

ROYAL AIR FORCE ROMAN CATHOLIC CHURCH PURPOSES FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Number 243719

ROYAL AIR FORCE ROMAN CATHOLIC CHURCH PURPOSES FUND

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FOR THE YEAR ENDED 31 MARCH 2021**

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MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees	<p>P Firth Group Captain L Griffin Rt Rev Bishop P Mason (Ex Officio) Wing Commander C P Thorpe (appointed as Chairman 16 July 2020) R.A. Smith MBE TD DL KSG - Chairman (resigned 16 July 2020) Rev D E Skillen (Ex Officio) Group Captain J McAllister (appointed 15 October 2020)</p>
Principal Address	<p>Principal RC Chaplain RAF, Station Chaplain The Chaplaincy Centre RAF Odiham Hook Hampshire RG29 1QT</p>
Independent Examiner	<p>Mark Dickinson FCA Wise and Co Chartered Accountants Wey Court West Union Road Farnham Surrey GU9 7PT</p>
Bankers	<p>Royal Bank of Scotland Holts Farnborough Branch 200 Fowler Avenue Farnborough Business Park Farnborough Hampshire GU14 7JP</p>
Investment Managers	<p>BlackRock Investment Management (UK) Limited PO Box 9036 Chelmsford Essex CM99 2XD</p>

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees have the pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2021.

Legal Status

The Royal Air Force Roman Catholic Church Purposes Fund was created by a Declaration of Trust dated 20 December 1954, as varied or affected by a Scheme of arrangement of the Charity Commissioners dated 22 June 1978. The Governing document was amended by order of the Charity Commissioners on 6 January 2003, and by resolutions dated 21 July 2005, 6 July 2006 and 24 January 2013.

The Royal Air Force Roman Catholic Church Purposes Fund is a Registered Charity, charity number 243719.

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 Air Force and the welfare of Roman Catholics in the Royal Air Force.

Connected Charities

The following Charities are connected to the Royal Air Force Roman Catholic Church Purposes Fund.

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 Navy (Roman Catholic) Trust Royal Navy Catholic Chaplaincy Building 1/020 Admiralty House North Wing (PP 13) HM Naval Base Portsmouth Hampshire PO1 3LR	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 2021**

Risks

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

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

The Trust, by employing a Pastoral Administrative Assistant to support the role of the RAF Principal Roman Catholic Chaplain, has facilitated an ever-greater energy and impetus to the advancement of the Roman Catholic faith among members of the Royal Air Force. Opportunities for retreat continue to be available and remain popular. These have been augmented by new initiatives of on-line formation and courses which, again, have been universally well received. The first, in what will become a regular series of, annual Masses for the RAF RC Community took place in April with the second, at the Central Church of the RAF, St Clement Danes, taking place in October.

All this activity and opportunity for faith development is heralded through a re-launched regular newsletter.

The trust has continued to support the Bishopric of the Forces.

Financial Review

The trust achieved a surplus of £91,677 for the year before gains on investments, which totalled £1,039,514 giving an overall increase in funds for the year of £1,131,191 (2020 £428,061 deficit).

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.

Plans for Future Periods

As the world emerges from the global pandemic, the Trust will continue to support the RAF PRCC, his chaplains, and the RAF Pastoral Advisory Group as they look to provide faith opportunities for RAF Catholics. The well-established events of the International Military Pilgrimage, the HCPT Easter Pilgrimage, residential retreats, and the solemn Mass of Remembrance will re-start but will be augmented by fresh ideas and initiatives. On-line formation, annual Masses at the RC Cathedral of the Armed Forces and the Central Church of the RAF, and pilgrimage opportunities both in the UK and overseas will be offered. Support will also be available to both RAF chaplains and the laity to undertake formal religious education programmes.

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.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees Decision Making Process

Major decisions are made by a majority of trustees either at bi-annual trustees' meetings or by telephone discussion.

Grant Making Policies

Budgets are produced annually including proposed grants, and are agreed in advance by the Trustees. The Principal Roman Catholic Chaplain has discretion for grants below £1,000.

Investment Performance Against Objectives Set

Investments have performed adequately in the year under the management of the investment manager.

Public Benefit

The Trust facilitates the faith practice of Roman Catholic members of the Royal Air Force, 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 Air Force. 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:

P Firth

Group Captain L Griffin

Rt Rev Bishop P Mason (Ex Officio)

Wing Commander C P Thorpe (appointed as Chairman 16 July 2020)

R.A. Smith MBE TD DL KSG - Chairman (resigned 16 July 2020)

Rev D E Skillen (Ex Officio)

Group Captain J McAllister (appointed 15 October 2020)

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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

Padre D Skillen
Trustee

Approved by the trustees on 15 July 2021

**REPORT OF THE INDEPENDENT EXAMINER
UNDER SECTION 144 OF THE CHARITIES ACT 2011
TO THE TRUSTEES OF ROYAL AIR FORCE ROMAN CATHOLIC CHURCH PURPOSES FUND**

I report on the financial statements for the year ended 31st March 2021 as set out on pages 7 to 13.

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

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 : 15 July 2021

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 Total Funds £	2020 Total Funds £
INCOME AND ENDOWMENTS			
Investment income	2	197,844	194,272
General donations and legacies	3	438	9,334
TOTAL INCOME		198,281	203,606
EXPENDITURE			
Charitable Activities			
Grants paid	4	73,611	83,804
Other charitable activities	4	32,993	104,169
		106,604	187,973
TOTAL EXPENDITURE		106,604	187,973
NET INCOME/EXPENDITURE AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		91,677	15,634
Net gains/(losses) on investments	7	1,039,514	(443,695)
NET MOVEMENT IN FUNDS BEFORE TRANSFERS		1,131,191	(428,061)
Transfers			
General unrestricted		-	-
Designated unrestricted		-	-
NET MOVEMENT IN FUNDS		1,131,191	(428,061)
RECONCILIATION OF FUNDS			
FUNDS AT 1 APRIL 2020		4,947,160	5,375,221
FUNDS AT 31 MARCH 2021		6,078,351	4,947,160

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.

**BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021	2020
		£	£
FIXED ASSETS			
Investments	7	5,818,744	4,779,230
		<u>5,818,744</u>	<u>4,779,230</u>
CURRENT ASSETS			
Debtors	8	490	423
Cash at bank		262,949	172,785
		<u>263,439</u>	<u>173,207</u>
CREDITORS: Amounts falling due within one year	9	(3,832)	(5,278)
		<u>(3,832)</u>	<u>(5,278)</u>
NET CURRENT ASSETS		259,607	167,930
NET ASSETS		<u><u>6,078,351</u></u>	<u><u>4,947,160</u></u>
REPRESENTED BY:			
FUNDS			
Unrestricted:	12		
Designated		49,800	49,800
General		6,028,551	4,897,360
TOTAL FUNDS		<u><u>6,078,351</u></u>	<u><u>4,947,160</u></u>

These financial statements were approved by the members of the committee on 15 July 2021 and are signed on their behalf by:

Wing Commander C. Thorpe
Chairman

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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 and bank interest are accounted for on a receivable basis.

Resources Expended

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

Investments

Investments are managed under 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting Policies (continued)**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 2021.

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.

2 Investment Income

	2021	2020
	£	£
UK quoted investments	197,763	193,958
Bank interest receivable	81	314
	197,844	194,272

3 Voluntary Income

	2021	2020
	£	£
Donations including Gift Aid	438	9,334
	438	9,334

4 Charitable ActivitiesGrants Paid

	2021	2020
	£	£
HCPT Pilgrimage	-	18,800
Bishopric of the Forces	73,611	65,004
	73,611	83,804

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4 Charitable Activities (continued)

<u>Other Charitable Activities</u>	2021	2020
	£	£
Lourdes Military Pilgrimage	7,038	62,195
Forces Catholic News	2,017	2,087
Sundry	-	150
Principal Chaplain's Pastoral Advisory Group and Retreats	-	4,307
Printing and Books	1,486	425
PRCC Costs	2,244	7,582
Catholic Truth Society	300	684
Chaplains' Dinner	-	3,982
RAF Cranwell - Stonework	-	8,538
Training and Development	291	-
Legal and Professional	3,180	-
Accountancy (see note 5)	7,476	8,718
Bishopric Website RAF Share	245	-
Chaplain's Assistant Salary, Pension and Expenses	5,951	-
Transfer of Church items from Church House, Germany to Fiji	-	4,500
Bishopric Medals	160	-
St Clement Danes Church Flower Sellers Appeal	2,000	-
Grants and Donations	604	1,000
	32,993	104,169
Paid out of designated fund	-	-
Paid out of general unrestricted fund	32,993	104,169
	32,993	104,169

5 Accountancy

	2021	2020
	£	£
Accountancy and Secretarial	3,705	4,743
Bookkeeping Fees	1,596	1,800
Independent Examination Fees	2,175	2,175
	7,476	8,718

6 Trustees' Emoluments

There was no remuneration payable to the trustees in the current or previous years.

During the year no trustees were reimbursed expenses incurred on behalf of the trust.

(2020: no trustees were reimbursed for expenses incurred on behalf of the trust.)

The charity paid £55 in expenses for travel, accommodation and conferences on behalf of one trustee. (2020: £7,582 paid on behalf of one trustee).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7 Investments	2021	2020
	£	£
Listed Investments		
Armed Forces Common Investment Fund	5,818,744	4,779,230
Movement in Market Value		
Market value at 1 April 2020	4,779,230	5,222,925
Acquisitions at cost	-	-
Net gains/(losses) on revaluations in the year ended 31 March 2020	1,039,514	(443,695)
Market value at 31 March 2021	5,818,744	4,779,230
Historical cost at 31 March 2021	4,347,644	4,347,644
8 Debtors	2021	2020
	£	£
Income Tax Recoverable - Gift Aid	490	423
Other Debtors	-	-
	490	423
9 Creditors: Amounts falling due within one year	2021	2020
	£	£
Accruals	2,975	3,275
Other Creditors	-	2,003
Net Wages Creditor	483	-
PAYE/NI Creditor	352	-
Pension Creditor	22	-
	3,832	5,278

10 Vicariate Headquarters Trust

In the past, the RAF Roman Catholic Church Purposes Fund 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 37.68% of any surplus would be returned to the RAF Roman Catholic Church Purposes Fund.

11 Related Party Transactions

A grant was paid during the year to the Roman Catholic Bishopric of the Forces (GB) of £73,611 (2020: £65,004). The charities are connected by virtue of having some Trustees in common.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12 Analysis of net assets between funds

	Total Funds 2021	Total Funds 2020
Fund balances at 31 March are represented by:		
Investments	5,818,744	4,779,230
Net Current Assets	259,607	167,930
	<u>6,078,351</u>	<u>4,947,160</u>
Total funds (Unrestricted)	<u>6,078,351</u>	<u>4,947,160</u>
Split of unrestricted funds		
Designated	49,800	49,800
General	6,028,551	4,897,360
	<u>6,078,351</u>	<u>4,947,160</u>
The designated fund was set up by the Trustees for Former Chaplains' Welfare.		
Designated fund balance at 1 April 2020	49,800	49,800
Transferred from general unrestricted	-	-
Expenditure - Other Charitable Activities	-	-
Designated fund balance at 31 March 2021	<u>49,800</u>	<u>49,800</u>