



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

Annual Report and Financial Statements

for the Year Ended 31 August 2023



Prepared By

Forrester Boyd
Statutory Auditor
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139 Eastgate
Louth
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LN11 9QQ



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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees



Miss K M Cohoon



Mr D Foscett
(appointed 1 March 2023)



Ms A Gillespie



Reverend S Gillespie



Mr P McCole



Right Reverend P J McKinney



Mrs J E McQuillan
(appointed 1 October 2023)



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
Independent Examiners
Waynflete 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 and auditors' report of the charitable company for the year ended 31 August 2023.

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 (where appropriate) 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 within an ethical framework
- 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, although ethical investments of surplus funds has been made during 2022-23.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2023

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 August 2023, 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 three Catholic Multi-Academy Trusts in the Diocese of Nottingham:

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

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.

Catholic Schools Inspectorate (CSI)

The Director of Education has responsibility, delegated from the Bishop of Nottingham (canon 806 §1, Code of Canon Law) for undertaking Catholic School Inspections. This new, national framework was implemented from September, 2022. The inspection framework covers the Catholic Life and mission of the school, the teaching of Religious Education, and Collective Worship.

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

Primary 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.

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.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2023

Resource Centre and Bookshop

The Resources Centre and Bookshop has now been converted to a Chapel with the renovation being completed in August 2023. The Chapel is dedicated to Blessed Carlo Acutis and was blessed by the Bishop of Nottingham on 12 October 2023.

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 £653,507 (2022: £620,153) and resources expended of £668,683 (2022: 615,138). The net deficit for the period is £(15,176) (2022: £5,015).

The balance sheet has a healthy balance of net assets totalling £600,455 (£615,630).

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 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 has now invested £300,000 of its funds into the CCLA Catholic Investment Portfolio. The charitable company manages its cash by reviewing the short and medium-term requirements for funds, whilst allowing surplus reserve funds to 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. This investment is undertaken in such a way as to ensure no damage is done to the day-to-day financial management of the charitable company.



TRUSTEES' REPORT

Strategic Report for the Year Ended 31 August 2023

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 now-three Catholic Multi-Academy Trusts, the Charity now continues to work on the effective oversight of the CMATs on behalf of the diocesan bishop.

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 25 January 2024 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 2023 to 2025 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
Mr D Foskett
Mrs A Gillespie
Rev S Gillespie
Mr P G McCole
Mrs J McQuillan
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.



TRUSTEES' REPORT

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.

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.



TRUSTEES' REPORT

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. 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.

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 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.

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. 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

Up until 31st March 2023, the Charity acted as intermediary agent on behalf of Catholic Diocesan schools and academies in respect of capital projects, therefore holding funds as a custodian. This arrangement ceased as from 1st April 2023, at which point the funds were devolved to the individual CMATs, under an agreed formula. A small retention is still being held, and is separately identifiable from those funds to which the Charity is entitled.

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



TRUSTEES' REPORT

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".

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 25 January 2024 and signed on its behalf by:

Right Reverend P J McKinney
Trustee



Independent Examiner's Report to the trustees of Nottingham Roman Catholic Diocesan Education Service ('the Company')

I report to the Charity Trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the Charity's Trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your Charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Nottingham Roman Catholic Diocesan Education Service as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Adam Millson ACA (Chartered Accountant)
Institute of Chartered Accountants in England & Wales

Waynflete House, 139 Eastgate, Louth, Lincolnshire, LN11 9QQ

25 January 2024



Statement of Financial Activities for the Year Ended 31 August 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Total 2023 £ |
|------------------------------------|------|-------------------------|--------------------|
| Income and Endowments from: | | | |
| Charitable activities | 4 | 581,438 | 581,438 |
| Other trading activities | 5 | 55,153 | 55,153 |
| Investment income | 6 | 16,916 | 16,916 |
| Total income | | 653,507 | 653,507 |
| Expenditure on: | | | |
| Raising funds | 7 | (32,048) | (32,048) |
| Charitable activities | 8 | (636,635) | (636,635) |
| Total expenditure | | (668,683) | (668,683) |
| Net movement in funds | | (15,176) | (15,176) |
| Reconciliation of funds | | | |
| Total funds brought forward | | 615,631 | 615,631 |
| Total funds carried forward | 21 | 600,455 | 600,455 |
| | 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 | (575,800) | (575,800) |
| Total expenditure | | (615,138) | (615,138) |
| Net movement in funds | | 5,015 | 5,015 |
| Reconciliation of funds | | | |
| Total funds brought forward | | 610,615 | 610,615 |
| Total funds carried forward | 21 | 615,630 | 615,630 |

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 21.

The notes on pages 15 to 26 form an integral part of these financial statements.



(Registration Number: 07713392)

Balance Sheet as at 31 August 2023

| | Note | 2023 £ | 2022 £ |
|---|--------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 20,448 | 4,812 |
| Current assets | | | |
| Debtors | 16 | 53,737 | 16,774 |
| Investments | 17 | 314,761 | - |
| Cash at bank and in hand | 18 | 249,364 | 645,070 |
| | | <u>617,862</u> | <u>661,844</u> |
| Creditors: Amounts falling due within one year | 19 | <u>(37,855)</u> | <u>(51,025)</u> |
| Net current assets | | <u>580,007</u> | <u>610,819</u> |
| Net assets | | <u>600,455</u> | <u>615,631</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>600,455</u> | <u>615,631</u> |
| Total Funds | 21 | <u>600,455</u> | <u>615,631</u> |

The financial statements on pages 12 to 26 were approved by the trustees, and authorised for issue on 25 January 2024 and signed on their behalf by:

.....
Right Reverend P J McKinney
Trustee

The notes on pages 15 to 26 form an integral part of these financial statements.



Statement of Cash Flows for the Year Ended 31 August 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash (expenditure)/income | | (15,174) | 5,015 |
| Adjustments to cash flows from non-cash items | | | |
| Depreciation | 7 | 1,717 | 2,133 |
| Investment income | 6 | (16,916) | (56) |
| | | <u>(30,373)</u> | <u>7,092</u> |
| Working capital adjustments | | | |
| Decrease in stocks | | - | 15,537 |
| (Increase)/decrease in debtors | 16 | (36,963) | 639 |
| (Decrease)/increase in creditors | 19 | (13,170) | 6,338 |
| Net cash flows from operating activities | | <u>(80,506)</u> | <u>29,606</u> |
| Cash flows from investing activities | | | |
| Interest receivable and similar income | 6 | 16,916 | 56 |
| Purchase of tangible fixed assets | 15 | (17,355) | (2,257) |
| Balance of investment account | | (314,761) | - |
| Net cash flows from investing activities | | <u>(315,200)</u> | <u>(2,201)</u> |
| Net (decrease)/increase in cash and cash equivalents | | (395,706) | 27,405 |
| Cash and cash equivalents at 1 September | | <u>645,070</u> | <u>617,665</u> |
| Cash and cash equivalents at 31 August | | <u><u>249,364</u></u> | <u><u>645,070</u></u> |

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

The notes on pages 15 to 26 form an integral part of these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

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 2023

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.

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.

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.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

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 |

Current asset investment

Current asset investments are included at the lower of cost and net realisable value / market value.

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.

3 Income from donations and legacies

| | Total 2023 £ | Total 2022 £ |
|----------------------------|--------------------|--------------------|
| Donations and legacies; | | |
| Donations from individuals | - | 155 |
| | - | 155 |



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

4 Income from charitable activities

| | Unrestricted funds General £ | Total 2023 £ | Total 2023 £ |
|--------------------------------|---------------------------------------|--------------------|--------------------|
| Income from appeals | 46,685 | 46,685 | 29,937 |
| School contributions | 428,285 | 428,285 | 415,456 |
| Administration and support | 5,352 | 5,352 | 9,455 |
| Grant - NRCDT | 78,328 | 78,328 | 78,630 |
| Inspections - section 48 grant | 10,562 | 10,562 | 7,175 |
| Other income | 9,226 | 9,226 | - |
| | 581,438 | 581,438 | 540,653 |

5 Income from other trading activities

| | Unrestricted funds General £ | Total funds £ | Total 2022 £ |
|--|---------------------------------------|---------------------|--------------------|
| Trading income; | | | |
| Sales of goods and services | 306 | 306 | 16,945 |
| Events income; | | | |
| Events income | 51,220 | 51,220 | 37,074 |
| Property rental income | 1,354 | 1,354 | 7,562 |
| Other income from other trading activities | 2,273 | 2,273 | 17,708 |
| | 55,153 | 55,153 | 79,289 |

6 Investment income

| | Unrestricted funds General £ | Total 2023 £ | Total 2022 £ |
|--|---------------------------------------|--------------------|--------------------|
| Interest receivable and similar income; | | | |
| Interest receivable on bank deposits | 2,155 | 2,155 | 56 |
| Other income from other trading activities | 14,761 | 14,761 | - |
| | 16,916 | 16,916 | 56 |



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

7 Expenditure on raising funds

a) Costs of trading activities

| | Note | Unrestricted funds General £ | Total funds £ |
|------------------------|------|---------------------------------------|---------------------|
| Costs of goods sold | | 9 | 9 |
| Events and conferences | | 32,039 | 32,039 |
| Total for 2023 | | 32,048 | 32,048 |
| Total for 2022 | | 39,338 | 39,338 |

8 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | 2023 £ | 2022 £ |
|----------------------------------|---|-----------------------------------|----------------|----------------|
| Staff costs | 389,241 | - | 389,241 | 383,435 |
| Depreciation and impairment | 1,717 | - | 1,717 | 2,133 |
| Consultancy and appeal costs | 84,370 | - | 84,370 | 57,391 |
| Irrecoverable VAT | 17,284 | - | 17,284 | 10,699 |
| Repairs and maintenance | - | 35,711 | 35,711 | 14,062 |
| Cleaning | - | 4,786 | 4,786 | 4,601 |
| Computer costs | - | 7,144 | 7,144 | 7,898 |
| Subscriptions | - | 31,707 | 31,707 | 31,598 |
| Catering | - | - | - | 390 |
| Courses and staff travel | - | 16,169 | 16,169 | 10,379 |
| Bank Charges | - | 300 | 300 | 324 |
| Rates, insurance, heat and light | - | 17,280 | 17,280 | 13,822 |
| Telephone | - | 5,842 | 5,842 | 3,618 |
| Postage and stationery | - | 7,300 | 7,300 | 7,685 |
| Governance Costs | - | 10,577 | 10,577 | 11,903 |
| CMAT's and chaplaincy | - | 4,453 | 4,453 | 15,862 |
| Legal fees | 2,200 | - | - | - |
| Hospitality | - | 554 | 554 | - |
| | 494,812 | 141,823 | 636,635 | 575,800 |

In addition to the analysis above, governance costs totalling £10,577 (2022 - £11,903) which, relate to charitable activities are analysed in note 9.



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

9 Analysis of governance and support costs

Governance costs

| | Unrestricted funds General £ | Total 2023 £ | Total 2022 £ |
|---|---------------------------------------|--------------------|--------------------|
| Audit fees | | | |
| Audit of the financial statements | - | - | 5,200 |
| Other fees paid to auditors | - | - | 615 |
| Independent examiner fees | | | |
| Examination of the financial statements | 3,125 | 3,125 | - |
| Legal fees | 7,452 | 7,452 | 6,088 |
| | <u>10,577</u> | <u>10,577</u> | <u>11,903</u> |

10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

| | 2023 £ | 2022 £ |
|------------------------------|-----------|-----------|
| Audit fees | - | 5,200 |
| Depreciation of fixed assets | 1,717 | 2,811 |
| Independent examination | 3,125 | - |

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:

| | 2023 £ | 2022 £ |
|-----------------------------------|----------------|----------------|
| Staff costs during the year were: | | |
| Wages and salaries | 303,382 | 299,254 |
| Social security costs | 29,765 | 28,911 |
| Pension costs | 56,094 | 55,271 |
| | <u>389,241</u> | <u>383,436</u> |



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

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:

| | 2023 No | 2022 No |
|-----------|------------|------------|
| Headcount | 6 | 7 |

6 (2022 - 7) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £56,094 (2022 - £55,271).

The number of employees whose emoluments fell within the following bands was:

| | 2023 No | 2022 No |
|---------------------|------------|------------|
| £70,001 - £80,000 | 1 | 1 |
| £100,001 - £110,000 | 1 | 1 |

The total employee benefits of the key management personnel of the Charity were £182,486 (2022 - £176,585).

13 Independent examiner's remuneration

| | 2023 No | 2022 No |
|---|------------|------------|
| Examination of the financial statements | 3,125 | - |

14 Taxation

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



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

15 Tangible fixed assets

| | Leasehold improvements £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|--------------------------------|-------------------------------|----------------------------|------------|
| Cost | | | | |
| At 1 September 2022 | 16,819 | 8,611 | 21,039 | 46,469 |
| Additions | 17,355 | - | - | 17,355 |
| At 31 August 2023 | 34,174 | 8,611 | 21,039 | 63,824 |
| Depreciation | | | | |
| At 1 September 2022 | 15,698 | 7,032 | 18,929 | 41,659 |
| Charge for the year | 1,266 | 251 | 200 | 1,717 |
| At 31 August 2023 | 16,964 | 7,283 | 19,129 | 43,376 |
| Net book value | | | | |
| At 31 August 2023 | 17,210 | 1,328 | 1,910 | 20,448 |
| At 31 August 2022 | 1,121 | 1,579 | 2,110 | 4,810 |

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £17,210 (2022 - £1,121) in respect of leaseholds.

16 Debtors

| | 2023 £ | 2022 £ |
|----------------|-----------|-----------|
| Trade debtors | 17,599 | 6,951 |
| Prepayments | 8,441 | 5,560 |
| Accrued income | 27,697 | 4,263 |
| | 53,737 | 16,774 |

17 Current asset investments

| | 2023 £ | 2022 £ |
|--------------------|-----------|-----------|
| Investment account | 314,761 | - |



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

18 Cash and cash equivalents

| | 2023 £ | 2022 £ |
|--------------|-----------|-----------|
| Cash at bank | 249,364 | 645,070 |

19 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------------|-----------|-----------|
| Trade creditors | 4,768 | 7,187 |
| Other taxation and social security | 2,338 | 8,570 |
| VAT | - | 1,872 |
| Other creditors | 6,866 | 6,610 |
| Pension scheme creditor | 3,311 | 7,489 |
| Accruals | 9,019 | 8,047 |
| Deferred income | 11,553 | 11,250 |
| | 37,855 | 51,025 |

| | 2023 £ | 2022 £ |
|--|-----------|-----------|
| Deferred income at 1 September 2022 | 11,250 | 15,216 |
| Resources deferred in the period | 11,553 | 11,250 |
| Amounts released from previous periods | (11,250) | (15,216) |
| Deferred income at year end | 11,553 | 11,250 |

£5,000 of deferred income relates to DfE income (2022:£5,000). The remaining deferred income of £6,553 relates to grant income from the Nottingham Roman Catholic Diocesan Trust (2022: £6,250).



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

20 Obligations under leases and higher purchase contracts

Operating lease commitments

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

| | 2023 £ | 2022 £ |
|----------------------------|------------|--------------|
| Other | | |
| Within one year | 814 | 1,085 |
| Between one and five years | - | 814 |
| | <u>814</u> | <u>1,899</u> |

21 Funds

| | Balance at 1 September 2022 £ | Incoming resources £ | Resources expended £ | Balance at 31 August 2023 £ |
|---------------------------|-------------------------------------|----------------------------|----------------------------|-----------------------------------|
| Unrestricted funds | | | | |
| General | | | | |
| General funds | <u>615,631</u> | <u>653,507</u> | <u>(668,683)</u> | <u>600,455</u> |

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

22 Analysis of net assets between funds

| | Unrestricted funds General £ | Total funds at 31 August 2023 £ |
|-----------------------|---------------------------------------|--|
| Tangible fixed assets | 20,488 | 20,448 |
| Current assets | 617,862 | 617,862 |
| Current liabilities | <u>(37,855)</u> | <u>(37,855)</u> |
| Total net assets | <u>600,455</u> | <u>600,455</u> |



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

| | 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 |

23 Analysis of net funds

| | At 1 September 2022 £ | Financing cash flows £ | At 31 August 2023 £ |
|--------------------------|-----------------------------|------------------------------|---------------------------|
| Cash at bank and in hand | 645,070 | (395,706) | 249,364 |
| Net debt | 645,070 | (395,706) | 249,364 |

| | At 1 September 2021 £ | Financing cash flows £ | At 31 August 2022 £ |
|--------------------------|-----------------------------|------------------------------|---------------------------|
| Cash at bank and in hand | 617,665 | 27,406 | 645,071 |
| Net debt | 617,665 | 27,406 | 645,071 |

24 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 (Trustee) is also a Trustee of the NRCDYS) During the year, the Charity paid £nil (2022:£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 (2022 - £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 (2022:£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 (2022 - £Nil)



NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 August 2023

Catholic Multi Academy Trusts (CMAT's)

There are three 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.

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

| CMAT | Income | Expenditure | Amount due (to)/from CMAT at 31 August 2023 |
|---------------------|--|-------------|--|
| Our Lady of Lourdes | Schools' Contribution: £180,975 Sales: £nil Inspections: £nil Hire of Hall: £nil Courses: £3,938 | | £260 |
| St Ralph Sherwin | Schools' Contribution: £110,780 Sales: £nil Inspections: £nil Hire of Hall: £2,577 Courses: £2,562 | | £400 |
| St Thomas Aquinas | Schools' Contribution: £136,530 Sales: £nil Inspections: £nil Hire of Hall: £nil Courses: £1,338 | | £655 |