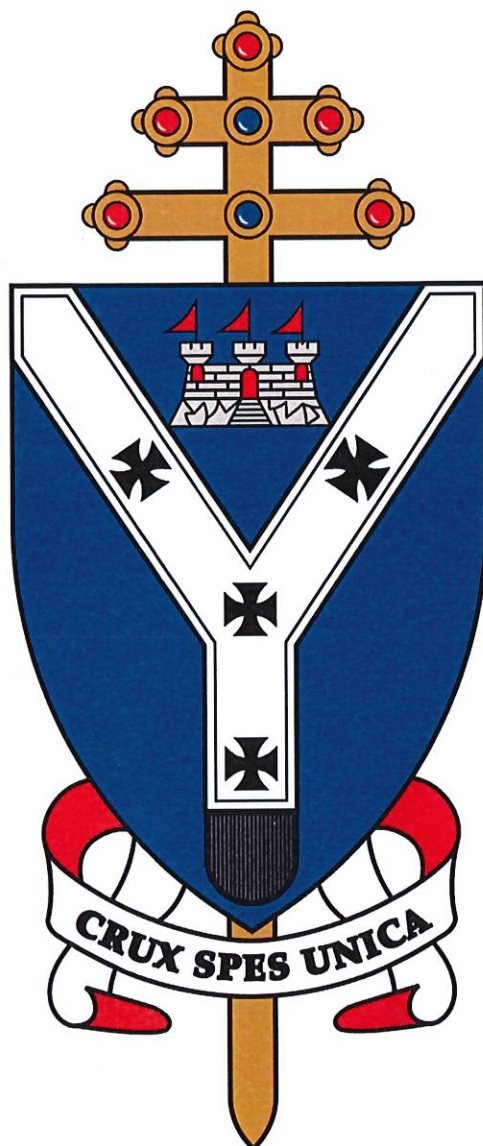


# ARCHDIOCESE OF ST ANDREWS & EDINBURGH

## ANNUAL REPORT and ACCOUNTS

For the year ended 31 December 2021



*Quare verum (ICAS)*

*Et cognoscetis veritatem et veritas liberabit vos (John 8:32)*

**ARCHDIOCESE OF ST ANDREWS & EDINBURGH**

**ANNUAL REPORT and ACCOUNTS**

**For the year ended 31 December 2021**

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**TRUSTEES' REPORT – for the year ended 31 December 2021**

The Trustees present their report and accounts for the year ended 31 December 2021.

**1. Our charitable objectives are: -**

- The advancement of the Roman Catholic Religion.
- The advancement of education.
- The relief of poverty.
- The cure or alleviation of human sickness or disease.

**2. Activities undertaken to achieve these objectives**

All of the apostolic work of the Archdiocese is rooted in life with Jesus Christ in both prayer and sacrament.

The fulfilment of our charitable aims is undertaken by priests, religious and lay people engaged in a range of apostolic ministry most often aimed at serving those in greatest need. We help provide:

- A network of 73 parishes across 10 local authority areas
- A network of 68 Catholic primary schools and 10 Catholic high schools
- Chaplains to 27 hospitals and three hospices
- Chaplains to three prisons and one young offender institution
- Chaplains to six universities

It is through this extensive network that we assist a significant number of beneficiaries: parishioners, families, the elderly, the young, the sick, the dying, the poor and those in prison. In addition, the Archdiocese through its' network of parishes continues to support and assist the work of external agencies such as the Scottish Catholic International Aid Fund; Missio Scotland; the Society of St Vincent de Paul; the Apostleship of the Sea; Mary's Meals; the Sisters of the Gospel of Life; and African Missions and Holy Places. All such beneficiaries are aligned with the charitable objectives of the Archdiocese.

**3. Achievements & Performance**

From March 2021 the major challenge facing the Archdiocese was the impact of the Covid 19 pandemic. Churches were closed for much of the year and when they were allowed to open numbers were very restricted.

The Priests delivered worship online, the Archbishop recorded Mass every Sunday, Priests kept in touch with parishioners in many ways including newsletters, phone calls and online reflections, Stations of the Cross, courses on prayer. Church lockdown closures also had a financial impact on the parishes and the Archdiocese which is covered below.

The Curia continued to operate well with most people working from home. Many of the events that would have been held at Gillis took place online and were very well attended. There was a lot of engagement and discussion and the feedback was very positive. Examples of this are given below in the sections on Events, Education and Safeguarding. The Curia also worked hard to interpret and respond to the changing Covid regulations and guidelines and has offered advice and guidance to the parishes.

The estimated weekly Sunday Mass attendance across the Archdiocese during 2021 (with churches closed for much of the year due to Covid) was around 18,505 (2020 - 7,900). During 2021 there were 931 Baptisms (2020: 479) and 161 Marriages (2020: 56); there were 2 seminarians ordained to the Priesthood and 1 ordinations of Permanent Deacon during 2021, with 6 seminarians in training for the priesthood at the end of 2021.

**3.1. Parishes**

"A parish is a certain community of the Christian faithful stably constituted in a particular church, whose pastoral care is entrusted to a pastor (*parochus*) as its proper pastor (*pastor*) under the authority of the diocesan bishop," Code of Canon Law 515 §1.

The primary mechanism for fulfilling the charitable aims of the Archdiocese of St Andrews & Edinburgh is the local parish. It is the parish where the Gospel of Jesus Christ is proclaimed, the sacraments are administered, practical charity is performed and the young, in conjunction with the family and the local authority, are educated.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

The Catholic Church envisages that a bishop serves his priests who, in turn, serve their lay people, forming them spiritually and intellectually, helping them to grow in holiness and equipping them to re-evangelise their local community.

*3.2. Education*

The Archdiocese partners with local government and families in 10 Catholic high schools and 68 Catholic primary schools.

The education team continued to support schools by offering CLPL (Career Long Professional Learning) which focused on the key areas of sacramental preparation, relationships and moral education and equality and inclusion. The majority of the courses were offered online, however, with reducing covid restrictions we have also been able to offer in person courses. We met with head teachers, principal teachers and co-ordinators of religious education, and council officials to discuss a variety of topics, for example, the church approval process, recruitment and the religious education curriculum. We prepared national materials that were used by both primary and secondary schools to mark Catholic Education Week. We also prepared and led bespoke CLPL at the request of schools and prepared an advent service for teachers.

*3.3. Practical Charity*

All of the charitable services provided by the Church in 2021 were affected by Covid 19.

Parishes across the Archdiocese continue to support local charitable causes, not least those who collect food and other resources for local Food Banks.

The Archdiocese supports two care homes for the elderly run by religious sisters. These have continued to provide a high-quality service to residents.

The Church continues to provide chaplaincy support for Prisoners and Seafarers.

The Church supports St Joseph's Care Services, a residential facility for adults with learning disabilities.

SPRED (Special Religious Development) was unable to meet during 2021, because it requires close physical contact indoors, and the Friends, the client group, are very vulnerable. SPRED volunteers have endeavoured to keep in touch with the Friends through newsletters and Zoom.

*3.4. Pastoral Ministry*

The chief pastor of the Archdiocese of St Andrews & Edinburgh is Archbishop Cushley whose authority derives from being a direct successor of Christ's Apostles in communion with the Holy See. He fulfils this role with the help and assistance of the lay faithful and clergy, including Vicars Episcopal for six areas of pastoral concern: Catechetics; Marriage and Families; Education; Caritas, Justice and Peace; Ecumenism and Interfaith; and an Office for Clergy and Religious. Each Vicar Episcopal chairs a commission composed of several qualified lay volunteer Catholics, religious and clergy in the particular field entrusted to them. Over the past year each commission has continued to develop relevant programmes and events. Increasingly these are being advertised on social media such as the Archdiocesan Facebook page.

Sister Edith Mary was Coordinator for Clergy Welfare and Religious Life. She contacted all the retired clergy and met many of them to assess wellbeing needs. Sister dealt with urgent situations for example supporting a priest to move into care. She met with each Dean and begun developing a network of volunteers to support the retired clergy. Sister's medical skills meant that she was called away, to return to the USA, in September 2021.

During 2021 the **Commission for Catechetics** organised a number of information and training events via Zoom and in person. Our main activities were:

Weekly issue of Sunday Children's Liturgy catechesis published on the Archdiocese website.

In January 2021 we launched our new Diploma in Catechetics via Zoom, with 130 people graduated in January 2022.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

During Lent we had four talks on Prayer (Zoom)  
For the Easter season we offered a series of talks on Grace (Zoom)  
Five day course on the Catechesis of the Good Shepherd  
Six week course on Shakespeare and Christian Anthropology (Zoom)  
Three week course on the Eucharist (Zoom)  
Four talks on the Theological Virtues (Zoom)  
Reflection Day at the Gillis Centre for those who were completing the Diploma in Catechetics.  
We had participants from throughout our own Archdiocese, other Scottish dioceses and beyond.

During 2022 we will continue our series of talks via zoom on Augustine's Confessions; the writings of St Paul; the Acts of the Apostles and on the themes of Advent and Christmas. The Diploma in Catechetics will continue for another year. We will hold formation days for Altar Servers; Children Liturgy Leaders; Readers, Musicians; Youth Leaders and a Weekend on the theme of The Theology of the Body. There will be a further training course on the Catechesis of the Good Shepherd. For those who graduated from the Diploma in 2021, we will offer further faith and discipleship formation in the Called and Gifted Workshop, and in readings groups.

The Marriage & Family Commission currently has 8 members meeting every two months. During 2021, six marriage preparation courses were delivered online via Zoom attended by a total of 68 couples. In February, the Commission organised an online marriage retreat led by Canon John Udris, the Spiritual Director of St Mary's College Oscott. In October, Dr Gillian Wright gave an online presentation addressing the subject of euthanasia. In November, Dr Adrian Treloar came to Edinburgh to lead a workshop at Gillis for carers of people with dementia. The Commission collaborated with The Archdiocesan Communications Director to post a series of videos featuring Pope Francis and produced by the Holy See in the run up to the World Meeting of Families in June 2022.

During Advent, the Pro-Life Office, organised a weekly rosary with pro-life reflections given by clergy of the Archdiocese. On 28th December, the Innocents Mass was once again held in person at Gillis, celebrated by Archbishop Cushley. Throughout the year the Pro-Life Office continued to build and resource a network of pro-life parish representatives. It provides a monthly newsletter to keep them informed of pro-life initiatives and events in the Archdiocese and beyond, disseminating pro-life bidding prayers and items for parish newsletters. It also contributes to the coordination of the SPUC White Flower parish appeal for our Archdiocese drawing on the pro-life network to supply speakers. During the year some work has been done trying to pilot the Tiny Feet education programme in some of our schools, but this has been hindered by covid.

### *3.5. Archdiocese events*

Our events supplement the core work of the Archdiocese by offering spiritual and practical guidance on different aspects of the Catholic Faith. They normally include pilgrimages, workshops and days of reflection. The Archdiocese continued using the Zoom platform to offer a range of online events, often broadcasting on YouTube to improve accessibility. Most of the talks below have been recorded and are available on the YouTube channel of the Archdiocese ([bit.ly/ArchYouTube](https://bit.ly/ArchYouTube)). With Covid restrictions easing, we enjoyed welcoming people back for more events at the Gillis Centre.

#### *Advent: Faith Hope & Love (29 November 2021, online)*

A four-week series of talks in Advent, from Sr Anna Marie McGuan RSM, our Catechetics Advisor, and Canon Hugh White, a recently retired priest of the Archdiocese.

#### *Diploma in Catechetics course (ongoing)*

It was decided in Autumn 2021 to run this successful course again for 2022. More than 100 people from across the Archdiocese and beyond registered to learn more about the Catholic Faith with a range of guest speakers each Thursday evening on Zoom. The Graduation ceremony for the 2021 class took place at the Gillis Centre in January 2022.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

*40 Hours' Devotion (November 2021, ongoing, various parishes)*

Each parish in the diocese is hosting Eucharistic Adoration, in the form of a 40 Hours' Devotion, in the current liturgical year. It was launched by Archbishop Cushley to help renew a love for the Eucharistic Jesus following the closing of Churches in Scotland.

*Advent Rosary for Life (30 November 2021 to 21 December 2021, online)*

Parishioners and clergy from across the Archdiocese prayed the Rosary each week on Zoom for all pro-life intentions.

*Archdiocesan St Vincent de Paul Mass (20 November, St Patrick's)*

Archbishop Cushley celebrated this annual Mass at St Patrick's in the Cowgate, Edinburgh, to mark the charitable work of the SSVP in our Archdiocese.

*Dementia: Hope on a Difficult Journey (6 November, Gillis Centre)*

This event was for those who care for family or friends with dementia and was hosted by Dr Adrian Treloar.

*Synod Mass (17 October 2021, St Mary's Cathedral)*

This Mass launched the Synod process in our Archdiocese and was celebrated by Archbishop Cushley.. Over the next five months a series of synod events took place for parishioners in each of the five deaneries. These were led by Sr Anna Marie McGuan RSM and Fr John Deighan and were supplemented by a series of videos the Archdiocese compiled to explain the synodal process.

*Dying Well (5 October 2021 online)*

Talk on the benefits of end-of-life care from medical ethicist and former palliative care doctor Dr Gillian Wright.

*A Call to Action (12 September 2021, online)*

The Caritas, Justice & Peace Commission hosted this event on the climate emergency and its impact on refugees.

*Children's Anxiety and the Pandemic (21 June 2021, online)*

Catholic educator Angela Dodds hosted this talk on helping children journey from fear to peace.

*Mental Health and the Pandemic (7 June 2021, online)*

A talk on the Catholic response to the impact of the covid pandemic on mental health, led by Fr Tony Lappin, a priest of the Archdiocese, and Professor John Crichton.

*Open Evening for St Mary's University (2 June 2021, online)*

Communications Director hosted this online event to help promote the courses launching at SMU's Scottish Campus at the Gillis Centre.

*Exterminating Poverty or the Poor? (26 April, online)*

Our Pro-Life Office hosted this event from author Mark Sutherland on the story of how a Scottish Doctor took on Marie Stopes 100 years ago.

*Grace: The Church's Hidden Treasure (six week talk series, April 2021, online)*

A catechetical series on the teaching of St Thomas Aquinas, from Sr Anna Marie McGuan RSM, and Fr Kevin Douglas.

*Pro Life Stations of the Cross (February and throughout Lent 2021, online)*

A weekly devotion in Lent. Feature reflections from Archbishop Cushley and various priests of the Archdiocese.

*Faith in the Time of Covid (January, four-week talk series)*

Archbishop Cushley organised this series on the theme of Faith during the covid pandemic. Included a talk from the Rt Hon Gordon Brown.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

*3.6. Organisational Development*

*Impact of the Covid-19 Pandemic*

The pandemic continued to impact the activity of the Curia during 2021. In the first six months most of the staff worked from home, using technology, with meetings and training events being held online. In the second six months staff undertook a phased return to work in line with government guidance, although staff were instructed to work from home again in December 2021.

*Curia*

The diocesan curia supports the work of the Archbishop and, in keeping with the Catholic principle of subsidiarity, provides assistance to parishes in those areas of service delivery which they cannot provide locally, especially those areas requiring specialist skills. These include: Safeguarding PVG approvals, training for volunteers and handling safeguarding complaints and concerns; financial guidance and support, payment approval for items over £9,000, preparing archdiocesan accounts from parish returns and payroll; health and safety guidance; property support, insurance and advice.

The curial offices of the Archdiocese include the chancery, communications, safeguarding, property, education and finance departments.

In 2021 one part time role was made redundant as a result of changes to the support required to manage visas for international clergy serving in the Archdiocese.

*Key Management Group*

Day to day management of the Curia is the responsibility of the Chief Operating Officer and management team, who work closely with the Moderator of the Curia and the Archbishop.

*Mount Vernon Cemetery*

The cemetery operated throughout 2021, working with the restrictions in place for funeral services. There were 71 coffin burials, which is around the average number, but 82 ashes interments which is higher than average, reflecting interments that were delayed from 2020. Maintenance of grounds and walls continued during 2021.

**4. Financial Review for the year to 31 December 2021.**

These accounts have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Statement of Recommended Practice: Accounting and Reporting by Charities – second edition October 2019 (the "SORP") preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102). The notes to the accounts set out on pages 19 to 35 provide further details on the accounting policies used in preparing these accounts.

The year has resulted in a net surplus on funds of £3,821,000, attributable to a £1,290,000 surplus on the funds of the Parishes and a £2,531,000 surplus attributable to Central funds. Included within the net movement on central funds is a realised gain on investments of £301,000 and an unrealised gain on investments of £1,620,000.

Total income increased by £2,411,000 from £6,517,000 to £8,928,000 in the year. Donations and legacies increased by £1,512,000, other trading activities increased by £18,000 and investment income increased by £24,000.

Total expenditure decreased by £409,000 from £7,440,000 to £7,031,000 due to a decrease of £414,000 in the cost of charitable activities, an increase of £8,000 in the cost of raising funds and a decrease of £3,000 in losses on disposal of fixed assets.

The cost of parish charitable activities decreased by £328,000 (6%) and the cost of central charitable activities decreased by £86,000 (4%). Further details on the cost of charitable activities are set out in note 8.

The main sources of income for parishes are donations and legacies, which includes offertory and gift aid income as well as amounts received from special collections, given through the generosity of parishioners.

The central funds which support the work of the curia are derived from investment income, an annual assessment / levy received from parishes, and a grant received from the Charleston Estate. Special collections are received by parishes and transferred to central funds for specific purposes, which are either utilised for

## TRUSTEES' REPORT – for the year ended 31 December 2021

internal purposes such as the Aged and Infirm Clergy fund ("AICF") or distributed onward to the intended third-party beneficiary.

Excluding gains or losses from investments and property sales, the underlying surplus on central activities, including transfers from parishes, was £607,000, an increase from the underlying surplus of £42,000 in 2020, reflecting contributions into the AICF, continued higher levels of activity, and hence fees, at the Mount Vernon Cemetery, the new Catechetics Diploma and temporary reductions in contributions to the Bishop's Conference. Central fund resources remain under pressure to meet commitments to educate seminarians and deacons and provide support to retired clergy into the future, as well as fulfil national responsibilities to the Bishops' Conference of Scotland, and administer the diocesan offices (Chancery, Property, Safeguarding, Finance, Schools, Communications).

During the year no major capital projects were undertaken. The largest repair project was renovation of the tower at St John the Evangelist in Portobello with expenditure in the year of £296,000.

### 4.1. Investments – Performance

The total value of the Archdiocesan investment portfolios (including cash held for re-investment) increased during 2021 by £1,839,000. The outcome for different portfolios varied with some gains and some losses.

<b>Market Value</b>	<b>FTSE All Share Index</b>	<b>Brewin Dolphin £'000</b>	<b>ABRDN £'000</b>	<b>Investec £'000</b>	<b>Shares held separately £'000</b>	<b>Total £'000</b>
At 31 December 2021	4,208	8,831	11,066	-	91	19,988
At 31 December 2020	3,674	2,721	7,928	7,412	88	18,149
Movement in year	534	6,110	3,138	(7,412)	3	1,839
% change	14.5%					10%

The share portfolios were re-organised during 2021, the changes were moving from 13 separate portfolios to 5 which better reflect our requirements (2 for the General Fund, 1 each for Restricted Funds, Endowments and AICF). This change should reduce the investment management cost. Each portfolio is large enough to be diversified and all portfolios are invested in line with the church's ethical investment restrictions. The change process included re-tendering the investment manager appointments, a number of very good proposals were received with 2 firms being selected by a sub-committee of experienced trustees and external expertise.

The short-term uncertainties of stock market investments are acknowledged; however, the Trustees remain of the view that equities, stocks and property will provide real growth in income and capital in the long term.

### 4.2. Investment Policy

The Trustees have power to invest in such stocks, shares, financial investments and property as they see fit. It is the Trustees' policy to invest in the stock market to obtain a balanced return combining capital and income growth to protect the real value of both capital and income. The investment managers seek to achieve this by investing in a range of assets suitable for charitable monies, which take account of our ethical requirements. The Trustees have adopted an ethical investment policy based on the teaching of the Catholic Church, which is kept under review. The ethical policy lists activities which the investment portfolios must avoid. This policy was reviewed and updated during 2021, requiring that any fossil fuel investments be sold and then excluded.

### 4.3. Reserves

The total reserves of the Archdiocese at the end of 2021 amount to £56,613,000.

The balance of unrestricted reserves at the end of the year was £49,846,000, with £26,115,000 of this balance represented by tangible fixed assets (mostly non-church buildings) and heritage assets. The amount of reserves represented by tangible fixed assets and heritage assets is realisable only if these assets were to be sold. Unrestricted free reserves at the year-end were £23,731,000 (excluding tangible fixed assets and heritage assets). Central unrestricted free reserves were £7,606,000 and parish unrestricted free reserves were £16,125,000.

The balance of restricted reserves at the end of the year was £4,626,000 with £150,000 of these reserves represented by tangible fixed assets. (See notes 18 to 24 for details).



**TRUSTEES' REPORT – for the year ended 31 December 2021**

The balance of endowment reserves at the end of the year was £2,141,000 with no amount of tangible fixed assets included within the balance of this reserve.

It is the Trustees' objective to increase unrestricted funds in order to provide support to the parishes and the administration of the Archdiocese. During the year, however, parish income was impacted by the closure of churches and parish halls for parts of the year due to Covid restrictions. Income increased compared to 2020 but was below the levels seen in 2019. Parishes have reduced expenditure in response to the reduced income, but many are likely to need to catch up with repairs and maintenance that have been delayed. Unrestricted parish reserves increased by £1,281,000. 2021 parish income includes property sales of £839,000 and legacies of £565,000, without these "one off" items, parishes would have broadly broken even. Unrestricted central fund reserves increased by £1,696,000; this increase is mostly from gains on investments, which have largely reversed in the first few months of 2022. Excluding realised and unrealised gains on investments relating to the unrestricted central funds of £1,498,000, the unrestricted central funds reserves would have increased by £198,000.

The Trustees commissioned a project group to work in 2020 and 2021 to review funding options to increase the income of the AICF, so that retirement allowances can continue to be paid now and appropriately sustained into the future. Consultations with parishes and with the deaneries were undertaken in 2021 through Zoom webinars, due to continued Covid restrictions on physical gatherings. These consultations gave support to a move to an AICF assessment based on parish offertory income.

During 2021, parishes were asked to make contributions to the AICF, so that we did not have a second year of very low payments into the fund. The total contributed was £635,056.

The restricted and endowment funds, given for specific purposes, are detailed in notes 18 and 20.

As noted at section 5, the Covid 19 pandemic has continued to affect church activity and income during 2021. As the country recovers, we will need to bring our finances back into balance so that reserves are retained, and increased for future challenges, and, in particular, to achieve and then maintain adequate annual funding into the AICF as noted above.

*4.4. Reserves Policy:*

**General Funds** are maintained in order to respond to needs that arise in the Archdiocese, to hold property and to hold investments.

**Restricted Funds** (shown in notes 18 and 20). The balances required vary by fund and are kept under review. The AICF reserves need to be increased in order to meet expected future retirement costs. The target to cover retired priests and the proportion of allowances for active priests, based on their years of service to date is currently estimated at between £7m to £9m. Therefore additional funding of between £5.5m and £7.5m is currently required. See also note 17 (Liabilities) and Note 28 (Contingent Liabilities). An actuarial review will update these figures in 2022-23.

**Endowment Funds.** The capital is maintained, and income is spent in accordance with the terms of the endowment. There has been some accumulation of income which is now being reviewed and spent.

**5. Impact of the Covid-19 pandemic**

The Covid pandemic and related restrictions on churches and offices continued through 2021. The main impacts on the Archdiocese were:

*Closure of places of worship, and offices*

Most restrictions were in place into the summer of 2021 with gradual lifting during the autumn, with a hiatus in December with the Omicron variant

*Schools*

With the reduction in covid restrictions it was possible to visit some schools, for the first time since March 2020. We were able to offer a mixed CLPL (Career Long Professional Learning) model where a few courses were offered again in Gillis rather than online, which was greatly appreciated by teachers.

*Re-opening during 2022*

2022 began with concern over the Omicron wave, but the vaccination programme and low levels of serious illness enabled restrictions to be lifted during January, February and March, with Churches open, returning to full capacity and being able to worship together. Parishes are now able to work to re-establish contacts that had been lost during the lockdowns.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

*Impact on income and expenditure*

Our church income relies on weekly giving, which reduced significantly while churches were closed. Total parish income increased from £5.1m in 2020 to £7.3m in 2021 (including £1.4m from property sales and legacies). Income was significantly lower than the £9.3m total in 2019. We hope that income will recover in 2022 with churches open and parish life moving back towards "normal".

Investment income recovered slightly in 2021 increasing from £1,036,000 in 2020 to £1,060,000 in 2021. We have set ethical restrictions on the investments that we hold, which do impact on the income that is achieved. Whilst we do appear to have moved beyond Covid, 2022 has brought increased inflation, particularly in fuel costs and the tragedy of war in Ukraine, which is likely to impact basic food supply to countries around the world. The resulting increases in interest rates to bring inflation back under control affect the value of financial investments.

*Reserves*

At 31 December 2021 the Archdiocese had total reserves (as shown in the balance sheet) of £56,613m. However, as also shown in the balance sheet, £46,253m of these reserves are "tied up" in land, buildings and long-term investments to meet future commitments.

The Archdiocese held £13,895m of cash at bank on 31 December (£4,452m in central funds and £9,443m in Parishes). Whilst this cash has allowed the Archdiocese flexibility during the response to the pandemic, these funds are required for other purposes, such as repairs and maintenance of property, educating seminarians and meeting the needs of retired clergy..

*Investments*

At 31 December the Archdiocese had £19,988m of investments (at market value), £15.7m of general funds, £2.4m of restricted funds (AICF, Mission Fund, Mount Vernon) and £1.8m of endowments (detailed below).

## **6. Future Plans**

The Archdiocese is committed to proclaiming the Gospel values of peace, goodwill and solidarity among people. It does this by promoting education - both of the young through its work with the extensive school system and older people through an innovative and popular adult education programme; by care of the poor and marginalised – through its Justice and Peace Commission outreach; and by fostering community - through its parishes.

In 2021 the Archdiocese began an important collaboration with St. Mary's University to provide post graduate courses in theology at its Gillis campus. It is hoped that this programme will be expanded as the pandemic restrictions lift.

The Archdiocese itself created and delivered the first Diploma in catechesis. This was very successful, and the second course is now underway. All the work of the Curia, in safeguarding, finance, property and health and safety, supports the whole Archdiocese to enable it to continue its dynamic and vital apostolate.

The Trustees and their advisors continue to monitor the financial position of the Archdiocese to ensure that the stewardship of resources and the availability of funds to meet commitments is managed for the long-term welfare of the Archdiocese. This is undertaken through review and discussion of quarterly and annual reports. The Trustees met more frequently during 2021 in order to continue to respond to the impact of Covid 19.

At the time of preparing this report, the country and the Archdiocese have moved on with Covid restrictions ending early in 2022. Work continues to re-establish Parish activities. As we move forward we continue to review and update previous plans, and continue to monitor the financial position of the Archdiocese, whilst our objectives remain unchanged.

Capital expenditure will continue to be limited for all projects except for essential maintenance and health and safety projects. The Trustees, with their advisors and managers, continue to pursue and develop strategies to address the financial pressures previously mentioned. All areas of expenditure remain under scrutiny, seeking reductions where possible.

The requirements of OSCAR and the Statement of Recommended Practice: Accounting and Reporting by Charities (the "SORP") FRS102 in conjunction with the requirements of Canon Law, continue to form the basis for the financial controls and governance of the Archdiocese.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

**7. Leadership, management and governance**

The Archdiocese of St Andrews & Edinburgh ("the Archdiocese") was established by the Apostolic Letter Ex Supremo of Pope Leo XIII dated 4 March 1878, restoring the Catholic Hierarchy in Scotland, which had been extinct since 1603.

The Most Reverend Leo William Cushley is the Ordinary of the Archdiocese and is responsible for ensuring the good governance of the Catholic Church within the Archdiocese. The Archdiocese has charitable status and is a Designated Religious Charity under the Charities and Trustee Investment (Scotland) Act 2005. The charity is registered in Scotland with charity number SC008540.

*7.1. Management of Risks*

Whilst risk management can limit risk it does not eliminate risk. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finances of the charity and are satisfied that the systems that are in place to mitigate exposure to these risks are operating effectively. The key risks identified by the Trustees, and steps being taken to mitigate them are recorded in the risk register, which is reviewed regularly by the Trustees, and summarised below:

*Governance*

The Trustees are committed to ensuring that sound governance arrangements are in place as this is central to the operations and activities of the Archdiocese.

The Trustees want to ensure that the administrative structure remains fit for purpose, supports local parishes, provides an effective governance framework with sound financial systems and controls, and with processes and procedures that mitigate against identified risks. We have some very senior and experienced lay people as Trustees who bring a wide range of professional expertise such as finance and law.

*Strategic Plan*

An expected reduction in the number of clergy over the next five years presents a number of challenges to the Archdiocese. We continue to develop support to parishes from Religious Orders and from Priests seconded for medium term appointments, from Europe, India and Africa. Religious sisters from two orders work within the Archdiocese Curia. We have also contracted with a specialist immigration law firm to ensure that we are fully compliant with the complex legal requirements for non-British priests and religious sisters.

*Financial*

The Trustees recognise the financial pressures on the Archdiocese central funds and parishes and are committed to looking at ways to maintain and enhance financial sustainability, and to link this with the pastoral planning of the Archdiocese. A key challenge is funding of Priests retirement costs, as the assets of the Aged and Infirm Clergy Fund only cover £1.9m of the estimated future cost of past service of £9m. During 2021 Parishes were asked to make contributions to the AICF, in place of the discontinued special collections, and to make additional contributions if possible. The total contributions during 2021 were £635k, which covered the allowances paid of £370k and began to reduce the funding deficit.

As noted elsewhere, during 2021, Covid 19 continued to disrupt the activities of the church and, restrict our income, the situation is being closely monitored by the Trustees as the country moves on from lockdown. The church must give support where it is most needed and so it relies on church members who are able to maintain or increase their giving so that the church can continue its mission.

*Health & Safety*

Health and Safety legislation continues to place additional compliance requirements on the Archdiocese. This legislation, which is mandatory for all parishes and organisations, is supported by an employee and a Trustee with responsibility for H&S. During 2021 and into early 2022, the response to Covid 19 included closure of places of worship during periods of lockdown. At the time of writing our buildings have re-opened and restrictions have been lifted. Activities are being re-established, however, some "hall based" activities have not yet recommenced.

*Safeguarding*

During 2021 safeguarding training (and update training), approval of PVGs (Protection of Vulnerable Groups – disclosure checks for clergy and lay volunteers) and meetings of the DRAMT (Diocesan Risk Assessment Management Team (for Safeguarding)) continued virtually. There were also meeting with the Deaneries. The Archdiocese remains committed to ensuring the safety of everyone and to continuous improvement and monitoring of our work.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

*7.2. Organisational Structure*

At 31 December 2021 (and 31 December 2020) the Archdiocese comprised 72 parishes located in various cities, towns and villages throughout its boundaries. A parish priest is appointed by and is accountable to the Archbishop and is responsible for a single or multiple parish. Parishes are grouped into deaneries on a geographical basis. The Archbishop appoints a Dean from the parish priests in each deanery.

*7.3. Constitution and Governance*

The Central Funds Trust Deed dated 1939 governs the majority of the charity's moveable property, that is cash and other investments, furniture, equipment, vehicles and any other assets not comprising land and buildings. There is no overarching trust deed which governs heritable properties, that is land and buildings, and the majority of the heritable titles are held in the names of the canon law Finance Committee (which is also the Board of Trustees).

The Trustees of the Archdiocese (which is also the canon law Finance Committee) are,

(a) the Archbishop and Vicar(s) General ex officio, and

(b) such other person(s), whether clergy or lay persons and whether in an ex officio capacity or otherwise, as the Archbishop may from time to time, in his sole discretion, appoint on such terms and for such duration as he sees fit.

The purpose of (b) is to facilitate the appointment of lay persons as well as clergy to the role of trustee and thus enable the Archdiocese to take advantage of a wider range of skills, expertise and diversity among those exercising the function of charity trustees.

The Archdiocese has a committee structure to assist with administration. The Archbishop is a member of all of these committees. The main committees during the year ended 31 December 2021 were:

- Board of Trustees (which is also the canon law Finance Committee)
- College of Consultors
- Council of Priests
- Management Committee of the Mission Fund and the Friendly Society
- Management Committee of the Sick Priests' Fund

*7.4. Administrative Information*

**Our name and address** Archdiocese of St Andrews & Edinburgh  
Archdiocesan Offices.100 Strathearn Road, Edinburgh, EH9 1BB

**Scottish Charity Number:** SC008540

**Trustees**

The Trustees of the Archdiocese (who are also form the canon law Finance Committee) during the year ended 31 December 2021, and as at 7 July 2022 when the accounts were approved, were:-

Name	Appointed by	Trustee during the year	Trustee as at 7 July 2022
The Most Reverend Leo Archbishop Cushley	<i>ex officio</i>	✓	✓
Monsignor Patrick Burke VG	<i>ex officio</i>	✓	✓
Monsignor Allan Chambers VG	<i>ex officio</i>	✓	✓
Mr Alastair Lamond	Archbishop	✓	✓
Mr Nicholas Ruck Keene	Archbishop	✓	✓
Mrs Mary Buchan	Archbishop	✓	✓
Lord James Drummond Young	Archbishop	✓	✓
Very Rev Patrick Canon Boylan	Archbishop	✓	✓
Mrs Karen Cockburn	Archbishop	✓	✓
Mr Andrew Milligan	Archbishop	✓	✓
Mr Robert McGee	Archbishop	✓	✓
Rev Scott Deeley	Archbishop	From January 2022	✓
Rev Jeremy Milne	Archbishop	From January 2022	✓

TRUSTEES' REPORT – for the year ended 31 December 2021

**Chief Operating Officer** Elspeth Atkinson

**Solicitor** Anderson Strathern LLP 1 Rutland Court, Edinburgh, EH3 8EY

**Auditor** Chiene + Tait LLP 61 Dublin Street, Edinburgh, EH3 6NL  
Chartered Accountants and Statutory Auditor

**Bankers** Bank of Scotland The Mound, Edinburgh, EH1 1YB  
Royal Bank of Scotland 36 St Andrew Square, Edinburgh, EH2 2YB

**Investment Advisors** Brewin Dolphin Securities Ltd 144 Morrison Street, Edinburgh, EH3 8BR  
Aberdeen Standard Capital Ltd 1 George Street, Edinburgh, EH2 2LL  
Investec Wealth Mgmt Ltd 93 George Street Edinburgh EH2 3ES

### 7.5. Key Policies

#### *Management and Remuneration*

Archbishop Cushley and the Trustees are responsible for the management and administration of the Archdiocese.

The Curia assists the Archbishop in governing the Archdiocese and a number of senior managers support the Trustees in the management and administration of the charity. In addition, Monsignor Patrick Burke, as Moderator of the Curia, represented Archbishop Cushley and was delegated authority by the Trustees in relation to management of the Curia during the year.

The Chief Operating Officer, is appointed by the Trustees to lead and manage the activities of the Curia. The Chief Operating Officer reports to the Moderator and is the line manager to other managers within the Curia.

The Trustees consider that the Trustees, and the senior managers of the Curia comprise the key management personnel of the charity, the Trustees are charged with direction and oversight, and Curia management with controlling, running and operating the charity on a day-to-day basis. Details of Trustee remuneration and expenses claimed are set out in note 6 to the accounts. Total remuneration of the key management personnel during 2021 was £208,599 (2020: £206,303). The remuneration of all Curia staff is set by reference to market rates in similar roles in similar organisations.

The Trustees receive no remuneration for their services as Trustees. The Trustees who are clergy are housed, remunerated and reimbursed expenses for carrying out their ministry as clergy members of the Archdiocese, in the same way as other priests of the Archdiocese and in accordance with the Code of Canon Law. The remuneration of other key management personnel is considered and agreed by the Trustees.

The Trustees met 6 times during the year at which they were provided with reports and information relating to the governance, principal risks and finances of the Archdiocese for consideration and decision making purposes.

#### *Induction & Training*

The Archdiocese has an ongoing policy for the training of its Trustees and Curia staff to ensure that they are kept up to date with relevant legislation and management standards, through induction briefings and periodic updates for new matters.

#### *Retired clergy*

The Trustees' provide retirement benefits to retired Archdiocesan clergy in line with the rules of the Aged and Infirm Clergy Fund.

#### *Grant Making*

Grants may be made to any parish which requires financial support, after a review by the relevant committees and the Trustees. The Trustees also award grants from the special collection Care Fund.

**TRUSTEES' REPORT – for the year ended 31 December 2021**

*Parish Accounts*

The accounts of the parishes are included in the Archdiocesan Accounts in order to reflect the overall financial position of the Archdiocese as required by charity legislation. The Trustees wish to recognise the work of the parish priests and their finance committees and thank them for their co-operation and efforts in assisting with this obligation.

**8. Conclusion**

The Trustees wish to thank all Archdiocesan personnel, clergy and laity, for their hard work during 2021. The Covid 19 pandemic has imposed many challenges, frustrations and disappointments and the people of the Archdiocese have responded with patience, grace and persistence. Without this involvement the Archdiocese would not function as effectively as it does, and it is hoped that this involvement will continue to grow and become even stronger in future.

**Statement of Trustees Financial Responsibilities**

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice – second edition 2019 (FRS102);
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the terms of the charity's founding deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditors**

The Auditors, Chiene & Tait, have expressed their willingness to continue in office.

**Approved by the Board of Trustees on 7 July 2022 and signed on its behalf by**



**Patrick Burke Vicar General  
Trustee**

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ARCHDIOCESE OF ST ANDREWS & EDINBURGH**

**Opinion on accounts**

We have audited the accounts of the Archdiocese of St Andrews and Edinburgh for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 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 and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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**

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**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 accounts and our auditor's report thereon. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ARCHDIOCESE OF ST ANDREWS & EDINBURGH (*continued*)**

**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 (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- the information given in the accounts is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the accounts 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 12, the trustees are responsible for the preparation of accounts which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included but were not limited to the Charities and Trustee Investment (Scotland) Act 2005, and Health and Safety Regulations.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

We focused on laws and regulations that could give rise to a material misstatement in the charity's financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of senior management and the Trustees;
- review of minutes of board meetings throughout the period;
- review of legal correspondence or invoices, and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in an audit of financial statements and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.



**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ARCHDIOCESE OF ST ANDREWS  
& EDINBURGH (*continued*)**

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.



Chiene + Tait LLP  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh EH3 6NL

22/9/2022

Chiene + Tait is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## STATEMENT OF FINANCIAL ACTIVITIES - for the year ended 31 December 2021

	Notes	Parishes			Central Funds				2021 Total Funds	2020 Total Funds
		Un- restricted Funds	Restricted Funds	Total Funds	Un- restricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£000
<b>INCOME FROM:</b>										
Donations and legacies	2	5,651	152	5,803	364	76	-	440	6,243	4,731
Charitable activities	3	120	-	120	49	188	-	237	357	317
Other trading activities	4	426	-	426	-	-	-	-	426	408
Investments	5	161	-	161	796	63	40	899	1,060	1,036
Gains on disposal of Fixed assets		839	-	839	3	-	-	3	842	25
<b>TOTAL INCOME</b>		<b>7,197</b>	<b>152</b>	<b>7,349</b>	<b>1,212</b>	<b>327</b>	<b>40</b>	<b>1,579</b>	<b>8,928</b>	<b>6,517</b>
<b>EXPENDITURE ON:</b>										
Raising funds	7	(40)	-	(40)	(74)	(5)	(9)	(88)	(128)	(120)
Charitable activities	8, 9, 10	(4,759)	(90)	(4,849)	(1,309)	(744)	-	(2,053)	(6,902)	(7,316)
Loss on disposal of fixed assets		(1)	-	(1)	-	-	-	-	(1)	(4)
<b>TOTAL EXPENDITURE</b>		<b>(4,800)</b>	<b>(90)</b>	<b>(4,890)</b>	<b>(1,383)</b>	<b>(749)</b>	<b>(9)</b>	<b>(2,141)</b>	<b>(7,031)</b>	<b>(7,440)</b>
<b>Net income/ (expenditure) before net gains/(losses) on investments</b>		<b>2,397</b>	<b>62</b>	<b>2,459</b>	<b>(171)</b>	<b>(422)</b>	<b>31</b>	<b>(562)</b>	<b>1,897</b>	<b>(923)</b>
Gain on disposal of investment property		-	-	-	-	-	-	-	-	-
Realised gains/(losses) on investments		-	-	-	231	49	21	301	301	28
Unrealised gains/ (losses) on investments	14	3	-	3	1,267	191	162	1,620	1,623	139
<b>NET INCOME/ (EXPENDITURE)</b>		<b>2,400</b>	<b>62</b>	<b>2,462</b>	<b>1,327</b>	<b>(182)</b>	<b>214</b>	<b>1,359</b>	<b>3,821</b>	<b>(756)</b>
<b>Transfers between funds:</b>										
Parish Assessment, levies and special collections	18, 19	(1,119)	(53)	(1,172)	487	685	-	1,172	-	-
Central Funds					(118)	129	(11)	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>1,281</b>	<b>9</b>	<b>1,290</b>	<b>1,696</b>	<b>632</b>	<b>203</b>	<b>2,531</b>	<b>3,821</b>	<b>(756)</b>
<b>Reconciliation of funds:</b>										
Total funds brought forward	18, 19, 20 21, 22, 23	32,446	23	32,469	14,423	3,962	1,938	20,323	52,792	53,548
<b>Total funds carried forward</b>	18, 19, 20	<b>33,727</b>	<b>32</b>	<b>33,759</b>	<b>16,119</b>	<b>4,594</b>	<b>2,141</b>	<b>22,854</b>	<b>56,613</b>	<b>52,792</b>

The notes on pages 19 to 35 form part of these accounts.

## BALANCE SHEET - as at 31 December 2021

	Notes	2021		2020	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		25,212		25,195
Heritage assets	13		1,053		1,053
Investments	14		19,988		18,149
<b>Total fixed assets</b>			46,253		44,397
<b>Current assets</b>					
Debtors	15	1,048		758	
Cash at bank and in hand – central funds		4,452		3,361	
Cash at bank and in hand - parishes		9,443		8,859	
<b>Total current assets</b>		14,943		12,978	
<b>Liabilities</b>					
<b>Creditors:</b> amounts falling due within one year	16	(283)		(283)	
<b>Net current assets</b>			14,660		12,695
<b>Total assets less current liabilities</b>			60,913		57,092
<b>Liabilities:</b>					
amounts falling due after more than one year	17		(4,300)		(4,300)
<b>Total net assets</b>			56,613		52,792
<b>The funds of the charity:</b>					
Central unrestricted funds – designated funds	19 / 22		260		260
Central unrestricted funds – central fund	19 / 22		11,939		10,243
Central unrestricted funds – revaluation	19 / 22		3,920		3,920
Parish unrestricted funds	19 / 22		33,727		32,446
<b>Total unrestricted funds</b>			49,846		46,869
Central endowment funds	18 / 21		2,141		1,938
Central restricted income funds	18 / 21		4,594		3,962
Parish restricted funds	18 / 21		32		23
<b>Total charity funds</b>	20 / 23		56,613		52,792

Approved by the Trustees on 7 July 2022



Leo Cushley

Trustee



Patrick Burke

Trustee

The notes on pages 19 to 35 form part of these accounts.

## STATEMENT OF CASH FLOWS - for the year ended 31 December 2021

		2021	2020
	£'000	£'000	£'000
<b>Cash flows from operating activities:</b>			
Net cash (used in) / provided by operating activities	Note 27	(64)	(1,764)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rent from investments	1,060	1,036	
Proceeds from the sale of property, plant and equipment	853	34	
Purchase of property, plant and equipment	(259)	(198)	
Proceeds from the sale of investments	18,919	2,066	
Purchase of investments	(17,276)	(1,579)	
<b>Net cash provided by investing activities</b>		<b>3,297</b>	<b>1,359</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>3,233</b>	<b>(405)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>12,939</b>	<b>13,344</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>16,172</b>	<b>12,939</b>
<b>Analysis of cash and cash equivalents</b>			
Cash at bank – current accounts – Central Funds		4,452	3,361
Cash at bank – current accounts - Parishes		9,443	8,859
<b>Total cash at bank</b>		<b>13,895</b>	<b>12,220</b>
Investments (cash held for re-investment)	Note 14	2,277	719
		<b>16,172</b>	<b>12,939</b>

**Analysis of changes in net Cash / (Debt)**

	At 1/1/2021	Cashflows	At 31/12/2021
	£'000	£'000	£'000
Cash	12,939	3,233	16,172

The Archdiocese does not currently have external debt or lease financing therefore all movements and balances relate to cash. Within the Archdiocese a loan scheme operates between individual parishes and Central Funds, these loan balances "net off" for the whole Archdiocese and so are not shown as loans in these financial statements.

The notes on pages 19 to 35 form part of these accounts.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

**1 Accounting Policies****Basis of preparation**

The Archdiocese of St Andrews and Edinburgh is recognised as a Scottish Charity (No. SC008540). The single charity includes central funds and parish funds, therefore parish income, expenditure, assets and liabilities are reflected in these accounts.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities second edition October 2020 (the "SORP") preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity constitutes a public benefit entity as defined by FRS 102.

**Going concern**

The accounts have been prepared on a going concern basis. The trustees have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. They are satisfied that no material uncertainties exist in respect of going concern. As noted in the Trustees Report, the church's activities were disrupted by the Covid 19 outbreak and income reduced. The trustees consider that the cash balances and available reserves enable the church to continue operations and therefore the Going Concern basis of accounting continues to be appropriate.

**Significant judgements and estimation uncertainty**

When applying the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. As the estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**(i) Useful economic lives of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for carrying amounts of tangible assets.

**(ii) Value of Heritage Assets**

Heritage assets are included at what the Trustees consider to be reliable values, although it is acknowledged that these values themselves whilst derived from valuations for insurance purposes, or expert opinion, contain an element of subjectivity due to the unique nature of the heritage assets.

**(iii) Value of Investment Properties**

Investment properties are accounted for based on the Trustees' assessment of fair value which incorporates consideration of yields, comparative market values, and previous external valuations.

**Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

**Offertory and Special Collections Income**

Offertory and Special Collections Income is credited to the Statement of Financial Activities in the year in which it is receivable.

**Other Donations and Legacies**

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

**NOTES to the ACCOUNTS - for the year ended 31 December 2021**

**1 Accounting Policies (*continued*)**

Legacy gifts are recognised on a case by case basis when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

**Grants**

Grants received, including capital grants, are reflected in the Statement of Financial Activities when relevant conditions for entitlement have been met, it is probable they will be received, and the amounts can be quantified with sufficient reliability. Where donors specify that grants are for particular purposes, this income is included in incoming resources within restricted funds when receivable. Where grants are made specifically for the performance of charitable activities in a period subsequent to the year-end they are deferred and excluded from the Statement of Financial Activities.

**Income from other trading activities**

Income from sales of goods, fundraising events, and letting of occasional surplus space is recognised when it is received.

**Income from Investments**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to parish or central activities under the applicable expenditure headings in the Statement of Financial Activities. For further information on attribution to specific charitable activities please refer to note 9 below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

**Allocation of support and governance costs**

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice, rather than day to day management, and are included within expenditure on Charitable Activities.

Governance costs and support costs relating to charitable activities have been directly allocated to parish and central funds as set out in note 8, and apportioned by activity as set out in note 9 on the basis of an estimate of the time or resource expended on each activity.

**Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**Costs of raising funds**

The costs of raising funds consists of investment management fees and parish fundraising costs.

NOTES to the ACCOUNTS - for the year ended 31 December 2021

**1 Accounting Policies (*continued*)**

**Charitable activities**

- Charitable activities include expenditure associated with meeting the Archdiocese's primary objectives and include grants made, governance costs and support costs as shown in note 8.
- Costs directly attributable to charitable activities and governance are allocated to the appropriate activity. Support costs, including staff costs, which cannot be directly attributed to an activity are allocated on the basis of an estimate of the time or resource expended on each activity.

**Tangible Fixed Assets**

All fixed assets, other than investment properties, have been capitalised either at cost or, where no cost is available, at a reasonable estimate of value at the date of capitalisation. Depreciation is provided where appropriate in equal annual instalments over the estimated useful lives of the assets.

Certain assets which are inalienable and historic have not been capitalised or depreciated. While these assets are functional, due to their nature, cost information is unavailable and conventional valuation techniques cannot be applied. Consequently, no reliable value can be attributed to these assets.

Items of equipment are capitalised where the purchase price exceeds £3,000.

**Heritage assets**

Assets that, in the opinion of the Trustees, meet the definition of heritage assets under the SORP where appropriate, relevant and reliable valuation information is available, have been included in the balance sheet.

Depreciation is not charged on heritage assets as they are maintained in good condition and therefore considered to have indefinite useful lives.

Further details of the assets are disclosed in note 13 to the accounts.

**Depreciation**

**Heritable properties:-**

The SORP requires all assets to be depreciated over their estimated economic life, taking account of any residual value of the assets. Heritable properties are considered to have a high residual value and a useful economic life in excess of 50 years. The depreciation charge is therefore immaterial and no charge has been made.

Where no charge for depreciation is made and where the useful economic life exceeds 50 years an impairment review should be carried out on an annual basis. Such a review has been performed and the Trustees are satisfied that the value of the properties is not less than the carrying value in the accounts.

Depreciation has been charged on the other fixed assets as follows:-

Furnishings and equipment	-	25% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis

These rates are calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life. Land valued in the accounts is not depreciated.

**Investment Properties**

The charity classifies land and buildings as investment properties when they are held to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost which comprises purchase price and any directly attributable expenditure. Investments are subsequently remeasured to fair value at each reporting date with changes in fair value recognised in the Statement of Financial Activities. Fair value is assessed by the Trustees on the basis of investment valuations undertaken by qualified external valuers from time to time, yield in the form of income and/or capital appreciation, and market values of similar properties. In accordance with the SORP, depreciation is not provided on investment properties that are held as freehold investment properties.

NOTES to the ACCOUNTS - for the year ended 31 December 2021

**1 Accounting Policies (*continued*)**

**Investments**

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

The charity does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair values at the year end and their carrying value.

**Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Pensions**

The Archdiocese operates a number of defined contribution pension schemes. Contributions to the scheme are charged to the Statement of Financial Activities and represent the contributions payable in the year. The assets of the scheme are held separately from those of the Archdiocese in an independently administered fund.

**Provisions for retired priests**

The Archdiocese accepts the responsibility to assist retired priests where possible under obligations arising from Canon Law.

Amounts paid in respect of these obligations are financed by special collections and the Archdiocesan reserves but are ultimately unfunded. Further details are included in note 24 to the accounts.

A provision is made against the unrestricted funds of the Archdiocese for the priests of the Archdiocese who are retired as described in note 17.

**Fund Accounting**

The nature and purpose of each restricted and designated fund is explained in note 24.

Unrestricted funds represent the funds which the Trustees are free to use in accordance with the charitable objects.

Designated funds are unrestricted funds designated for particular purposes by the Trustees.

Restricted funds are derived from legacies, bequests and donations which were donated for specific purposes. The Trustees may only use these restricted funds for the purpose for which they were given.

Endowment funds are invested in investments, the income from which is used for the normal operation of the charity, and must be spent in accordance with the terms of the endowment.



NOTES to the ACCOUNTS - for the year ended 31 December 2021

<b>2 Donations and legacies</b>	<b>2021</b> £'000	<b>2020</b> £'000
Donations	953	629
Legacies	565	290
Special collections income	152	114
Offertory collections and gift aid	3,843	3,177
Miscellaneous collections and donations	93	143
Grants received – Job Retention Scheme	38	56
Grants received – other	599	322
	<u>6,243</u>	<u>4,731</u>

In 2021 of the income from donations and legacies, £228,000 (2020: £122,000) was attributable to restricted funds, £Nil (2020: £Nil) was attributable to endowment funds, with the balance of £6,015,000 (2020: £4,609,000) contributing to unrestricted funds.

<b>3 Income from charitable activities</b>	<b>2021</b> £'000	<b>2020</b> £'000
Mount Vernon cemetery income	188	191
Church stall	110	97
Chaplaincy income	10	14
Courses and workbook income	49	15
	<u>357</u>	<u>317</u>

In 2021 of the income from charitable activities, £188,000 (2020: £191,000) was attributable to restricted funds, £nil (2020: £Nil) was attributable to endowment funds, with the balance of £169,000 (2020: £126,000) adding to unrestricted funds.

<b>4 Income from other trading activities</b>	<b>2021</b> £'000	<b>2020</b> £'000
Fundraising and parish hall and other property income	426	408
	<u>426</u>	<u>408</u>

In 2021 and 2020, all income from other trading activities was attributable to unrestricted funds.

<b>5 Investment Income</b>	<b>2021</b> £'000	<b>2020</b> £'000
Income from listed investments	591	539
Bank interest receivable	2	12
Other interest receivable	-	4
Rental income from investment properties	467	481
	<u>1,060</u>	<u>1,036</u>

In 2021 of the income from investments, £63,000 (2020: £58,000) was attributable to restricted funds, £40,000 (2020: £45,000) was attributable to endowment funds, with the balance of £957,000 (2020: £933,000) adding to unrestricted funds.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 6 Analysis of staff costs and number and trustee remuneration and expenses.

	Central 2021 £'000	Parish 2021 £'000	Total 2021 £'000	Central 2020 £'000	Parish 2020 £'000	Total 2020 £'000
Staff costs						
Wages and salaries	643	435	1,078	647	377	1,024
Social security costs	56	-	56	54	-	54
Pension costs	25	-	25	26	-	26
	<u>724</u>	<u>435</u>	<u>1,159</u>	<u>727</u>	<u>377</u>	<u>1,104</u>

No employee receives remuneration in excess of £60,000.

Average number of employees for central and parish activities during the year:

	Central 2021 No	Parish 2021 No	Total 2021 No	Central 2020 No	Parish 2020 No	Total 2020 No
Head count	22	58	80	24	45	69
Full-time equivalent	20	18	38	20	15	35

The above numbers include lay men and women and religious sisters who were employed but excludes parish priests. Priests who perform administrative duties for the Archdiocese do not receive remuneration for their services.

During the year there were eleven trustees, with four of these being clergy. The Trustees of the Archdiocese receive no remuneration for their services as Trustees. All of the Trustees who are clergy of the Archdiocese of St Andrews & Edinburgh are housed, remunerated and reimbursed expenses for carrying out their ministry in the same way as other priests of the Archdiocese, in accordance with the Code of Canon Law.

	2021 £	2020 £
Remuneration paid to the Trustees of the Archdiocese during the year was as follows:		
Most Reverend Leo Cushley	3,078	3,060
Right Reverend Monsignor Patrick Burke	3,078	3,060
Very Reverend Monsignor Allan Chambers	3,078	3,060
Reverend Patrick Canon Boylan	3,078	3,060

During the year, the total cost of accommodation and expenses provided and incurred by the clergy Trustees was £183,896 (2020: £171,273).

The key management personnel of the charity comprise the Trustees and a number of managers who work within the offices of the curia. The total remuneration and employment benefits of the key management personnel of the charity during the year was £208,599 (2020: £206,303).

During the year, the Archdiocese purchased insurance to protect the Archdiocese from loss arising from neglect or default of its Trustees and insurance to indemnify the Trustees against the consequences of neglect or default on their part. Those Trustees who are members of the clergy are entitled to assistance in their retirement as detailed in note 24.

## 7 Costs of raising funds

	2021 £'000	2020 £'000
Investment management fees	88	78
Parish fundraising costs	40	42
	<u>128</u>	<u>120</u>

In 2021, £74,000 (2020: £66,000) of investment management costs were attributable to unrestricted funds, £5,000 (2020: £4,000) were attributable to restricted funds, and £9,000 (2020: £8,000) were attributable to endowment funds.

Parish fundraising costs were all unrestricted in both 2021 and 2020.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

8 Charitable activities	2021 £'000	2020 £'000
<b>Direct charitable activities - Parish</b>		
Special collections remitted outwith the Archdiocese	90	28
Travel and car expenses	157	123
Repairs and renovations	1,267	1,568
Church costs	836	906
Hall costs	165	184
Priests' house costs	857	780
Insurance	229	200
Clergy & staff salaries and national insurance	656	732
Retreats and courses	62	60
Donations	76	139
	<b>4,395</b>	<b>4,720</b>
<b>Support costs of charitable activities - Parish</b>		
Depreciation and impairment	183	177
Professional and legal fees	74	47
Office and stationery	186	199
Interest payable	7	9
Miscellaneous	4	25
	<b>454</b>	<b>457</b>
<b>Total parish charitable activities</b>	<b>4,849</b>	<b>5,177</b>

In 2021, of the total expenditure on parish charitable activities £4,759,000 (2020: £5,149,000) was expenditure from unrestricted funds and £90,000 (2020: £28,000) was expenditure from restricted funds.

Central funds charitable activities	2021 £'000	2020 £'000
<b>Direct charitable activities</b>		
Staff salaries and national insurance	101	100
Education of priests and students	172	221
Mission fund expenses	10	10
Grants paid (note 10)	32	7
Special collections	76	83
Religious education and chaplaincies	70	62
Mount Vernon cemetery costs	40	61
	<b>501</b>	<b>544</b>
<b>Support costs of charitable activities</b>		
Curial administration expenses	210	225
Curial property expenses	158	130
Depreciation and impairment	47	25
Care of sick and retired priests	390	370
Contribution to national assessments	76	86
Staff salaries and national insurance	633	627
Governance costs (see note 11)	38	29
Provision for doubtful debts	-	103
	<b>1,552</b>	<b>1,595</b>
<b>Total central funds charitable activities</b>	<b>2,053</b>	<b>2,139</b>
<b>Total of charitable activity expenditure</b>	<b>6,902</b>	<b>7,316</b>

In 2021, the central funds charitable activities comprised: £1,309,000 (2020: £1,300,000) of unrestricted fund expenditure and £744,000 (2020: £839,000) of restricted & endowment fund expenditure.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 9 Analysis of charitable expenditure

	2021 £'000	2020 £'000
Advancement of Religion	3,721	4,029
Advancement of Education	1,893	1,953
Relief of Poverty	776	801
Cure/alleviation of sickness/disease	512	533
	<u>6,902</u>	<u>7,316</u>

Charitable activities include the direct costs of carrying out the charitable activities, along with the support costs. Support costs, where possible, have been apportioned between the associated charitable activities on the basis of estimated time spent on each activity. Otherwise support costs have been allocated to the four principal charitable objectives based on the following percentages determined by the trustees; Advancement of Religion 40% (2020: 40%), Advancement of Education 35% (2020: 35%), Relief of Poverty 15% (2020: 15%) and Cure/alleviation of sickness/disease 10% (2020: 10%). These percentages have been reviewed for reasonableness by the Trustees.

The charity also undertakes some of its charitable activities through grant making, as set out in note 10.

## 10 Grants Paid

	2021 £'000	2020 £'000
The amounts payable in the year, which are included within charitable activities, comprise:		
Fertility Care Scotland	3	2
Refugee Survival Trust	-	2
Survivors of Human Trafficking in Scotland	-	3
St Vincent de Paul – Caravan Project	7	-
St Vincent de Paul – Furniture Project	7	-
Stanton Healthcare	15	-
<b>Total Grants Paid (note 8)</b>	<u>32</u>	<u>7</u>

## 11 Governance costs

	2021 £'000	2020 £'000
Statutory audit fees	<u>38</u>	<u>29</u>

The remuneration paid to the auditor in respect of taxation advisory services amounted to £2,460 (2020: £1,500), and other services £9,690 (2020: £12,016).

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 12 Tangible Fixed Assets

	Investment Properties £'000	Land and Heritable Properties £'000	Furnishings and Equipment £'000	Motor Vehicles £'000	Total £'000
<b>Cost or valuation</b>					
Balance brought forward	7,171	17,044	1,987	623	26,825
Additions	-	149	39	71	259
Disposals	-	-	-	(100)	(100)
Balance carried forward	7,171	17,193	2,026	594	26,984
<b>Depreciation and impairment</b>					
Balance brought forward	-	(1)	(1,113)	(516)	(1,630)
Charge for the year	-	(22)	(143)	(66)	(231)
Disposals	-	-	-	89	89
Balance carried forward	-	(23)	(1,256)	(493)	(1,772)
<b>Net Book Value</b>					
As at 31 December 2021	7,171	17,170	770	101	25,212
As at 31 December 2020	7,171	17,043	874	107	25,195

Investment properties were last independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2013 on the basis of open market value. The historic cost of the investment properties is £2,147,708 (2020: £2,147,708). In the opinion of the Trustees, having assessed the market for similar properties, the fair value of the investment properties as at 31 December 2021 is not materially different from the open market values provided by the external valuer at 31 December 2013.

The Archdiocese owns St Mary's Cathedral together with a large number of properties throughout the 72 parishes. Most of the buildings are regarded as inalienable or historic assets, and while functional, no reliable cost information is available nor conventional valuation techniques possible. As a result, these properties are therefore excluded from the values above.

The heritable property portfolio was independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2013 for impairment review purposes and to inform the Trustees on current values. Having reviewed the investment and heritable property portfolio the Trustees are of the view that there is no significant difference in the carrying value of these properties at 31 December 2021.

## 13 Heritage Assets

	Parishes £'000	Central £'000	Total £'000
<b>Valuation</b>			
At 1 January 2021 and at 31 December 2021	689	364	1,053

There were no additions or disposals of heritage assets in the last five years.

The Trustees consider the following to fall within the definition of heritage assets under the SORP on the basis that they contribute to knowledge and culture through their retention and use, and are accessible to the public for viewing and/or research.

## Artworks and artefacts and historic treasures

The Archdiocese is in possession of a variety of artworks, artefacts and historic treasures which have been commissioned or donated to the Diocese and Parishes over many years; and are held for both their historical and artistic significance. Their significance derives from association with the history of the Archdiocese, the Roman Catholic Church in Scotland, or Scottish art in general.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

13 Heritage Assets (*continued*)

The Trustees have assessed where practicable the charity's heritage assets and have accounted for these assets where, in their opinion, reliable values are available. Other items identified have not been included because the Trustees consider that no reliable values can be attributed. The definition of heritage assets also excludes fixed assets held for functional purpose such as religious worship and as a result, altars, tabernacles, relics, vestments and crucifixes are not included in the above value.

## Management, preservation, valuation

Departments within the Archdiocesan Curia advise the Trustees and have responsibility for ensuring that the heritage assets are appropriately catalogued, maintained in good condition and covered by insurance. The condition and completeness of the heritage assets is reviewed periodically and is ongoing and reasonable access to the public is available on request. It is not the general policy of the Diocese to dispose of heritage assets and acquisitions are not currently made.

The heritage assets were valued in accordance with the accounting policies in note 1 as at 31 December 2021.

## 14 Investments

	2021 £'000	2020 £'000
Fair value at beginning of year	17,430	17,751
Additions at cost	17,276	1,579
Disposal proceeds	(18,919)	(2,067)
Realised gains	301	28
Unrealised gains	1,623	139
Fair value at end of year	17,711	17,430
Cash held for re-investment	2,277	719
	19,988	18,149
Cost at 31 December 2021	14,273	12,736

All investments are listed and dealt on a recognised stock exchange.

Investments at fair value comprised:

	2021 £'000	2020 £'000
Investments held in the UK	9,213	11,674
Investments held out with the UK	8,498	5,756
	17,711	17,430

The investment portfolios include the following holdings which are greater than 5% of the portfolio valuation.

	2021 £'000	2020 £'000
SRI Fund for Charities	-	3,247

All investments are carried at their fair value. Investments in equities and fixed securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial stability of the charity is considered in the financial review and investment policy sections of the Trustees' Report.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

14 Investments (*continued*)

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility yield. Markets fell during the year, with some volatility along the way, arising mainly from the impact of the pandemic on the world economy, the development of US policy under a new president and uncertainty over the UK's relationship with the EU. The Archdiocese continues to take a long-term approach to its investment holdings as markets react to political and economic events in the short term.

The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

15 Debtors	2021 £'000	2020 £'000
Trade debtors	21	14
Other debtors	1,027	744
	<u>1,048</u>	<u>758</u>
16 Creditors: amounts due within one year	2021 £'000	2020 £'000
Accruals and other creditors	263	268
Taxation and social security	20	15
	<u>283</u>	<u>283</u>
17 Liabilities: amounts due after more than one year	2021 £'000	2020 £'000
Liability for financial support of retired priests as at 1 January and 31 December	4,300	4,300

The Archdiocese has an obligation to provide financial support to its retired priests. The charity provides for this within its accounts on the basis of an actuarial valuation obtained from professional advisors of the total obligation that exists for those priests that were retired at 31 December 2021 of £4,300,000 (2020: £4,300,000).

The most recent formal actuarial valuation was undertaken during 2018, on values as at 31 December 2017. The actuarial valuation will be updated during 2022. The valuation showed assessed costs of paying retirement allowances in the future of £17.7m. This figure has been analysed further, as follows:

Costs for Priests who have retired - £3.1m for current allowances plus £1.2m inflation = £4.3m  
Cost for past service of working priests - £5.9m for current allowances plus £1.7m inflation = £7.6m  
Cost for future service of working priests - £4.6m for current allowances plus £1.2m inflation = £5.8m

The £17.7m figure can be summarised as £9m for past service and £8.7m for future service and future inflation.

On an ongoing basis (each year) funding is required to cover the additional year of service of all active priests. The new funding model agreed in 2021 through consultation with parishes will use an annual assessment based on income to raise the funding required to cover the annual contribution for active priests. This will address the £8.7m future service cost, year by year, to prevent increases in the deficit (see below).

At 31 December 2021 the assets of the AICF (Priests Retirement Fund) were £1,887,000 (note 20). Therefore additional funding of £6,813,000 is required to reach 100% funding of the £8,700,000 past service obligation (this is the deficit). The aim is to reduce this deficit over time through donations, legacies and additional contributions from parishes where possible.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 18 Endowment and Restricted Funds

	Balance at 1 January 2021	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds	1,938	40	(9)	-	(11)	183	2,141
<b>Central Restricted Funds:</b>							
Special collections	183	2	(45)	40	(7)	-	173
Care Fund	172	2	(3)	3	-	-	174
Ecclesiastical Educ'n	-	30	(172)	6	136	-	-
AICF (Clergy Retirem't)	1,489	68	(370)	635	-	65	1,887
Taggart Bursary	133	-	-	-	-	-	133
Rev J C Barry Trust	16	-	-	-	-	-	16
Vocations	85	1	-	1	-	-	87
SPRED	19	-	-	-	-	-	19
Mission fund	720	15	(10)	-	-	82	807
Sick Priests fund	57	-	-	-	-	-	57
Margaret Sinclair fund	156	3	(5)	-	-	17	171
Friendly Society	54	-	(3)	-	-	-	51
Farquharson fund	17	-	-	-	-	-	17
Stipend fund	3	-	-	-	-	-	3
Mount Vernon	857	206	(141)	-	-	76	998
Pro-Life	1	-	-	-	-	-	1
Total central restricted funds	3,962	327	(749)	685	129	240	4,594
<b>Parish restricted funds, including Special Collections:</b>							
Tfr'd to central funds	-	53	-	(53)	-	-	-
Other spl colls	-	90	(90)	-	-	-	-
Other rest'd funds	23	9	-	-	-	-	32
Total parish restricted funds	23	152	(90)	(53)	-	-	32

Details of the individual funds are set out in note 24.

## 19 Unrestricted Funds

	Balance at 1 January 2021	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2021
<b>Designated:-</b>							
Inv. Prop. Maint. Fund	167	-	-	-	-	-	167
Heritable prop. gains	93	-	-	-	-	-	93
	260	-	-	-	-	-	260
<b>Other unrestricted:</b>							
Central general fund	10,243	1,212	(1,383)	487	(118)	1,498	11,939
Central reval'n fund	3,920	-	-	-	-	-	3,920
Total central unrestricted funds	14,423	1,212	(1,383)	487	(118)	1,498	16,119
Parish unrestricted Funds	32,446	7,197	(4,800)	(1,119)	-	3	33,727

Details of the individual funds are set out in note 24.



## 20 Analysis of Net Assets between Funds

	Tangible Fixed Assets £'000	Heritage Assets £'000	Investments £'000	Net Current Assets/ (Liabilities) £'000	Total £'000
<b>Central endowment funds</b>	-	-	1,821	320	2,141
<b>Central restricted funds:</b>					
Special collections	-	-	-	173	173
Care Fund	-	-	-	174	174
Ecclesiastical students fund	-	-	-	-	-
Aged and Infirm Clergy Fund	150	-	713	1,024	1,887
Taggart Bursary	-	-	-	133	133
Rev. J C Barry Trust	-	-	-	16	16
Vocations	-	-	-	87	87
SPRED	-	-	-	19	19
Mission Fund	-	-	776	31	807
Sick Priests Fund	-	-	50	7	57
Margaret Sinclair	-	-	163	8	171
Friendly Society	-	-	-	51	51
Farquharson Fund	-	-	-	17	17
Stipend Fund	-	-	-	3	3
Mount Vernon	-	-	717	281	998
Pro-Life	-	-	-	1	1
	150	-	2,419	2,025	4,594
<b>Parish restricted funds</b>	-	-	-	32	32
<b>Unrestricted Funds:</b>					
<b>Designated Funds:</b>					
Investment Property Maintenance Fund	-	-	-	167	167
Gains on sale of Heritable Property	-	-	-	93	93
	-	-	-	260	260
<b>Other unrestricted funds:</b>					
Central general fund	4,593	-	15,711	(8,365)	11,939
Central revaluation fund	3,556	364	-	-	3,920
<b>Total central unrestricted funds</b>	8,149	364	15,711	(8,105)	16,119
<b>Total parish unrestricted funds</b>	16,913	689	37	16,088	33,727
<b>Total funds</b>	25,212	1,053	19,988	10,360	56,613

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 21 Endowment and Restricted Funds – movements in 2020

	Balance at 1 January 2020	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Endowment funds	1,667	45	(8)		215	19	1,938
<b>Central restricted funds:</b>							
Special collections	179	-	(88)	46	46	-	183
Care Fund	165	-	(2)	9	-	-	172
Ecclesiastical Educ'n	162	-	(220)	6	52	-	-
AICF (Clergy Retirem't)	1,522	36	(354)	113	180	(8)	1,489
Taggart Bursary	133	-	-	-	-	-	133
Rev J C Barry Trust	16	-	-	-	-	-	16
Vocations	84	-	-	1	-	-	85
SPRED	19	-	-	-	-	-	19
Mission fund	679	14	(11)	-	-	38	720
Sick Priests fund	57	1	(1)	-	-	-	57
Margaret Sinclair fund	157	4	(5)	-	-	-	156
Friendly Society	54	-	-	-	-	-	54
Farquharson fund	17	-	-	-	-	-	17
Stipend fund	2	1	-	-	-	-	3
Mount Vernon	784	200	(162)	-	-	35	857
Pro-Life	-	1	-	-	-	-	1
Total central restricted funds	4,030	257	(843)	175	278	65	3,962

**Parish restricted funds, including Special Collections:**

Tfr'd to central funds	-	86	-	(86)	-	-	-
Other spl colls	-	28	(28)	-	-	-	-
Other rest'd funds	23	-	-	-	-	-	23
Total parish restricted funds	23	114	(28)	(86)	-	-	23

Details of the individual funds are set out in note 24.

## 22 Unrestricted Funds – movements in 2020

	Balance at 1 January 2020	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2020
<b>Designated:-</b>							
Inv. Prop. Maint. Fund	167	-	-	-	-	-	167
Heritable prop. gains	93	-	-	-	-	-	93
	260	-	-	-	-	-	260
<b>Other unrestricted:</b>							
Central general fund	10,237	1,134	(1,366)	648	(493)	83	10,243
Central reval'n fund	3,920	-	-	-	-	-	3,920
Total central unrestricted funds	14,417	1,134	(1,366)	648	(493)	83	14,423
Parish unrestricted Funds	33,411	4,967	(5,195)	(737)	-	-	32,446

Details of the individual funds are set out in note 24.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 23 Analysis of Net Assets between Funds – comparative figures for 2020

	Tangible Fixed Assets £'000	Heritage Assets £'000	Investments £'000	Net Current Assets/ (Liabilities) £'000	Total £'000
<b>Central endowment funds:</b>	-	-	1,643	295	1,938
<b>Central restricted funds:</b>					
Special collections	-	-	-	183	183
Care Fund	-	-	-	172	172
Ecclesiastical students fund	-	-	-	-	-
Aged and Infirm Clergy Fund	150	-	657	682	1,489
Taggart Bursary	-	-	-	133	133
Rev. J C Barry Trust	-	-	-	16	16
Vocations	-	-	-	85	85
SPRED	-	-	-	19	19
Mission Fund	-	-	690	30	720
Sick Priests Fund	-	-	50	7	57
Margaret Sinclair	-	-	147	9	156
Friendly Society	-	-	-	54	54
Farquharson Fund	-	-	-	17	17
Stipend Fund	-	-	-	3	3
Mount Vernon	-	-	641	216	857
Pro-Life	-	-	-	1	1
	150	-	2,185	1,627	3,962
<b>Parish restricted funds</b>	-	-	-	23	23
<b>Unrestricted Funds:</b>					
<b>Designated Funds:</b>					
Investment Property Maintenance Fund	-	-	-	167	167
Gains on sale of Heritable Property	-	-	-	93	93
	-	-	-	260	260
<b>Other Unrestricted Funds:</b>					
Central general fund	4,467	-	14,287	(8,511)	10,243
Central revaluation fund	3,556	364	-	-	3,920
Total central unrestricted funds	8,023	364	14,287	(8,251)	14,423
Total parish unrestricted funds	17,022	689	34	14,701	32,446
<b>Total funds</b>	25,195	1,053	18,149	8,395	52,792

## 24 Summary of Archdiocesan Funds

**Endowment Funds (Restricted Funds where income can be spent, but capital must be retained / invested)**

- These funds have been given to the Archdiocese for the exclusive benefit of certain clearly defined specific purposes, relating to the charity's general charitable objectives.

**Other Restricted Funds (each fund can only be used for the stated purpose)**

- Special Collections  
These funds represent the balance of collections taken up in the parishes of the Archdiocese for particular causes due to be remitted as at the year end.
- Care Fund  
This fund is used to provide grants to further the charitable objectives of the Archdiocese.
- Ecclesiastical Education Fund  
This fund relates to the training of students for the priesthood.

NOTES to the ACCOUNTS - for the year ended 31 December 2021

**24 Summary of Archdiocesan Funds (*continued*)**

- 5 Aged and Infirm Clergy Fund  
This fund is for the care and support of clergy who have retired from active service due to age or ill-health.
- 6 Taggart Bursary  
This fund is to be used for four Edinburgh students in Rome or Spain to study at the Scots College.
- 7 Rev J C Barry Trust  
To send Edinburgh students to the Holy Land, preferably to study on a recognised course.
- 8 Mount Vernon Fund  
This fund is to be used for the maintenance of Mount Vernon Cemetery in Edinburgh.
- 9 Vocations Fund  
This fund is to be used to meet expenses incurred in promoting vocations to the priesthood.
- 10 SPRED  
To provide assistance to allow disabled people to take their rightful place in the parish community.
- 11 Mission Fund  
This fund is to be used for the benefit of Archdiocesan clergy and works in tandem with the Friendly Society fund. The Mission fund is for the advancement of religion through the provision of support to priests who are qualifying beneficiaries, to assist them with the fulfilment of their active missionary work within the Archdiocese or elsewhere, and for the relief of priests who are qualifying beneficiaries who have some particular need for additional funds or resources.
- 12 Sick Priests Fund  
This fund is to be used for the convalescence of sick priests.
- 13 Margaret Sinclair Fund  
This fund is for costs incurred in pressing the case for Margaret Sinclair to become canonised.
- 14 Friendly Society  
Operated in tandem with the Mission Fund, the Friendly Society holds a discretionary fund for the advancement of religion through the provision of financial support to priests who are qualifying beneficiaries, or for the relief of priests who are qualifying beneficiaries who may have some particular need for additional funds or resources.
- 15 Farquharson Fund  
For the relief of retired priests who have been incardinated in the Archdiocese, and who have worked in the Archdiocese or who have worked abroad, and/or for purposes that reflect those of the Aged and Infirm clergy fund.
- 16 Stipend Fund  
This fund is used for redistribution of stipend money.

***Designated Funds (Unrestricted Funds which are separately recognised – as described below)***

- 17 Development Fund  
This fund represented amounts set aside for development projects, which have been completed and the remaining funds returned to unrestricted reserves in 2020, as shown in note 22.
- 18 Gains on Sale of Heritable Properties  
The accumulated net gains realised on the disposal of property for future property costs.
- 19 Investment Property Maintenance Fund  
This fund represents disposal proceeds from the sale of Investment Properties. These monies to be retained to finance refurbishment and repair of other properties.

***(Other) Unrestricted Funds***

- 20 Other Unrestricted Funds  
Funds which are not Restricted or Designated (as above), which can be used at the discretion of the Trustees to further the objectives of the Archdiocese (the "Charitable Objects").

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## 25 Pension commitments

The Archdiocese operates a number of defined contribution pension schemes for employees. The assets of these schemes are held separately from those of the Archdiocese in independently administered funds. The pension cost charge represents contributions payable by the Archdiocese to the funds and amounted to £25,000 in the year (2020: £26,000).

The liability and expense are allocated to the activities and funds of the charity in line with other staff costs as set out in notes 1 and 9.

## 26 Capital and major repairs commitments

2021	2020
£'000	£'000

Amount committed, but not provided in the accounts	292	260
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The above commitments are shown net of grant funding to be received.

## 27 Reconciliation of net income to net cash outflow from operating activities

2021	2020
£'000	£'000

Net income / (expenditure) for the year	3,821	(756)
Interest and investment income	(1,060)	(1,036)
Depreciation and impairment	231	203
(Gain) / Loss on investments	(1,924)	(167)
(Gain) / Loss on disposal of other fixed assets	(842)	(20)
(Increase) / decrease in debtors	(290)	14
(Decrease) in creditors	-	(2)

Net cash used in <u>operating</u> activities	(64)	(1,764)
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## 28 Contingent liability

In accordance with its responsibilities under Canon Law the Archdiocese provides accommodation and living cost allowances to retired former priests of the Archdiocese, through the operation of the restricted fund for the Aged and Infirm Clergy ("AICF" (Priests Retirement Fund). The liability to pay allowances to Priests who are already retired of £4.3m is shown in note 17. No provision has been made in these accounts for the support that will be given to priests who are not yet retired.

For the year ended 31 December 2021 the total expenditure on support and care of the Aged and Infirm Clergy amounted to £390,000 (2020: £370,000).

Like many similar organisations the Archdiocese is subject to potential claims, however the financial risk cannot be reliably quantified at this stage and no provision has been made in these financial statements.

## 29 Related party transactions

## Trustees

During the year there were four Trustees of the Archdiocese who are members of the clergy, and who, as either Parish Priests or Archbishop, are provided with accommodation and re-imbursed with expenses in the performance of their duties as Parish Priest or Archbishop.

Archbishop Cushley and Monsignor Chambers, who are Trustees of the Archdiocese of St Andrews & Edinburgh, are also Trustees of the John Menzies of Pitfodels Trust (Charleston Estate), from which the Archdiocese receives a grant each year. The amount of grant received from the Charleston Estate in the year ended 31 December 2021 was £300,000 (2020: £302,500).

## 30 Post balance sheet events

As noted in the Trustees report (on page 4) during 2021 the activities of the church were disrupted by the Covid 19 pandemic, since the year end, covid restrictions have been removed and activity in churches has been taking steps back to normality.

**NOTES to the ACCOUNTS - for the year ended 31 December 2021**  
**Appendix 1**

**DETAILED INCOME and EXPENDITURE ACCOUNT**

	<b>Total 2021 £'000</b>	<b>Total 2020 £'000</b>	<b>Total 2019 £'000</b>
<b>Income</b>			
Investment income	1,060	1,036	1,080
Special collections income	152	114	489
Legacies	565	290	367
Donations	953	629	566
Offertory collections and gift aid	3,843	3,177	4,376
Fundraising and hall rental	426	408	1,028
Church stall	110	97	288
Grants received	484	378	618
Miscellaneous	246	143	143
Mount Vernon cemetery income	188	191	169
Chaplaincy income	10	14	9
Courses and workbooks	49	15	10
Gain on disposal of fixed assets	842	25	125
<b>Total income</b>	<b>8,928</b>	<b>6,517</b>	<b>9,268</b>
<b>Expenditure</b>			
<u>Direct charitable expenditure:</u>			
Staff costs	757	832	897
Special collections and donations	242	250	429
Education of priests and students	172	220	145
Grants paid	32	7	41
Mount Vernon cemetery costs	40	61	73
Property expenses	3,354	3,639	4,233
Religious education, chaplaincies and pastoral activities	70	62	59
Retreats and courses	62	60	163
Mission costs	10	10	11
Travel and car expenses	157	123	195
<u>Support costs of charitable activities:</u>			
Staff costs	633	627	581
Care of sick and retired priests	390	370	446
Contributions to national assessments	76	86	161
Miscellaneous	4	25	11
Administration expenses	284	272	361
Office and stationery	186	198	211
Property expenses	158	130	173
Depreciation and impairment	230	203	192
Interest payable	7	9	12
Loss on disposal of fixed assets	1	4	5
Provision for doubtful debts	-	103	-
<u>Costs of generating funds</u>			
Investment managers' fees	88	78	81
Fundraising and church stall costs	40	42	115
<u>Governance costs</u>	<b>38</b>	<b>29</b>	<b>40</b>
<u>Provision for retired priests</u>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total expenditure</b>	<b>7,031</b>	<b>7,440</b>	<b>8,635</b>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>	<b>1,897</b>	<b>(923)</b>	<b>633</b>

## Appendix 2

## DETAILED BALANCE SHEET

As at 31 December 2021

	Parish	Central Funds	Sub-total	Removed on consol.	2021	2020
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Fixed assets</b>						
Tangible fixed assets	16,913	8,299	25,212	-	25,212	25,195
Heritage assets	689	364	1,053	-	1,053	1,053
Investments	37	19,951	19,988	-	19,988	18,149
Total fixed assets	17,639	28,614	46,253	-	46,253	44,397
<b>Current assets</b>						
Other debtors	759	342	1,101	(53)	1,048	758
Loans to parishes	-	361	361	(361)	-	-
Loans to Central Funds	7,707	-	7,707	(7,707)	-	-
Cash at bank	9,443	4,452	13,895	-	13,895	12,220
Total current assets	17,909	5,155	23,064	(8,121)	14,943	12,978
<b>Liabilities</b>						
Creditors: amounts due within one year						
Other creditors	(180)	(156)	(336)	53	(283)	(283)
Loans from parishes	-	(4,443)	(4,443)	4,443	-	-
Loans from Central Funds	(1,609)	-	(1,609)	1,609	-	-
Total current liabilities	(1,789)	(4,599)	(6,388)	6,105	(283)	(283)
Net current assets/(liabilities)	16,120	556	16,676	(2,016)	14,660	12,695
Creditors: amounts falling due after one year						
Loans from parishes	-	(3,264)	(3,264)	3,264	-	-
Liabilities and charges	-	(4,300)	(4,300)	-	(4,300)	(4,300)
Net assets	33,759	21,608	55,365	1,248	56,613	52,792
<b>Funds of the charity:</b>						
Central endowment funds	-	2,141	2,141	-	2,141	1,938
Central restricted funds	-	4,594	4,594	-	4,594	3,962
Central unrestricted funds	-	11,091	11,091	1,108	12,199	10,503
Central unrestricted – revaluation	-	3,780	3,780	140	3,920	3,920
Parish restricted	32	-	32	-	32	23
Parish unrestricted	33,727	-	33,727	-	33,727	32,446
Total charity funds	33,759	21,606	55,365	1,248	56,613	52,792

Balances between Parishes and Central Funds are eliminated for the purposes of the full Archdiocesan balance sheet on page 17.

## NOTES to the ACCOUNTS - for the year ended 31 December 2021

## Appendix 3

## Reformatted Statement of Financial Activities (transfers shown before gains and losses)

For the year ended 31 December 2021

	Notes	Parishes			Central Funds				2021 Total Funds	2020 Total Funds
		Un- restricted Funds	Restricted Funds	Total Funds	Un- restricted Funds	Restricted Funds	Permanent Endowment Funds	Total Funds		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£000
<b>INCOME FROM:</b>										
Donations and legacies	2	5,651	152	5,803	364	76	-	440	6,243	4,731
Charitable activities	3	120	-	120	49	188	-	237	357	317
Other trading activities	4	426	-	426	-	-	-	-	426	408
Investments	5	161	-	161	796	63	40	899	1,060	1,036
Gains on disposal of Fixed assets		839	-	839	3	-	-	3	842	25
<b>TOTAL INCOME</b>		<b>7,197</b>	<b>152</b>	<b>7,349</b>	<b>1,212</b>	<b>327</b>	<b>40</b>	<b>1,579</b>	<b>8,928</b>	<b>6,517</b>
<b>EXPENDITURE ON:</b>										
Raising funds	7	(40)	-	(40)	(74)	(5)	(9)	(88)	(128)	(120)
Charitable activities	8, 9, 10	(4,759)	(90)	(4,849)	(1,309)	(744)	-	(2,053)	(6,902)	(7,316)
Loss on disposal of fixed assets		(1)	-	(1)	-	-	-	-	(1)	(4)
<b>TOTAL EXPENDITURE</b>		<b>(4,800)</b>	<b>(90)</b>	<b>(4,890)</b>	<b>(1,383)</b>	<b>(749)</b>	<b>(9)</b>	<b>(2,141)</b>	<b>(7,031)</b>	<b>(7,440)</b>
<b>Net income/ (expenditure) before transfers</b>		<b>2,397</b>	<b>62</b>	<b>2,459</b>	<b>(171)</b>	<b>(422)</b>	<b>31</b>	<b>(562)</b>	<b>1,897</b>	<b>(923)</b>
<b>Transfers between funds:</b>										
Parish Assessment, levies and special collections	18, 19	(1,119)	(53)	(1,172)	487	685	-	1,172	-	-
Central Funds					(118)	129	(11)	-	-	-
<b>Net income/ (expenditure) after transfers</b>		<b>1,278</b>	<b>9</b>	<b>1,287</b>	<b>198</b>	<b>392</b>	<b>20</b>	<b>610</b>	<b>1,897</b>	<b>(923)</b>
Gain on disposal of investment property		-	-	-	-	-	-	-	-	-
Realised gains/(losses) on investments		-	-	-	231	49	21	301	301	28
Unrealised gains/ (losses) on investments	14	3	-	3	1,267	191	162	1,620	1,623	139
<b>NET MOVEMENT IN FUNDS</b>		<b>1,281</b>	<b>9</b>	<b>1,290</b>	<b>1,696</b>	<b>632</b>	<b>203</b>	<b>2,531</b>	<b>3,821</b>	<b>(756)</b>
<b>Reconciliation of funds:</b>										
Total funds brought forward	18, 19, 20 21, 22, 23	32,446	23	32,469	14,423	3,962	1,938	20,323	52,792	53,548
<b>Total funds carried forward</b>	18, 19, 20	<b>33,727</b>	<b>32</b>	<b>33,759</b>	<b>16,119</b>	<b>4,594</b>	<b>2,141</b>	<b>22,854</b>	<b>56,613</b>	<b>52,792</b>