

ROYAL NAVY (ROMAN CATHOLIC) TRUST

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Charity Number 242543

ROYAL NAVY (ROMAN CATHOLIC) TRUST

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FOR THE YEAR ENDED 31 MARCH 2020**

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ROYAL NAVY (ROMAN CATHOLIC) TRUST

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MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees	Father D. Conroy QHC QCVS MA MMS IMS(Dip) RN P Firth Rear Admiral T Hodgson CB MBE Bishop P. Mason R.A. Smith MBE, TD, DL, KSG (Chairman) Commodore N. Tindal RN
Principal Address	Royal Navy Catholic Chaplaincy Admiralty House North Wing (PP 13) HM Naval Base Portsmouth Hampshire PO1 3LR
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 2020**

The trustees have the pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2020.

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 2020**

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

Support has continued for all the regular activities, including the Bishopric of the Forces, The International Military Pilgrimage to Lourdes, the Hosanna House and Children's Pilgrimage (HCPT) to Lourdes, the Annual Naval Masses at Portsmouth and Plymouth, the annual RC Chaplains' Conference and a Pastoral Assistant.

Financial Review

Investment income on quoted investments and grants have increased in the year. The Sir Harold Hood Trust has continued to make a grant of £15,000. Expenditure on charitable activities has decreased in the year.

During the year a legacy of £157,572 was received from the estate of Monsignor Paul Donovan, a former Principal Roman Catholic Chaplain.

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

Expenditure on the support of the Bishopric of the Forces, the Lourdes Pilgrimage, and all other regular activities will be continued.

Planned giving and Gift Aid will continue to be encouraged among serving personnel.

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 2020**

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:

Father D. Conroy QHC QCVS MA MMS IMS(Dip) RN (Ex-officio)
P Firth
Rear Admiral T Hodgson CB MBE
Bishop P. Mason (Ex-officio)
R.A. Smith MBE, TD, DL, KSG (Chairman)
Commodore N. Tindal RN

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

Father D. Conroy
Trustee

Approved by the trustees on 16 July 2020

**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 31st March 2020 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 : 16 July 2020

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 Total Funds £	2019 Total Funds £
INCOME AND ENDOWMENTS			
Investment income	2	33,654	29,495
General donations and legacies	3	162,021	4,558
Charitable activities	3	21,900	28,800
TOTAL INCOME		217,576	62,854
EXPENDITURE			
Charitable Activities			
Grants paid	4	14,831	10,122
Other charitable activities	4	36,901	46,350
		51,733	56,472
TOTAL EXPENDITURE		51,733	56,472
NET INCOME/EXPENDITURE AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS		165,843	6,381
Net Gains/(losses) on Investments	7	(88,073)	15,972
NET MOVEMENT IN FUNDS BEFORE TRANSFERS		77,770	22,353
Transfers			
General unrestricted		(1,000)	(1,000)
Designated unrestricted		1,000	1,000
NET MOVEMENT IN FUNDS		77,770	22,353
RECONCILIATION OF FUNDS			
FUNDS AT 1 APRIL 2019		897,493	875,139
FUNDS AT 31 MARCH 2020		975,263	897,493

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 2020**

	Notes	£	2020	£	£	2019	£
FIXED ASSETS							
Investments	7			889,725			827,798
				<u>889,725</u>			<u>827,798</u>
CURRENT ASSETS							
Debtors	8		2,250			1,738	
Cash at bank			84,998			69,665	
			<u>87,247</u>			<u>71,403</u>	
CREDITORS: Amounts falling due within one year	9		(1,710)			(1,710)	
			<u>(1,710)</u>			<u>(1,710)</u>	
NET CURRENT ASSETS				85,537			69,693
NET ASSETS				<u>975,263</u>			<u>897,493</u>
REPRESENTED BY:							
FUNDS							
Unrestricted:	12						
Designated				3,785			3,511
General				971,478			893,982
TOTAL FUNDS				<u>975,263</u>			<u>897,493</u>

These financial statements were approved by the trustees on 16 July 2020 and are signed on their behalf by:

R.A. Smith
Chairman

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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 2020.

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 2020

2 Investment Income	2020	2019
	£	£
UK quoted investments	33,442	29,401
Bank interest receivable	212	94
	33,654	29,495
3 Income - Charitable activities	2020	2019
	£	£
<u>Grants Received</u>		
The Royal Navy and Royal Marines Charity	6,900	11,600
Catholic Women's League	-	2,200
Sir Harold Hood Trust	15,000	15,000
	21,900	28,800
	2020	2019
	£	£
<u>General Donations and Legacies</u>		
Monsignor Paul Donovan Legacy	157,572	-
Donations	4,449	4,558
	162,021	4,558
4 Expenditure - Charitable activities	2020	2019
	£	£
<u>Grants Paid</u>		
Bishopric of the Forces	14,365	7,322
Cathedral Dean's Salary Contribution	467	2,800
	14,831	10,122
<u>Other Charitable Activities</u>		
Chaplains CPD / Conference	234	-
Annual Naval Mass	331	281
Lourdes Military Pilgrimage	9,195	28,466
PRCDTR Portsmouth Cathedral	100	100
PRCDTR Plymouth Cathedral	-	100
RN Chaplains Association	120	120
Chaplains Welfare	726	1,210
Pastoral Assistant Salary and Expenses	10,366	10,180
Subsidies for Rome Pilgrimage	-	200
Chaplains Recruiting	632	687
Outreach	-	10
Episcopal Visits	-	684
PRCC Expenses	66	376
Publications	66	45
HCPT	9,000	650
HMS Drake Chapel Refurbishment	-	163
Bishopric Medal	-	80
Seminarian Placements	1,086	-
Remembrance Weekend	414	-
Accountancy (see note 5)	3,384	3,000
RN RC Chaplaincy	257	-
Travel, Subsistence and Accommodation	858	-
Vicar General Expenses RN Share	66	-
	36,901	46,350

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

4 Expenditure - Charitable activities (cont.)

Paid out of designated fund	726	1,210
Paid out of general unrestricted fund	36,175	45,140
	36,901	46,350

5 Accountancy

	2020	2019
	£	£
Accountancy and Secretarial	2,584	2,250
Independent Examiner Fees	800	750
	3,384	3,000

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 (2019: none)

None of the Trustees received any remuneration in respect to their services as a trustee during the year (2019:None)
During the year one trustee was reimbursed a total of £384 (2019: two trustees for £757) of travel expenses incurred for services provided to the charity.

7 Investments

	2020	2019
	£	£
Listed Investments		
Armed Forces Charities Growth and Income Fund	889,725	827,798
	889,725	827,798
Movement in Market Value		
Market value at 1 April 2019	827,798	781,826
Acquisitions at cost	150,000	30,000
Disposals at opening book value	-	-
Net (Losses)/Gains on revaluations in the year ended 31 March 2020	(88,073)	15,972
Market value at 31 March 2020	889,725	827,798
Historical cost at 31 March 2020	811,948	661,948

8 Analysis of current assets

	2020	2019
	£	£
Income Tax Recoverable - Gift Aid	2,250	738
Other Debtors	-	1,000
	2,250	1,738

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9 Analysis of current liabilities

	2020	2019
	£	£
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 £14,365 (2019 £7,322). The charities are connected by virtue of having some Trustees in common.

12 Analysis of net assets between funds

	Total Funds	Total Funds
	2020	2019
	£	£
Fund balances at 31 March are represented by:		
Investments	889,725	827,798
Net Current Assets	85,538	69,694
	975,263	897,493
Total funds (Unrestricted)	975,263	897,493
Split of unrestricted funds		
Designated	3,785	3,511
General	971,478	893,982
	975,263	897,493

A designated fund was set up by Trustees for Chaplains' Post Operational Welfare, the balance on this fund at the year end was £3,785.