

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

CHARITY NUMBER 510119

CORPORATE TRUSTEE'S REPORT FOR THE YEAR ENDED 31ST MARCH 2021.

Nottingham Roman Catholic Diocesan Trustees (referred to hereinafter as the Diocese), as corporate trustee of the Nottingham Diocesan Sick and Retired Priests Fund (referred to herein as the charity), has pleasure in presenting the Annual Report and Accounts of the charity for the year ended on 31st March 2021. They were approved by the corporate trustee on 26 January 2022.

Objectives and Activities

The purpose of the charity is to provide relief to needy sick and needy retired persons who are or who have been priests of the Diocese. It has continued to give grants to and make payments on behalf of beneficiaries according to this purpose. The grants have been either payable directly to the beneficiaries themselves or for their support, for example to care homes.

Accordingly, the main activity undertaken to further the charity's purpose for the public benefit is the relief of poverty. In making this statement the corporate trustee has had regard to the Charity Commission's guidance on public benefit. Its concern is to ensure that the beneficiaries are able to retire with a reasonable standard of living and dignity.

No staff are directly employed by the charity, the administrative support being provided by the corporate trustee.

Volunteers assist with the work of supporting the beneficiaries, but it is not practicable to evaluate their contribution in terms of hours or staff equivalents.

A detailed consultation document on policy for the Property, Financial and Care Arrangements for sick and retired priests has been prepared for circulation to priests of the diocese in 2020. It is intended that this should form the basis of a more consistent and objective range of support to those entitled to receive it.

Achievements and Performance

The Charity has made grants to 33 (2020: 31) sick and retired priests of the Diocese totalling £338 thousand (2020: £299 thousand) during the course of the year and further payments of £1 thousand (2020: £5 thousand) have been made on their behalf. Investment Management costs have been £39 thousand (2020: £37 thousand).

Its investments are managed by Quilter Cheviot with those of the Diocese in a separately administered fund against benchmarks agreed by the investment committee of the Diocese and in accordance with the Investment Policy agreed by its Board of Directors.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

CORPORATE TRUSTEE'S REPORT FOR THE YEAR ENDED 31ST MARCH 2021.

Financial Review

The finances of the charity are as shown in the annual accounts.

The Investment Policy of the Diocese provides that it may require disinvestment of any holding not considered acceptable in the context of a Catholic diocese.

The policy of the corporate trustee is to hold sufficient reserves to ensure that all actual and potential beneficiaries may be supported adequately for their expected life span as set out in the Government Actuaries Department life tables after providing for any payments from the Diocese to the charity to support its potential beneficiaries.

The reserves at 31st March 2021 are £8,318 thousand (2020: £6,539 thousand).

The increase in the reserves is due primarily to the increase in investment values recorded during the year to 31 March 2021 due to the recovery of markets following the initial sharp falls experienced in February and March 2020, at the start of the Corona Virus Pandemic.

Plans for Future Periods

In order to ensure that there will be sufficient assets in the fund to provide for the expected beneficiaries, an appeal was launched in 2012. It has achieved £4.5 million so far. Although largely concluded, contributions continue to be received from a generous and supportive body of donors. The expenses of the appeal have been borne from legacies to the Diocese, thus ensuring that all money raised by the appeal can be used for its stated purposes.

Structure Governance and Management

The charity is constituted under its trust deed which was last updated on 8th March 2010 in order to provide for the appointment of the sole corporate trustee. The appointment of the trustees is by the Bishop of Nottingham.

A SRPF management committee has been established by the corporate trustee to authorise payments on its behalf and these are proposed by the Clergy Health and Wellbeing Coordinator and the Bishop's Chaplain for Sick and Retired Clergy whose duties include the day-to-day contact with the beneficiaries.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

CORPORATE TRUSTEE'S REPORT FOR THE YEAR ENDED 31ST MARCH 2021.

Structure Governance and Management (continued)

The charity is managed by the Diocese, its corporate trustee, and further information about the Diocese can be obtained from its Annual Report and Accounts.

Major risks have been reviewed and systems or procedures have been established to manage those risks.

Reference and Administrative Details

The charity is the Nottingham Diocesan Sick and Retired Priests Fund, registered number 510119, and is known generally by that name.

The address of its principal office is:

Diocese of Nottingham
St Hugh's House, 1 Castle Quay, Castle Boulevard
Nottingham, NG7 1FW

The investments are held in the name of the investment manager's nominee company.

The members of the Sick and Retired Priests Fund Committee during the year and to the date of this report are as follows:

Reverend T. M. Moore (in the Chair)

Reverend P. Chipchase

Reverend E Jarosz

Reverend J Wheat

*Reverend J. Martin (Bishop's Chaplain for Sick and Retired Priests)

*Rev Mr Anthony Cordes

*Mrs Frances Cordes

*Mr D Lawes

*Mr J. Gamble (appointed 2020)

*Mr C.B.A. Reynolds

*Non-voting members.

The day to day running of the charity is the responsibility of the Chief Operating Officer of the Diocese (David Lawes).

The bankers to the charity are:

Lloyds Bank plc
12-16 Lower Parliament Street
Nottingham NG1 3DA

The auditors to the charity are:

Higson & Co
White House
Wollaton Street
Nottingham NG1 5GF

The Investment Managers to the charity are:

Quilter Cheviot
85 Queen Street
London EC4V 4AB

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

CORPORATE TRUSTEE'S REPORT FOR THE YEAR ENDED 31ST MARCH 2021.

Other matters

The accounts of the charity are consolidated into the accounts of Diocese, its corporate trustee.

No complaints have been received in relation to fundraising. In its fundraising, the charity does not require donations from vulnerable people.

No funds are held by the charity as custodian trustee on behalf of others.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the annual report, the strategic report and the financial statements in accordance with applicable law including the Charities (Accounts and Reports) Regulations 2008 and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the applicable law and provisions of the trust deeds. The Trustee is also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Trustee

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Right Reverend P.J. McKinney Bishop of Nottingham and Chairman of the Board of Directors of Nottingham Roman Catholic Diocesan Trustees the sole trustee of the charity.

Dated 26th January 2022

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND YEAR ENDED 31st MARCH 2021.

Opinion

We have audited the financial statements of the Nottingham Diocesan Sick and Retired Priests Fund (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND YEAR ENDED 31st MARCH 2021.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

- As explained more fully in the trustees' responsibilities statement set out on page 4 the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND YEAR ENDED 31st MARCH 2021.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE NOTTINGHAM DIOCESAN SICK
AND RETIRED PRIESTS FUND YEAR ENDED 31st MARCH 2021.



David Wallwork BA FCA

(Senior statutory auditor)

For and on behalf of Higson & Co

Statutory Auditor

White House

Wollaton Street

Nottingham

NG1 5GF

26th January 2022

Higson & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.STATEMENT OF FINANCIAL AFFAIRS FOR YEAR ENDED 31ST MARCH 2021.

	<u>2021</u> £000s	<u>2020</u> £000s
INCOMING RESOURCES		
Donations	28	32
Appeal	81	117
Gift Aid Refunds	14	29
Second Collections	13	24
Legacies	70	46
Dividend Income	189	186
	<hr/> 394	<hr/> 434
RESOURCES EXPENDED		
Investment Management	39	37
Grants	338	299
Miscellaneous costs	1	5
	<hr/> 378	<hr/> 340
TRANSFERS INTRA DIOCESE		
Appeal donations from Parishes	5	27
Grant from corporate trustee		94
	<hr/> 5	<hr/> 121
OTHER RECOGNISED GAINS/LOSSES		
Profit / (Loss) on investments	<hr/> 1,758	<hr/> (547)
(DEFICIT) / SURPLUS FOR THE YEAR	<hr/> 1,779	<hr/> (333)

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.BALANCE SHEET AT 31ST MARCH 2021.

	Note	<u>2021</u> £000s	<u>2020</u> £000s
FIXED ASSETS			
Investments	3	8,185	6,390
		<hr/> 8185	<hr/> 6390
CURRENT ASSETS AND LIABILITIES			
Current Assets			
Cash at Bank		107	141
Debtors	4	26	7
		<hr/> 133	<hr/> 149
Less: Current Liabilities	5	<hr/>	<hr/> 0
Net Current Assets		<hr/> 133	<hr/> 149
NET ASSETS		<hr/> 8,318	<hr/> 6,539
FUND BALANCES			
Accumulated surplus brought forward	6	6,539	6,871
Current Year Surplus / (Deficit) on Income over Expenditure		1,779	(333)
		<hr/>	<hr/>
Accumulated Surplus carried forward		<hr/> 8,318	<hr/> 6,539

Approved by the trustees on 26th January 2022

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Right Reverend P J McKinney Bishop of Nottingham and Chairman of the Board of Directors of Nottingham Roman Catholic Diocesan Trustees the sole trustee of the charity

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)**ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.****STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2021.**

	<u>2021</u> £000s	<u>2020</u> £000s
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash provided by operating activities	(187)	17
 Cash flows from investing activities:		
Dividend income	189	186
Proceeds from sale of investments	811	574
Purchase of investments	(847)	(824)
 Net Cash provided by (used in) investing activities	<hr/> 153	<hr/> (64)
 Change in cash and cash equivalents in the reporting period	(35)	(47)
Cash and cash equivalents brought forward	141	188
 Cash and cash equivalents carried forward	<hr/> 107	<hr/> 141
 Reconciliation of net income/(expenditure) to net cash flows from operating activities		
Net income / (expenditure)	1,779	(333)
Gains on investments	(1,758)	547
Dividends	(189)	(186)
(Increase) in debtors	(19)	(7)
Increase in creditors		(4)
 Net cash provided by / (used in) operating activities	<hr/> (187)	<hr/> 17

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.

1. ACCOUNTING POLICIES

The charity is a charitable trust governed by its trust deed. The principal activity is that of provide relief to needy sick and needy retired persons who are or who have been priests of the Diocese of Nottingham. The address of the principal office is Diocese of Nottingham, St Hugh's House, 1 Castle Quay, Castle Boulevard, Nottingham, NG7 1FW.

The preparation of the charity's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in material adjustments to the carrying amount of the asset or liability.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year except where stated.

a) Basis of Accounting

The accounts 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) (effective 1 January 2015) – (Charities SORP (FRS 102)), notwithstanding that the current Charities (Accounts and Reports) Regulations 2008 refer to the previous Charities SORP, and the Companies Act 2006.

As there are no material uncertainties about the charity's ability to continue the accounts have been prepared on a going concern basis. The reporting is in pounds sterling. The charity 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(s).

b) Funds

All of the funds of the charity are unrestricted in the hands of its trustees.

c) Incoming resources

Incoming resources are included in the Statement of Financial Activities on the basis of the amount's receivable for the year. Legacies are included when there is sufficient probability of receipt as at the end of the year. Investment income is included when it is received. Gift Aid refunds are included for the year to which they relate.

d) Resources expended

Resources expended are recognised in the Statement of Financial Activities when a legal or constructive obligation has arisen. Irrecoverable VAT is included in the related expenditure.

e) Taxation

As a registered charity, the charity is generally exempt from taxation on its income and gains arising out of its charitable activities.

f) Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date. Gains and losses on investments are reported in the Statement of Financial Affairs.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)

ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.

g) Debtors

Debtors represent amounts which the charity expects to receive at the balance sheet date less any reduction for amounts which are or may be unreceivable. These also include the unexpired amount of expenditure incurred before that date.

h) Creditors

Creditors represent amounts which the charity expects to pay at the balance sheet date. It includes any amount set aside to provide for expenditure where there is a reasonable expectation that it may become payable.

i) Activities

As there is only one principal activity further analysis of it or of supporting costs is not provided.

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.

2. Auditors Remuneration

	<u>2021</u>	<u>2020</u>
	£000s	£000s
Fees payable for the audit of the financial statements	0	2
	<hr/> 0 <hr/>	<hr/> 2 <hr/>

3. Investments

Listed Investments

Carrying value at 1st April 2020	6,390	6,687
Additions at cost	847	824
Amounts withdrawn	(39)	
Net disposal proceeds	(772)	(574)
Realised net gains/(losses)	(56)	100
Unrealised net gains/(losses)	1,814	(647)
	<hr/> 8,185 <hr/>	<hr/> 6,390 <hr/>
Carrying value at 31st March 2021		

The listed investments are stated at mid-market value.

4. Debtors

Other Debtors	8	3
Gift Aid	18	4
	<hr/> 26 <hr/>	<hr/> 7 <hr/>

5. Creditors due within 1 year

Accruals	0	0
	<hr/> 0 <hr/>	<hr/> 0 <hr/>

NOTTINGHAM DIOCESAN SICK AND RETIRED PRIESTS FUND (SRPF)
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2021.

6. Movements in Opening Funds

	<u>2021</u> £000s	<u>2020</u> £000s
Balance at 1 st April 2020	6,539	6,871
Surplus / (Deficit) for the year	1,779	(333)
Balance at 31 st March 2021	<u>8,318</u>	<u>6,539</u>

7. Related Party Transactions

Insofar as the trustees are aware, there are no matters required to be reported other than as already shown in these accounts.

8. Events after the Period

Following consultation with the Charity Commission, the Corporate Trustee and the Trustees of the Diocese have resolved that all of the assets of the Charity will be transferred to a restricted fund of the Diocese with the same purposes as the Charity, to be known as the Sick and Retired Priests Fund. The approval of the Charity Commission will then be sought to wind up the Charity.