

ROYAL AIR FORCE ROMAN CATHOLIC CHURCH PURPOSES FUND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Charity Number 243719

ROYAL AIR FORCE ROMAN CATHOLIC CHURCH PURPOSES FUND

**INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Members of the board and professional advisers	Page 1
Trustees' annual report	Pages 2 to 5
Independent examiner's report	Page 6
Statement of financial activities	Page 7
Balance sheet	Page 8
Notes to the financial statements	Pages 9 to 13

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees	P Firth Group Captain L Griffin Rt Rev Bishop P Mason (Ex Officio) Wing Commander C P Thorpe Rev D E Skillen (Ex Officio) Group Captain J McAllister
Principal Address	Principal RC Chaplain RAF, Station Chaplain The Chaplaincy Centre RAF Odiham Hook Hampshire RG29 1QT
Independent Examiner	Mark Dickinson FCA Shaw Gibbs (Audit) Limited 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 Managers	BlackRock Investment Management (UK) Limited PO Box 9036 Chelmsford Essex CM99 2XD

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The trustees have the pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2023.

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 The Chaplaincy HMS Collingwood Newgate Lane Fareham Hampshire PO14 1AS	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 2023**

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

With the return to a post-pandemic normality, the Trust's assistance has allowed an even greater level of support to the RAF PRCC, his chaplains, and the RAF Pastoral Advisory Group (PAG) as they provide faith opportunities for the whole RAF Roman Catholic family, as well as for the wider Bishopric. The International Military Pilgrimage and the HCPT Easter Pilgrimage are now, thankfully, re-established in the calendar, and the 4 annual opportunities for retreat are as popular as ever.

This past year also saw significant RAF involvement in the organisation of the Apostolat Militaire International (AMI) conference in London and the Bishopric of the Forces Camino Pilgrimage to Santiago de Compostela. The 2 annual Masses for the RAF at the military Cathedral in Aldershot and at the Central Church of the RAF in London are now firm fixtures. Both offer an opportunity for worship and thanksgiving as does the solemn Mass of Remembrance at Westminster Cathedral.

Opportunities for on-line Bible study and fellowship continue to be offered. The Catholic Military Connect App, a very useful prayer and information resource partly created by Padre Neil Galloway, brings the opportunity for faith development into the modern age.

Finally, grants have been made to improve the worship space and other Church-based initiatives on several RAF stations. Significant funding was provided to the Vicariate HQ Trust in support of the refurbishment of the Bishop's residence. Easter gifts were provided for RAF personnel on deployment and sacramental preparation was given to several RAF families by the PAA.

Financial Review

The trust showed a deficit of £189,335 for the year before losses on investments, which totalled £656,922 giving an overall decrease in funds for the year of £846,257 (2022 increase of £430,361).

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 decreased.

Plans for Future Periods

Following the very successful Camino Pilgrimage of Sep 22, members of the RAF PAG have again provided the main impetus in organising the Bishopric involvement at World Youth Day taking place in Lisbon in August. 10 military personnel will attend, with Bishop Paul, in the presence of the Holy Father.

Next years' retreat programme is already set with the opportunity to attend a retreat in Scotland being offered for the first time. Planning has started for a walking pilgrimage to Walsingham in Sep 24. It is hoped that an RAF Memorial Chapel will be created within the military Cathedral.

Support will also be available to both RAF chaplains and the laity to undertake formal religious education programmes which would, in turn, benefit the RAF RC family. All this activity will be greatly aided by the recent addition of a new RAF RC chaplain, Padre Anthony Curran, to the fold.

General

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

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

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 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

Given the volatility of the markets, 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 - chairman
Rev D E Skillen (Ex Officio)
Group Captain J McAllister

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

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

Date: 4 August 2023

**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 2023 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
Shaw Gibbs (Audit) Limited
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT**

Dated : 4 August 2023

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 Total Funds £	2022 Total Funds £
INCOME AND ENDOWMENTS			
Investment income	2	209,990	201,596
General donations and legacies	3	763	408
TOTAL INCOME		210,753	202,004
EXPENDITURE			
Charitable Activities			
Grants paid	4	310,091	73,436
Other charitable activities	4	89,997	39,238
		400,088	112,674
TOTAL EXPENDITURE		400,088	112,674
NET INCOME/EXPENDITURE AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		(189,335)	89,329
Net gains/(losses) on investments	7	(656,922)	341,032
NET MOVEMENT IN FUNDS BEFORE TRANSFERS		(846,257)	430,361
Transfers			
General unrestricted		-	-
Designated unrestricted		-	-
NET MOVEMENT IN FUNDS		(846,257)	430,361
RECONCILIATION OF FUNDS			
FUNDS AT 1 APRIL 2022		6,508,712	6,078,351
FUNDS AT 31 MARCH 2023		5,662,455	6,508,712

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 2023**

	Notes	2023	2022
		£	£
FIXED ASSETS			
Investments	7	5,502,853	6,159,776
		<u>5,502,853</u>	<u>6,159,776</u>
CURRENT ASSETS			
Debtors	8	2,042	558
Cash at bank		161,400	358,110
		<u>163,442</u>	<u>358,668</u>
CREDITORS: Amounts falling due within one year	9	(3,840)	(9,732)
		<u>(3,840)</u>	<u>(9,732)</u>
NET CURRENT ASSETS		159,602	348,936
NET ASSETS		<u>5,662,455</u>	<u>6,508,712</u>
REPRESENTED BY:			
FUNDS			
Unrestricted:	12		
Designated		49,800	49,800
General		5,612,655	6,458,912
TOTAL FUNDS		<u>5,662,455</u>	<u>6,508,712</u>

These financial statements were approved by the members of the committee on 4 August 2023 and are signed on their behalf by:

Wing Commander C. Thorpe
Chairman

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 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.

1 Accounting Policies (continued)

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 2023.

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

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

Short term creditors are measured at the transaction date.

3	Voluntary Income	2023 £	2022 £
	Donations including Gift Aid	763	408
		763	408

4 Charitable Activities		
<u>Grants Paid</u>	2023 £	2022 £
HCPT Pilgrimage	176	1,000
Bishopric of the Forces	71,415	72,436
Vicariate HQ Trust	238,500	-
	310,091	73,436

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

4 Charitable Activities (continued)

<u>Other Charitable Activities</u>	2023 £	2022 £
Lourdes Military Pilgrimage	29,042	-
Falklands Anniversary Event	-	5,724
Forces Catholic News	-	1,900
Sundry	423	46
Principal Chaplain's Pastoral Advisory Group and Retreats	2,888	1,217
Printing and Books	407	270
PRCC Costs	1,842	2,010
Catholic Truth Society	1,320	1,165
Subscriptions	264	338
Travel, Subsistence and Accommodation	4,341	2,025
Chaplains' Dinner	4,145	2,495
Training and Development	346	1,743
World Youth Day	7,901	-
Accountancy (see note 5)	6,918	6,198
Chaplain's Assistant Salary, Pension and Expenses	10,422	10,113
RAF Mass	1,753	-
Cliveden Conservation	-	2,940
RAF Northolt Stained Glass Window	3,000	-
Grants and Donations	1,416	1,054
Camino Pilgrimage	13,569	-
	89,997	39,238
Paid out of designated fund	-	-
Paid out of general unrestricted fund	89,997	39,238
	89,997	39,238

5 Accountancy

	2023 £	2022 £
Accountancy and Secretarial	4,437	3,735
Bookkeeping Fees	306	288
Independent Examination Fees	2,175	2,175
	6,918	6,198

6 Trustees' Emoluments

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

During the year two trustees were reimbursed expenses incurred on behalf of the trust totalling £506.

(2022: no trustees were reimbursed for expenses incurred on behalf of the trust.)

No travel, accommodation and conferences expenses were paid on behalf of trustees.

(2022: none paid).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7 Investments	2023	2022
	£	£
Listed Investments		
Armed Forces Common Investment Fund	5,502,853	6,159,776
Movement in Market Value		
Market value at 1 April 2022	6,159,776	5,818,744
Acquisitions at cost	-	-
Net gains/(losses) on revaluations in the year ended 31 March 2023	(656,922)	341,032
Market value at 31 March 2023	5,502,853	6,159,776
Historical cost at 31 March 2023	4,347,644	4,347,644
8 Debtors	2023	2022
	£	£
Other Debtors	625	558
Prepayments	1,417	-
	2,042	558
9 Creditors: Amounts falling due within one year	2023	2022
	£	£
Accruals	2,971	2,975
Deferred Income - Camino Pilgrimage	-	5,914
Net Wages Creditor	502	779
PAYE/NI Creditor	343	42
Pension Creditor	24	22
	3,840	9,732

10 Vicariate Headquarters Trust

The RAF Roman Catholic Church Purposes Fund has contributed funds to the Vicariate Headquarters Trust for the purchase of a property and the subsequent refurbishment of the 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, 43.43% 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 £71,415 (2022: £72,436). The charities are connected by virtue of having some Trustees in common.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12 Analysis of net assets between funds

	Total Funds 2023	Total Funds 2022
Fund balances at 31 March are represented by:		
Investments	5,502,853	6,159,776
Net Current Assets	159,602	348,936
	<u>5,662,455</u>	<u>6,508,712</u>
Total funds (Unrestricted)	<u>5,662,455</u>	<u>6,508,712</u>
Split of unrestricted funds		
Designated	49,800	49,800
General	5,612,655	6,458,912
	<u>5,662,455</u>	<u>6,508,712</u>
The designated fund was set up by the Trustees for Former Chaplains' Welfare.		
Designated fund balance at 1 April 2022	49,800	49,800
Transferred from general unrestricted	-	-
Expenditure - Other Charitable Activities	-	-
Designated fund balance at 31 March 2023	<u>49,800</u>	<u>49,800</u>