount due to/from Nottingham Roman Catholic Diocesan Youth Service (NRCDYS) was £Nil (2021 - £Nil).

Nottingham Roman Catholic Diocesan Trustees (NRCDT)

(NRCDT collaborates with the NRCDES on various joint diocesan projects, as well as providing some services to the NRCDES. Bishop P McKinney and K M Cahoon (Trustees) are also Trustees of NRCDT)

During the year, the Charity received grant income of £78,630 (2021:£78,630) to NRCDT for the advice and direction as outlined above. At the balance sheet date the amount due to/from Nottingham Roman Catholic Diocesan Trustees (NRCDT) was £Nil (2021 - £Nil).



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2022

Catholic Multi Academy Trusts (CMAT's)

There are four CMAT's that receive at cost services relating to the Catholic Life of the Trust and its Academies from the NRCDES which cannot be provided by any other provider. Bishop P McKinney and Father S Gillespie are both Members of all of the CMAT's.

During the year, the Charity incurred the following specific transactions with the related parties:

- St Thomas Aquinas Catholic Multi Academy Trust (STACMAT)
- St Ralph Sherwin Catholic Multi Academy Trust (SRSCMAT)
- Our Lady of Lourdes Catholic Multi Academy Trust (OLOLCMAT)
- St Therese of Lisieux Catholic Multi Academy Trust (STOLCMAT)

CMAT	Income	Expenditure	Amount due (to)/from CMAT at 31 August 2022
St Thomas Aquinas	Schools' Contribution: £122,598 Sales: £6,005 Inspections: £1,450 Hire of Hall: £765 Courses: £225	Secondary RE Funding: £6,920	£125
St Ralph Sherwin	Schools' Contribution: £113,782 Sales: £7,450 Inspections: £425 Hire of Hall: £3,025 Courses: £225	Secondary RE Funding: £8,650	£247
Our Lady of Lourdes	Schools' Contribution: £125,440 Sales: £5,855 Inspections: £420 Hire of Hall: £nil Courses: £1,020	Secondary RE Funding: £10,380	£125
St Thérèse of Lisieux	Schools' Contribution: £57,971 Sales: £1,985 Inspections: £600 Hire of Hall: £nil Courses: £465	Secondary RE Funding: £nil	£125

26 Agency arrangements

The charitable company acts as an 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). There are no entries within the Statement of Financial Activities in relation to these activities in accordance with the Charities SORP.