

ROYAL NAVY (ROMAN CATHOLIC) TRUST

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Charity Number 242543

ROYAL NAVY (ROMAN CATHOLIC) TRUST

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FOR THE YEAR ENDED 31 MARCH 2022**

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ROYAL NAVY (ROMAN CATHOLIC) TRUST

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MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees	Very Rev D Conroy QHC VE RN P Firth Rear Admiral T Hodgson CB MBE Rt Rev Bishop P Mason Commodore N Tindal RN Wing Commander C P Thorpe - Chairman
Principal Address	Royal Navy Catholic Chaplaincy The Chaplaincy HMS Collingwood Newgate Lane Fareham Hampshire PO14 1AS
Charity Registered Number	242543
Independent Examiner	Mark Dickinson FCA Wise & Co Chartered Accountants Wey Court West Union Road Farnham Surrey GU9 7PT
Bankers	Royal Bank of Scotland Holts Farnborough Branch 200 Fowler Avenue Farnborough Business Park Farnborough Hampshire GU14 7JP
Investment Manager	BlackRock Investment Management (UK) Limited PO Box 9036 Chelmsford Essex CM99 2XD

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees have the pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2022.

Legal Status

The Royal Navy (Roman Catholic) Trust was created by a Declaration of Trust dated 26 February 1958. The Governing document was amended by order of the Charity Commissioners on 5 August 2002.

The Royal Navy (Roman Catholic) Trust is a Registered Charity, charity number 242543.

Trustees Appointments and New Trustee Proceedings

The ex-officio trustees are appointed by virtue of their respective offices. Co-optative trustees are appointed by a resolution of the trustees passed at a special meeting.

The chairman of trustees contacts new ex-officio trustees and potential new lay trustees prior to attendance at their first trustees meeting, to tell them about the background and activities of the trust. All new trustees are also provided with a copy of the charity commission guide "The Essential Trustee: what you need to know".

Objects of the Trust

The objects of the trust are the advancement of the Roman Catholic Religion among members of the Royal Navy and the welfare of Roman Catholic members of Her Majesty's Royal Navy.

Connected Charities

The following Charities are connected to the Royal Navy (Roman Catholic) Trust.

Vicariate Headquarters Trust
26 The Crescent
Farnborough
Hampshire
GU14 7AS

The Army Roman Catholic Trust
St. Michael and St. George Parish Office
Queens Avenue
Aldershot
Hampshire
GU11 2BY

Royal Air Force Roman Catholic
The Chaplaincy Centre
RAF Odiham
Hook
Hampshire
RG29 1QT

The Roman Catholic Bishopric of the Forces (GB)
Wellington House
St Omer Barracks
Aldershot
Hampshire
GU11 2BG

Investment Powers

Under the Trust Deed, the charity has the power to make any investment which the trustees see fit. BlackRock Investment Management (UK) Limited invest all of the funds into the Armed Forces Charities Growth and Income Fund.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Reserves

The trustees are resolved to ensure that income is expended upon the objects of the charity, taking one year with another. Reserves, which principally arise from the appreciation over time of the portfolio of investments, are resolved to be invested to procure a steady and rising income over time so as to ensure that the expenditure upon charitable objectives may be increased.

Achievements and Performance

There was a gradual return to normality during the year which allowed the Chaplains CPD and Conference and the Remembrance Sunday Mass in Westminster Cathedral to take place. However, both HCPT and IMP pilgrimages were cancelled as were the Annual Naval Masses at Portsmouth and Plymouth. Once again expenditure over the year was significantly less than budgeted. Support continued to be provided to the Bishopric of the Forces and with the employment of a pastoral assistant.

Financial Review

Investment income on quoted investments have increased in the year. The Sir Harold Hood Trust has continued to make a grant of £15,000. Extra grants for the Lourdes pilgrimages were not sought nor given as they were cancelled because of the restrictions associated with the pandemic. Expenditure on charitable activities has increased in the year.

The trust's investments are managed by BlackRock Investment Management (UK) Limited and have been invested in the Armed Forces Charities Growth and Income Fund. Investment income has increased over the previous period and the market value of investments has increased.

The financial markets are especially volatile at present which may adversely affect the market value of investments after the period end.

Plans for Future Periods

Expenditure on the support of the Bishopric of the Forces, the Lourdes Pilgrimage, and all other regular activities will be continued. In addition extra funding will be provided to the Vicariate Headquarters Trust in support of the refurbishment of the Bishop's residence.

General

The financial statements comply with current statutory requirements, the requirements of the Statement of Recommended Practice, and with the charity's governing document.

Funds

The Funds held are unrestricted and are held to further the objects of the Trust. These funds are available and are adequate to fulfil the obligations of the trust

Unrestricted funds include a designated fund for Chaplains' Post Operational Welfare.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Public Benefit

The Trust facilitates the faith practice of Roman Catholic members of the Royal Navy, their families and those other Service personnel who wish to associate with them by providing for their participation in events which foster and develop their spiritual lives, enhance their sense of humanity and improve their sense of belonging and citizenship. It enables Chaplains to provide the best pastoral care and resources, and to engage people more deeply with the moral component of their military responsibilities. In addition, it supports the pastoral ministry of the Bishop of the Forces to those same people.

Recruiting to the Service – and thereby to benefiting from the Trust - is based on competence and character alone, and not determined by the Trust but by the Ministry of Defence. The Trust makes a point of supporting servicemen and -women affected by Operations. The Trust supports all Service personnel, Roman Catholic or not, who wish to be part of the outreach of the Roman Catholic community in the Royal Navy. Particular care is taken that those on lower incomes, typically those under training, are given additional financial support.

No private benefits are received by anyone.

The Trustees

The trustees who served the charity during the period were as follows:

Very Rev D Conroy QHC VE RN
P Firth
Rear Admiral T Hodgson CB MBE
Rt Rev Bishop P Mason
Commodore N Tindal RN
Wing Commander C P Thorpe - Chairman

Trustees' Responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- 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 UK Accounting Standards and statement of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustees

Very Rev D Conroy QHC VE RN
Trustee

Approved by the trustees on 4 August 2022

**REPORT OF THE INDEPENDENT EXAMINER
UNDER SECTION 144 OF THE CHARITIES ACT 2011
TO THE TRUSTEES OF THE ROYAL NAVY (ROMAN CATHOLIC) TRUST**

I report on the financial statements for the year ended 31 March 2022 as set out on pages 6 to 11.

The accounts have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirement:
 - to keep proper accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Mark Dickinson FCA
Wise & Co.
Chartered Accountants
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT**

Dated : 4 August 2022

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 Total Funds £	2021 Total Funds £
INCOME AND ENDOWMENTS			
Investment income	2	37,535	36,852
General donations and legacies	3	1,998	1,559
Charitable activities	3	15,000	15,000
TOTAL INCOME		54,533	53,411
EXPENDITURE			
Charitable Activities			
Grants paid	4	16,097	17,883
Other charitable activities	4	24,836	16,720
		40,932	34,603
TOTAL EXPENDITURE		40,932	34,603
NET INCOME/EXPENDITURE AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		13,601	18,808
Net Gains/(losses) on Investments	7	63,488	193,522
NET MOVEMENT IN FUNDS BEFORE TRANSFERS		77,088	212,330
Transfers			
General unrestricted		(1,000)	(1,000)
Designated unrestricted		1,000	1,000
NET MOVEMENT IN FUNDS		77,088	212,330
RECONCILIATION OF FUNDS			
FUNDS AT 1 APRIL 2021		1,187,593	975,263
FUNDS AT 31 MARCH 2022		1,264,681	1,187,593

All movements are in unrestricted funds.

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

All incoming resources and resources expended derive from continuing activities.

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**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022	2021
		£	£
FIXED ASSETS			
Investments	7	1,146,735	1,083,247
		<u>1,146,735</u>	<u>1,083,247</u>
CURRENT ASSETS			
Debtors	8	7,655	2,904
Cash at bank		112,001	103,152
		<u>119,656</u>	<u>106,056</u>
CREDITORS: Amounts falling due within one year	9	(1,710)	(1,710)
		<u>(1,710)</u>	<u>(1,710)</u>
NET CURRENT ASSETS		117,946	104,346
NET ASSETS		<u>1,264,681</u>	<u>1,187,593</u>
REPRESENTED BY:			
FUNDS			
Unrestricted:	12		
Designated		4,785	4,767
General		1,259,896	1,182,826
TOTAL FUNDS		<u>1,264,681</u>	<u>1,187,593</u>

These financial statements were approved by the trustees on 4 August 2022 and are signed on their behalf by:

Wing Commander C. P. Thorpe (Chairman)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trust constitutes a public benefit entity as defined by FRS 102.

Incoming Resources

General donations, collections, grants and bank interest are accounted for on a receivable basis.

Legacies are accounted for when they have been notified to the trust and it is probable it will be received.

Resources Expended

Charitable activities costs include grants made and governance costs as shown in note 4.

Investments

Investments are managed under a discretionary agreements by BlackRock Investment Management (UK) Limited.

Investments are accounted for by reference to the bargain date shown by the contract note issued in respect of their purchase or disposal.

Investments are a form of basic financial instrument and are initially recorded at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

Investment income

Income arising from investments is included by reference to the normal date of payment of dividends or interest on that investment. Provision is not made in the accounts for dividends to be received in the next accounting period on investments declared ex-dividend prior to 31st March 2022.

Taxation

As a qualifying charity, the trust is not liable to UK taxation.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2 Investment Income	2022	2021
	£	£
UK quoted investments	37,524	36,816
Bank interest receivable	11	36
	37,535	36,852
3 Income - Charitable activities	2022	2021
	£	£
<u>Grants Received</u>		
Sir Harold Hood Trust	15,000	15,000
	15,000	15,000
	2022	2021
	£	£
<u>General Donations and Legacies</u>		
Donations	1,998	1,559
	1,998	1,559
4 Expenditure - Charitable activities	2022	2021
	£	£
<u>Grants Paid</u>		
Bishopric of the Forces	16,097	16,358
Naval Chaplaincy Historical Research	-	1,525
	16,097	17,883
<u>Other Charitable Activities</u>		
Chaplains CPD / Conference	3,724	-
Lourdes Military Pilgrimage *	-	1,560
Falklands Anniversary Event	3,332	-
The Association of Royal Navy Chaplains	100	100
Chaplains Welfare	982	18
Pastoral Assistant Salary and Expenses	10,099	10,000
Chaplains Recruiting	532	-
PRCC Expenses	674	-
Publications	233	125
HCPT	1,000	-
Sacraments	104	-
Sundry	26	27
St Johns Cathedral	150	-
Kanyikee Project	100	-
Accountancy (see note 5)	3,060	2,988
Travel, Subsistence and Accommodation	721	39
Sycamore Catechesis Resources	-	250
Bishopric Website RN Share	-	245
Military Association of Our Lady of Victories Rosary Beads	-	500
Military Association of Our Lady of Victories Donation Towards Publicity Material	-	500
Knight of Saint Gregory Insignia for Pastoral Assistant	-	368
	24,836	16,720

*Flight deposit only in 2021

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4 Expenditure - Charitable activities (cont.)

Paid out of designated fund	982	18
Paid out of general unrestricted fund	23,854	16,702
	24,836	16,720

5 Accountancy

	2022	2021
	£	£
Accountancy and Secretarial	2,274	2,188
Independent Examiner Fees	786	800
	3,060	2,988

6 Staff Costs & Trustees' Remuneration and Emoluments

During the year there was one part time employee (note 4)
No employee earned £60,000 per annum or more (2021: none)

None of the Trustees received any remuneration in respect to their services as a trustee during the year (2021: none)
During the year one trustee was reimbursed a total of £1,200 (2021: one trustee for £39) of travel and subsistence expenses incurred for services provided to the charity.

7 Investments

	2022	2021
	£	£
Listed Investments		
Armed Forces Charities Growth and Income Fund	1,146,735	1,083,247
	1,146,735	1,083,247
Movement in Market Value		
Market value at 1 April 2021	1,083,247	889,725
Acquisitions at cost	-	-
Disposals at opening book value	-	-
Net (Losses)/Gains on revaluations in the year ended 31 March 2022	63,488	193,522
Market value at 31 March 2022	1,146,735	1,083,247
Historical cost at 31 March 2022	811,948	811,948

8 Analysis of current assets

	2022	2021
	£	£
Income Tax Recoverable - Gift Aid	135	2,404
Other Debtors	-	500
Prepayments - Camino Pilgrimage	7,520	-
	7,655	2,904

All current assets including cash at bank balances relate to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9 Analysis of current liabilities

	2022	2021
	£	£
Accruals	1,710	1,710
	1,710	1,710

All creditors relate to unrestricted funds.

10 Vicariate Headquarters Trust

In the past, the Royal Navy (Roman Catholic) Trust has contributed funds to the Vicariate Headquarters Trust for the purchase of property. The Trustees of the Vicariate Headquarters Trust have confirmed that in the event of the Trust being wound up, they would return surplus funds to the contributing parties. In the eventuality 5.59% of any surplus would be returned to the Royal Navy (Roman Catholic) Trust.

11 Related Party Transactions

A grant was paid during the year to the Roman Catholic Bishopric of the Forces (GB) of £16,097 (2021 £16,358). The charities are connected by virtue of having some Trustees in common.

12 Analysis of net assets between funds

	Total Funds	Total Funds
	2022	2021
	£	£
Fund balances at 31 March are represented by:		
Investments	1,146,735	1,083,247
Net Current Assets	117,946	104,346
	1,264,681	1,187,593
Total funds (Unrestricted)	1,264,681	1,187,593
Split of unrestricted funds		
Designated	4,785	4,767
General	1,259,896	1,182,826
	1,264,681	1,187,593

A designated fund was set up by Trustees for Chaplains' Post Operational Welfare, the balance on this fund at the year end was £4,785.