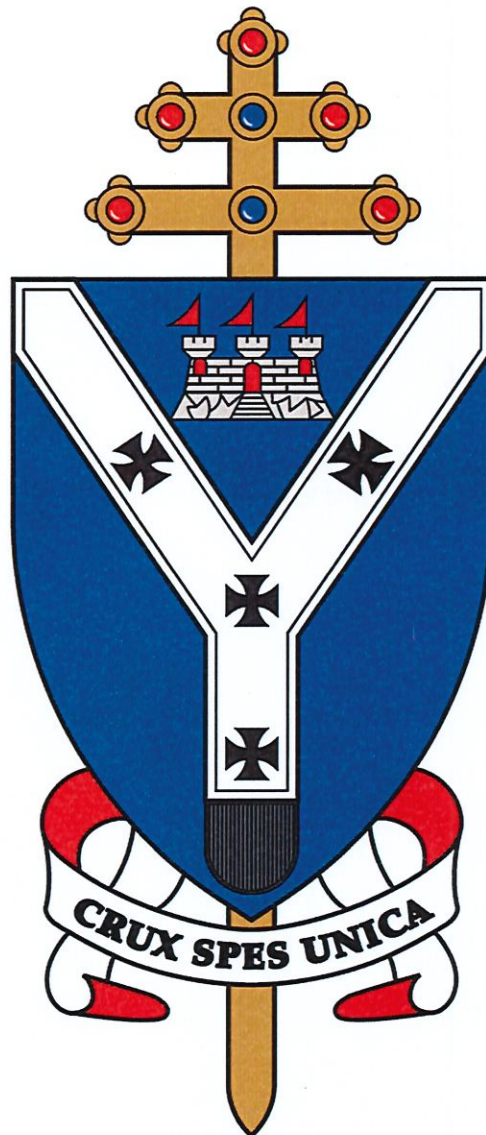


# ARCHDIOCESE OF ST ANDREWS & EDINBURGH

## ANNUAL REPORT and ACCOUNTS

For the year ended 31 December 2022



*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 2022**

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TRUSTEES' REPORT – for the year ended 31 December 2022

The Trustees present their report and accounts for the year ended 31 December 2022.

**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 72 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**

During 2022 the Church congregations and the Curia, largely returned to pre-pandemic ways of doing things.

Services are now 'in-person' with some parishioners also live streaming. Online tools are now used by exception, when they are the most effective approach for individual meetings or courses.

It was very encouraging that more events took place during 2022, as described in 3.2 to 3.5 below.

It was also very positive that Parish offertory income increased from £3.2m in 2021 to 3.7m in 2022, which is the level that was seen in 2018.

The estimated weekly Sunday Mass attendance across the Archdiocese during 2022 was around 17,351 (2021 – 18,505). During 2022 there were 1,003 Baptisms (2021: 931) and 183 Marriages (2021: 161); there were no seminarians ordained to the Priesthood and no ordinations of Permanent Deacons during 2022, with 4 seminarians in training for the priesthood and 2 training for the permanent diaconate, at the end of 2022.

**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.

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.

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### TRUSTEES' REPORT – for the year ended 31 December 2022

#### 3.2. Education

The Archdiocese partners with local government and families in 10 Catholic high schools and 69 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, wider curricular topics and equality and inclusion. The courses were offered both in-person and online.

The team met with school chaplains, head teachers, principal teachers and co-ordinators of religious education, and council officials regularly to discuss a variety of topics, for example, the church approval process, recruitment and the religious education curriculum.

The team prepared national materials that were used by both primary and secondary schools to mark Catholic Education Week, prepared and led bespoke CLPL at the request of schools, and prepared Advent and Lenten services for teachers. During the year we led a working group of teachers to prepare new lesson planners for the primary religious education programme and enjoyed joining a number of school communities for special celebrations such as Feast Day Masses.

#### 3.3. Practical Charity

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) resumed its activities following the Covid-19 pandemic and continues to hold in-person groups throughout the Archdiocese, some at its dedicated centre in George Square, and others in parish settings. Currently, nine groups are operating, with the potential to increase the membership of each group and the overall number of groups should development work be undertaken. Sadly, during the pandemic, some friends and catechists fell ill and died. The groups have been re-organised in order to ensure viability. SPRED is dedicated to supporting children and adults with additional support needs to learn about their faith and to participate in its practice.

#### 3.4. 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. All these events are advertised and promoted in parishes, on the website and via Social media.

During 2022 a number of events and courses were offered throughout the Archdiocese in person and by Zoom, including:

- A series of talks on Amoris Laetitia by Zoom
- Music Day at Gillis
- A series of talks on St Augustine's Confessions by Zoom
- Called and Gifted Workshop at Gillis
- Making Disciples Seminar at Gillis
- Series of Lenten talks on St Paul's Writings by Zoom
- Reflection Day at Gillis for diploma students at Gillis

TRUSTEES' REPORT – for the year ended 31 December 2022

Five Day training course on the Catechesis of the Good Shepherd at St Columba's, Edinburgh  
Altar Servers' Day at Gillis  
Day for Readers at Gillis  
Day for Musicians and Choirs at Gillis  
Advent Talks by Zoom

The Marriage & Family Commission currently has 8 members meeting every two months. During 2022, six marriage preparation courses were delivered mostly online via Zoom. The last course of the year in November saw a welcome return to running the course in-person. The six courses were attended by a total of 95 couples.

In March and April we held two Holy Hours for married and engaged couples led by Archbishop Cushley and Anton & Angela Colella respectively. In May, the Commission organised a marriage retreat day at the Gillis Centre led by Brian and Maureen Devine. Also in May we celebrated our popular Mass for Married and Engaged Couples at the Cathedral with the Archbishop presiding.

The Commission worked with the Communications Director to continue posting 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. At the time of the 10th World Meeting of Families in Rome in June we organised a Family Day at the Gillis Centre in collaboration with the Servidora Sisters from Lochgelly as our response to the Holy Father's call to dioceses to organise local events to coincide with the main event in Rome.

During Lent and Advent, the Pro-Life Office organised rosaries with pro-life reflections given by clergy of the Archdiocese. Paul Atkin gave an online talk titled, 'A Consistent Life Ethic – what is Pro-Life?' On 28th December, the Innocents Mass was again held 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 Society for the Protection of Unborn Children (SPUC) White Flower parish appeal for our Archdiocese drawing on the pro-life network to supply speakers. During the year some progress has been made in piloting the Tiny Feet education programme in some of our schools. In 2022 we sponsored four students to attend the SPUC Annual Youth and Student Conference.

### 3.5. Archdiocese events

Our events continue to supplement the core work of the Archdiocese by offering spiritual and practical guidance on different aspects of the Catholic Faith. They include pilgrimages, workshops and days of reflection and are nearly always free. The Archdiocese continues using the Zoom platform to offer a range of online events, mainly spiritual talks which offer a Q&A for participants. The majority of online talks are and made available on the YouTube channel of the Archdiocese ([bit.ly/ArchYouTube](https://bit.ly/ArchYouTube)).

#### *Diploma in Catechetics (January to December 2022, online)*

Building upon the successful first year of this course, 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 Diploma is run by Sr Anna Marie RSM, the catechetics advisor for the Archdiocese.

#### *Synod Meetings (January to March 2022, various locations,)*

The Archdiocese invited all Catholics to attend Synod meetings that were held from January to March 2022. These were held for each of the five deaneries and supplemented by a Holy Hour to help people prepare the week ahead of each meeting. The discussion and feedback from attendees helped inform the final Archdiocesan synod report that can be viewed at [bit.ly/archsynodreport](https://bit.ly/archsynodreport). The meetings were supplemented by explainer videos on the YouTube page of the Archdiocese.

#### *Amoris Laetitia & The Family (10, 17, 24 January, online)*

A series of three online talks in January 2022 discussing Pope Francis' encyclical *Amoris Laetitia* ("The Joy of Love"). The 30 minute lunchtime talks gave an opportunity to those who work to join us live.

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### TRUSTEES' REPORT – for the year ended 31 December 2022

*Synodality in the Life and Mission of the Church (12 February 2022, online)*

The Archdiocese hosted this national online event that featured keynote speaker Cardinal Mario Grech, General Secretary of the Synod of Bishops.

*Called & Gifted Workshop (19 February 2022, Gillis Centre)*

Hosted in collaboration with the Catherine of Siena Institute, an event to help people discern their personal call to holiness.

*Making Disciples Seminar (25 to 27 February 2022, St Kentigern's, Barnton)*

An event for clergy and laity, especially those with leadership roles in their parish.

*Events for Married & Engaged Couples (March to May 2022, Gillis Centre)*

The Archdiocese hosted a series of events in the lead-up to the World Meeting of Families in Rome 22-26 June. These were: Holy Hour with Archbishop Cushley (6 March); Testimony & Holy Hour with Anton & Angela Colella (3 April); Afternoon Retreat with Maureen and Brian Devine (8 May); Mass for Married & Engaged Couples at St Mary's Cathedral (18 May).

*Mass to Pray for Vocations (January to December 2022, various locations)*

Fr Andrew Garden and Sr Mirjam Hugens FSO, who lead vocations for the Archdiocese, organised a Mass each month to pray for vocations to the priesthood and religious life.

*Lent with St Paul (March to April 2022, online)*

A four-week prayer series led by Fr Andrew Garden.

*Lenten Pro-Life Stations of the Cross (March to April 2022, online)*

A six-week prayer series offering people from across the Archdiocese an opportunity to pray for unborn children, their mothers and all pro-life intentions. It included reflections from clergy of the Archdiocese.

*Pray for Ukraine (2 March 2022, Edinburgh)*

An ecumenical service organised by Archbishop Cushley in conjunction with Our Lady of Pochayiv & St Andrew's Church.

*The Acts of the Apostles (Throughout May 2022, online)*

A four-week series hosted by Sr Anna Marie McGuan RSM on the trials & triumphs of the early Church.

*St Mary's University – Open Evening (17 May 2022, online)*

A chance for prospective students to find out more about the MA Applied Theology Course that is taught at the Gillis Centre Campus in Edinburgh.

*Corpus Christi Procession (19 June 2022, Falkirk Town Centre)*

Led by Archbishop Cushley, a chance for Catholics to be a witness to the Eucharistic Christ in public.

*A Synodal Way Forward (25 June 2022, Ss John Cantius & Nicholas, Broxburn)*

A chance for those who see Caritas, Justice and Peace as integral to their Catholic faith to participate in shaping the future agenda of the Archdiocesan Commission.

*Day for Altar Servers (3 September 2022, Gillis Centre, Edinburgh)*

A day of workshops, games and testimonials for altar servers in the Archdiocese and to encourage membership of the Guild of St Cuthbert.

*My Faith & Scotland (10 September 2022, Ss John Cantius & Nicholas, Broxburn)*

An event hosted by the Archdiocesan Commission for Ecumenism & Interreligious Dialogue to discuss religious tolerance in Scotland.

*Venerable Margaret Sinclair Pilgrimage (18 September 2022, St Patrick's, Cowgate)*

Annual Pilgrimage hosted by the Archdiocese.

*Caritas, Justice & Peace Mass (5 September 2022, St Columba's)*

Annual event hosted by the Commission for Caritas, Justice & Peace.

*Let Us Pray (Throughout December 2022, online)*

A series of three spiritual talks for Advent hosted by Sr Anna Marie McGuan RSM.

*Enter Advent with Isaiah (Throughout December 2022, online)*

Talk given by Fr Jamie McMorris on the Prophet Isaiah.

*Advent Rosary for Life (Throughout December 2022, online)*

Weekly prayer webinar hosted by Paul Atkin of the Archdiocesan Pro-Life Office.

TRUSTEES' REPORT – for the year ended 31 December 2022

3.6. *Organisational Development*

*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; liaison with OSCR.

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

*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, the Archbishop and the Trustees.

*Mount Vernon Cemetery*

The Curia also oversees work at the Mount Vernon cemetery. During 2022 there were 104 coffin burials, which is above average, and 68 interments of ashes, which is around the average. Maintenance of grounds and walls continued during 2022.

**4. Financial Review for the year to 31 December 2022.**

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 18 to 35 provide further details on the accounting policies used in preparing these accounts.

During 2022 the Archdiocese as a whole had a net deficit on funds of (£54,000), made up of a £402,000 surplus on the funds of the Parishes and a (£456,000) deficit on Central funds. The net movement on central funds includes a one-off legacy of £800,000, a realised loss on investments of (£153,000), an unrealised loss on investments of (£3,555,000) and movement in the provision for retired priests of £1,500,000.

Total income increased by £1,169,000 from £8,928,000 to £10,097,000 in the year. Donations and legacies increased by £1,653,000, other trading activities increased by £200,000 and investment income decreased by £132,000.

Total expenditure increased by £1,124,000 from £7,031,000 to £8,155,000 (excluding the movement in the provision) made up of an increase of £1,136,000 in the cost of charitable activities, a decrease of £11,000 in the cost of raising funds and a decrease of £1,000 in losses on disposal of fixed assets.

The cost of parish charitable activities increased by £925,000 (19%) and the cost of central charitable activities increased by £214,000 (10%). 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. These include mass 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 internal purposes such as Catholic Education or distributed onward to the intended third-party beneficiary.

Excluding gains or losses from investments and property sales and the movement in the provision, the underlying surplus on central activities, including transfers from parishes, was £1,536,000, an increase from the underlying surplus of £607,000 in 2021, reflecting higher contributions into the AICF, continued higher levels of activity, and hence fees, at the Mount Vernon Cemetery, and a large, one-off legacy. 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.

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### TRUSTEES' REPORT – for the year ended 31 December 2022

#### 4.1. Investments – Performance

The total value of the Archdiocesan investment portfolios (including cash held for re-investment) decreased during 2022 by £3,768,000. Markets fell, as shown by the FTSE index, however there were variances within the market with oil and gas companies, which we do not own, doing better than average and other companies' returns being less than average:

<b>Market Value</b>	<b>FTSE All Share Index</b>	<b>Brewin £'000</b>	<b>ABRDN £'000</b>	<b>Other £'000</b>	<b>Total £'000</b>
At 31 December 2022	4,075	7,522	8,611	87	16,220
At 31 December 2021	4,208	8,831	11,066	91	19,988
Movement in year	(133)	(1,309)	(2,455)	(4)	(3,768)
% change	-3.2%				-18.8%

The short-term uncertainties of stock market investments are acknowledged; however, the Trustees remain of the view that portfolios combining equities, bonds 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 over time. 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 2022 amount to £56,559,000.

The balance of unrestricted reserves at the end of the year was £49,738,000, with £25,502,000 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 £24,236,000 (excluding tangible fixed assets and heritage assets). Central unrestricted free reserves were £7,313,000 and parish unrestricted free reserves were £16,923,000.

The balance of restricted reserves at the end of the year was £4,886,000 with £150,000 of these reserves represented by tangible fixed assets. (See notes 18 to 24 for details).

The balance of endowment reserves at the end of the year was £1,935,000 which did not include any tangible fixed assets.

It is the Trustees' objective to increase unrestricted funds in order to provide support to the parishes and the administration of the Archdiocese. Income increased compared to 2021 and total income was higher than in 2019, however this included £1.8m of legacies, and regular income is not yet at the level seen in 2019, particularly fundraising and hall rental income (see Appendix 1). Parishes have begun to catch up with maintenance expenditure, following projects that were delayed during 2020 and 2021. Unrestricted parish reserves increased by £402,000. Unrestricted central fund reserves decreased by £510,000; this decrease is due to losses on investments, reversing gains of the past few years, but there has been some recovery during 2023. Excluding realised and unrealised losses on investments relating to the unrestricted central funds of £3,014,000, and the movement in the provision, the unrestricted central funds reserves would have increased by £1,004,000, which arises from one large legacy which we are required to recognise as income because we have been notified of it, but as at 31 December 2022 the estate has not been settled and the legacy has not yet been paid.

During 2022, the new AICF assessment was undertaken, following consultations with the Council of Priests and the College of Consultors and the issue of a decree. Further details are set out in note 17.

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



TRUSTEES' REPORT – for the year ended 31 December 2022

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 years already worked by active priests, is currently estimated at £6.1m. Therefore additional funding of £3.7m is currently required. See also note 17 (Liabilities) and Note 28 (Contingent Liabilities).

**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.

*Reserves*

At 31 December 2022 the Archdiocese had total reserves (as shown in the balance sheet) of £56,559,000. However, as also shown in the balance sheet, £37,208,000 of these reserves are "tied up" in land, buildings and long-term investments to meet future commitments.

The Archdiocese held £15,945,000 of cash at bank on 31 December (£6,423,000 in central funds and £9,522,000 in Parishes). At 31 December 2022 £8,284,000 of parish funds was held in central deposits, therefore £3,620,000 of central funds cash at bank is held for parishes and £4,664,000 of central funds investments is held for parishes, in order to cover these deposits. The reserves and cash funds are required for repairs and maintenance of property, educating seminarians and meeting the needs of retired clergy.

*Investments*

At 31 December the Archdiocese had £16.2m of investments (at market value), £12.6m of general funds, £2.0m of restricted funds (AICF, Mission Fund, Mount Vernon) and £1.6m of endowments (detailed below).

**5. 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.

During 2022 the Archdiocese's collaboration with St. Mary's University has continued, providing post graduate courses in theology at its Gillis campus. It is hoped that this programme will expand over time.

The Archdiocese delivered a second year of the Diploma in Catechesis, which was well attended through the year. 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.

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 OSCR 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.

**6. 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.

**TRUSTEES' REPORT – for the year ended 31 December 2022**

*6.1. Management of Risks*

Risk management can limit, but 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, due to retirements, 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.

*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 £2.4m of the estimated future cost of past service of £6.1m (39%), with a deficit of £3.7m. During 2022 Parishes were asked to pay the new AICF assessment, which replaces the two, annual special collections which were taken until 2019, alongside the General assessment. The total AICF assessment contributions during 2022 were £455k, which covered the allowances paid of £370k and began to reduce the £3.7m funding deficit.

Early in 2022, the Covid 19 restrictions were finally removed and parishes worked hard to rebuild their activities during the year.

*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 the Curia and a Trustee with responsibility for H&S.

*Safeguarding*

During 2022 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)) have been undertaken online and “in person”.

*6.2. Organisational Structure*

At 31 December 2022 (and 31 December 2021) 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.

*6.3. 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.

**TRUSTEES' REPORT – for the year ended 31 December 2022**

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, except where noted. The main committees during the year ended 31 December 2022 were:

- Board of Trustees (which is also the canon law Finance Committee)
- Finance sub-committee (drawn from the Board of Trustees. The Archbishop is not a member).
- College of Consultors
- Council of Priests
- Management Committee of the Mission Fund and the Friendly Society
- Management Committee of the Sick Priests' Fund

*6.4. 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 the canon law Finance Committee) during the year ended 31 December 2022, and as at 10 August 2023 when the accounts were approved, were:-

<b>Name</b>	<b>Appointed by</b>	<b>Trustee during the year</b>	<b>Trustee as at 10 August 2023</b>
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 20 January 2022	✓
Rev Jeremy Milne	Archbishop	From 20 January 2022	✓

**Chief Operating Officer** Elspeth Atkinson

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

**Auditor** Chiene + Tait LLP (trading as CT) 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** RBC Brewin Dolphin 144 Morrison Street, Edinburgh, EH3 8BR  
abrdrn Capital Ltd 1 George Street, Edinburgh, EH2 2LL

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### TRUSTEES' REPORT – for the year ended 31 December 2022

#### 6.5. 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 2022 was £227,092 (2021: £208,599). 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 7 times during the year. At each meeting 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.

##### *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 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.

## 7. Conclusion

The Trustees wish to thank all Archdiocesan, clergy and laity, and the Curia staff for their hard work during 2022. 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.

**TRUSTEES' REPORT – for the year ended 31 December 2022**

**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, CT, have expressed their willingness to continue in office.

**Approved by the Board of Trustees on 10 August 2023 and signed on its behalf by**



**Patrick Burke**  
**Vicar General, Trustee**

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### 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 2022 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 2022, 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 11, 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, 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.

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.

**ARCHDIOCESE OF ST ANDREWS & EDINBURGH**

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

**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.



CT  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh EH3 6NL

20 / 9 / 2023

CT 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 2022

	Notes	Parishes			Central Funds				2022 Total Funds £'000	2021 Total Funds £000
		Un- restricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Un- restricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000		
<b>INCOME FROM:</b>										
Donations and legacies	2	5,958	402	6,360	1,137	399	-	1,536	7,896	6,243
Charitable activities	3	201	-	201	74	228	-	302	503	357
Other trading activities	4	626	-	626	-	-	-	-	626	426
Investments	5	158	-	158	656	68	46	770	928	1,060
Gains on disposal of Fixed assets		144	-	144	-	-	-	-	144	842
<b>TOTAL INCOME</b>		<b>7,087</b>	<b>402</b>	<b>7,489</b>	<b>1,867</b>	<b>695</b>	<b>46</b>	<b>2,608</b>	<b>10,097</b>	<b>8,928</b>
<b>EXPENDITURE ON:</b>										
Raising funds	7	(39)	-	(39)	(63)	(6)	(9)	(78)	(117)	(128)
Charitable activities	8, 9, 10	(5,524)	(250)	(5,774)	(1,456)	(808)	-	(2,264)	(8,038)	(6,902)
Loss on disposal of fixed assets		-	-	-	-	-	-	-	-	(1)
Adjustment to provision for retired priests	17	-	-	-	1,500	-	-	1,500	1,500	-
<b>TOTAL EXPENDITURE</b>		<b>(5,563)</b>	<b>(250)</b>	<b>(5,813)</b>	<b>(19)</b>	<b>(814)</b>	<b>(9)</b>	<b>(842)</b>	<b>(6,655)</b>	<b>(7,031)</b>
<b>Net income/ (expenditure) before net gains/(losses) on investments</b>		<b>1,524</b>	<b>152</b>	<b>1,676</b>	<b>1,848</b>	<b>(119)</b>	<b>37</b>	<b>1,766</b>	<b>3,442</b>	<b>1,897</b>
Gain on disposal of investment property		-	-	-	216	-	-	216	216	-
Realised gains/(losses) on investments		-	-	-	(141)	(19)	7	(153)	(153)	301
Unrealised gains/ (losses) on investments	14	(4)	-	(4)	(2,873)	(446)	(236)	(3,555)	(3,559)	1,623
<b>NET INCOME/ (EXPENDITURE)</b>		<b>1,520</b>	<b>152</b>	<b>1,672</b>	<b>(950)</b>	<b>(584)</b>	<b>(192)</b>	<b>(1,726)</b>	<b>(54)</b>	<b>3,821</b>
<b>Transfers between funds:</b>										
Parish Assessment, levies and special collections	18, 19	(1,118)	(152)	(1,270)	627	643	-	1,270	-	-
Central Funds		-	-	-	(187)	201	(14)	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>402</b>	<b>-</b>	<b>402</b>	<b>(510)</b>	<b>260</b>	<b>(206)</b>	<b>(456)</b>	<b>(54)</b>	<b>3,821</b>
<b>Reconciliation of funds:</b>										
Total funds brought forward	18, 19, 20 21, 22, 23	33,727	32	33,759	16,119	4,594	2,141	22,854	56,613	52,792
<b>Total funds carried forward</b>	18, 19, 20	<b>34,129</b>	<b>32</b>	<b>34,161</b>	<b>15,609</b>	<b>4,854</b>	<b>1,935</b>	<b>22,398</b>	<b>56,559</b>	<b>56,613</b>


The notes on pages 18 to 35 form part of these accounts.


ARCHDIOCESE OF ST ANDREWS & EDINBURGH

BALANCE SHEET - as at 31 December 2022

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		24,599		25,212
Heritage assets	13		1,053		1,053
Investments	14		16,220		19,988
<b>Total fixed assets</b>			<b>41,872</b>		<b>46,253</b>
<b>Current assets</b>					
Debtors	15	1,865		1,048	
Cash at bank and in hand – central funds		6,423		4,452	
Cash at bank and in hand - parishes		9,522		9,443	
<b>Total current assets</b>		<b>17,810</b>		<b>14,943</b>	
<b>Liabilities</b>					
<b>Creditors:</b> amounts falling due within one year	16	(323)		(283)	
<b>Net current assets</b>			<b>17,487</b>		<b>14,660</b>
<b>Total assets less current liabilities</b>			<b>59,359</b>		<b>60,913</b>
<b>Liabilities:</b>					
amounts falling due after more than one year	17		(2,800)		(4,300)
<b>Total net assets</b>			<b>56,559</b>		<b>56,613</b>
<b>The funds of the charity:</b>					
Central unrestricted funds – designated funds	19 / 22		260		260
Central unrestricted funds – central fund	19 / 22		11,429		11,939
Central unrestricted funds – revaluation	19 / 22		3,920		3,920
Parish unrestricted funds	19 / 22		34,129		33,727
<i>Total unrestricted funds</i>			<b>49,738</b>		<b>49,846</b>
Central endowment funds	18 / 21		1,935		2,141
Central restricted income funds	18 / 21		4,854		4,594
Parish restricted funds	18 / 21		32		32
<b>Total charity funds</b>	20 / 23		<b>56,559</b>		<b>56,613</b>

Approved by the Trustees on 10 August 2023

  
 .....  
 Leo Cushley                      Trustee

  
 .....  
 Patrick Burke                     Trustee

The notes on pages 18 to 35 form part of these accounts.

STATEMENT OF CASH FLOWS - for the year ended 31 December 2022

		2022		2021
	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities:</b>				
Net cash (used in) / provided by operating activities	Note 27	334		(64)
<b>Cash flows from investing activities:</b>				
Dividends, interest and rent from investments		928	1,060	
Proceeds from the sale of property, plant and equipment		928	853	
Purchase of property, plant and equipment		(196)	(259)	
Proceeds from the sale of investments		4,822	18,919	
Purchase of investments		(6,857)	(17,276)	
<b>Net cash provided by investing activities</b>		<u>(375)</u>		<u>3,297</u>
<b>Change in cash and cash equivalents in the reporting period</b>		(41)		3,233
<b>Cash and cash equivalents at the beginning of the reporting period</b>		16,172		12,939
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>16,131</u>		<u>16,172</u>
<b>Analysis of cash and cash equivalents</b>				
Cash at bank – current accounts – Central Funds		6,423		4,452
Cash at bank – current accounts - Parishes		9,522		9,443
Total cash at bank		<u>15,945</u>		<u>13,895</u>
Investments (cash held for re-investment)	Note 14	186		2,277
		<u>16,131</u>		<u>16,172</u>

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

	At 1/1/2022	Cashflows	At 31/12/2022
	£'000	£'000	£'000
Cash	<u>16,172</u>	<u>(41)</u>	<u>16,131</u>

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 18 to 35 form part of these accounts.

NOTES to the ACCOUNTS - for the year ended 31 December 2022

**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.

**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 2022**

**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.

## 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 2022

**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 supports retired priests under obligations arising from Canon Law.

Allowances paid to retired priests are financed by a specific AICF assessment paid by parishes; and legacies and donations into the AICF fund which is part of the Archdiocesan reserves. A provision is made for the priests of the Archdiocese who are already retired. Further details are included in notes 17 and 24 to the accounts.

**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.

**ARCHDIOCESE OF ST ANDREWS & EDINBURGH**

**NOTES to the ACCOUNTS - for the year ended 31 December 2022**

<b>2 Donations and legacies</b>	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Donations	757	953
Legacies	1,839	565
Special collections income	402	152
Offertory collections and gift aid	4,345	3,843
Miscellaneous collections and donations	165	93
Grants received – Job Retention Scheme	-	38
Grants received – other	388	599
	<u>7,896</u>	<u>6,243</u>

In 2022 of the income from donations and legacies, £801,000 (2021: £228,000) was attributable to restricted funds, £Nil (2021: £Nil) was attributable to endowment funds, with the balance of £7,095,000 (2021: £6,015,000) contributing to unrestricted funds.

<b>3 Income from charitable activities</b>	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Mount Vernon cemetery income	223	188
Church stall	190	110
Chaplaincy income	11	10
Courses and workbook income	79	49
	<u>503</u>	<u>357</u>

In 2022 of the income from charitable activities, £228,000 (2021: £188,000) was attributable to restricted funds, £nil (2021: £Nil) was attributable to endowment funds, with the balance of £275,000 (2021: £169,000) adding to unrestricted funds.

<b>4 Income from other trading activities</b>	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Fundraising and parish hall and other property income	626	426
	<u>626</u>	<u>426</u>

In 2022 and 2021, all income from other trading activities was attributable to unrestricted funds.

<b>5 Investment Income</b>	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Income from listed investments	404	591
Bank interest receivable	21	2
Other interest receivable	2	-
Rental income from investment properties	501	467
	<u>928</u>	<u>1,060</u>

In 2022 of the income from investments, £68,000 (2021: £63,000) was attributable to restricted funds, £46,000 (2021: £40,000) was attributable to endowment funds, with the balance of £814,000 (2021: £957,000) adding to unrestricted funds.



NOTES to the ACCOUNTS - for the year ended 31 December 2022

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

	Central 2022 £'000	Parish 2022 £'000	Total 2022 £'000	Central 2021 £'000	Parish 2021 £'000	Total 2021 £'000
Staff costs						
Wages and salaries	665	374	1,039	643	435	1,078
Social security costs	56	-	56	56	-	56
Pension costs	24	-	24	25	-	25
	<u>745</u>	<u>374</u>	<u>1,119</u>	<u>724</u>	<u>435</u>	<u>1,159</u>

The emoluments of higher paid employees were: £60,001 to £70,000: one (2021: none).

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

	Central 2022 No	Parish 2022 No	Total 2022 No	Central 2021 No	Parish 2021 No	Total 2021 No
Head count	23	64	87	22	58	80
Full-time equivalent	20	21	41	20	18	38

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 thirteen trustees, with six 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.

	2022 £	2021 £
Remuneration paid to the Trustees of the Archdiocese during the year was as follows:		
Most Reverend Leo Cushley	3,168	3,078
Right Reverend Monsignor Patrick Burke	3,168	3,078
Very Reverend Monsignor Allan Chambers	3,168	3,078
Reverend Patrick Canon Boylan	3,168	3,078
Reverend Scott Deeley (appointed 20 January 2022)	3,168	-
Reverend Jeremy Milne (appointed 20 January 2022)	3,168	-

During the year, the total cost of accommodation and expenses provided and incurred by the clergy Trustees was £238,271 (2021: £183,896).

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 £227,092 (2021: £208,599).

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

	2022 £'000	2021 £'000
Investment management fees	78	88
Parish fundraising costs	39	40
	<u>117</u>	<u>128</u>

In 2022, £63,000 (2021: £74,000) of investment management costs were attributable to unrestricted funds, £6,000 (2021: £5,000) were attributable to restricted funds, and £9,000 (2021: £9,000) were attributable to endowment funds.

Parish fundraising costs were all unrestricted in both 2022 and 2021.

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

NOTES to the ACCOUNTS - for the year ended 31 December 2022

8 Charitable activities	2022 £'000	2021 £'000
<b>Direct charitable activities - Parish</b>		
Special collections remitted outwith the Archdiocese	250	90
Travel and car expenses	189	157
Repairs and renovations	1,318	1,267
Church costs	1,316	836
Hall costs	214	165
Priests' house costs	868	857
Insurance	245	229
Clergy & staff salaries and national insurance	688	656
Retreats and courses	122	62
Donations	92	76
	5,302	4,395
<b>Support costs of charitable activities - Parish</b>		
Depreciation and impairment	184	183
Professional and legal fees	76	74
Office and stationery	199	186
Interest payable	8	7
Miscellaneous	5	4
	472	454
<b>Total parish charitable activities</b>	5,774	4,849

In 2022, of the total expenditure on parish charitable activities £5,524,000 (2021: £4,759,000) was expenditure from unrestricted funds and £250,000 (2021: £90,000) was expenditure from restricted funds.

Central funds charitable activities	2022 £'000	2021 £'000
<b>Direct charitable activities</b>		
Staff salaries and national insurance	106	101
Education of priests and students	152	172
Mission fund expenses	13	10
Grants paid (note 10)	23	32
Special collections	157	76
Religious education and chaplaincies	106	70
Mount Vernon cemetery costs	51	40
	608	501
<b>Support costs of charitable activities</b>		
Curial administration expenses	282	210
Curial property expenses	143	158
Depreciation and impairment	57	47
Care of sick and retired priests	386	390
Contribution to national assessments	107	76
Staff salaries and national insurance	639	633
Governance costs (see note 11)	42	38
Provision for doubtful debts	-	-
	1,656	1,552
<b>Total central funds charitable activities</b>	2,264	2,053
<b>Total of charitable activity expenditure</b>	8,038	6,902

In 2022, the central funds charitable activities comprised: £1,456,000 (2021: £1,309,000) of unrestricted fund expenditure and £808,000 (2021: £744,000) of restricted & endowment fund expenditure.

NOTES to the ACCOUNTS - for the year ended 31 December 2022

9 Analysis of charitable expenditure	2022 £'000	2021 £'000
Advancement of Religion	4,442	3,721
Advancement of Education	2,130	1,893
Relief of Poverty	886	776
Cure/alleviation of sickness/disease	580	512
	<u>8,038</u>	<u>6,902</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% (2021; 40%), Advancement of Education 35% (2021; 35%), Relief of Poverty 15% (2021; 15%) and Cure/alleviation of sickness/disease 10% (2021; 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	2022 £'000	2021 £'000
The amounts payable in the year, which are included within charitable activities, comprise:		
Fertility Care Scotland	3	3
St Vincent de Paul – Caravan Project	-	7
St Vincent de Paul – Furniture Project	-	7
Stanton Healthcare	-	15
Cardinal Winning Pro-Life initiative	10	-
Ukrainian Ecumenical Centre	10	-
	<u>23</u>	<u>32</u>
<b>Total Grants Paid (note 8)</b>	<u>23</u>	<u>32</u>

11 Governance costs	2022 £'000	2021 £'000
Statutory audit fees	42	38
	<u>42</u>	<u>38</u>

The remuneration paid to the auditor in respect of taxation advisory services amounted to £4,845 (2021: £2,460), and other services £5,297 (2021: £9,690).

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

NOTES to the ACCOUNTS - for the year ended 31 December 2022

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	17,193	2,026	594	26,984
Additions	-	38	70	88	196
Disposals	(230)	(325)	-	(61)	(616)
Balance carried forward	6,941	16,906	2,096	621	26,564
<b>Depreciation and impairment</b>					
Balance brought forward	-	(23)	(1,256)	(493)	(1,772)
Charge for the year	-	(23)	(155)	(63)	(241)
Disposals	-	-	-	48	48
Balance carried forward	-	(46)	(1,411)	(508)	(1,965)
<b>Net Book Value</b>					
As at 31 December 2022	6,941	16,860	685	113	24,599
As at 31 December 2021	7,171	17,170	770	101	25,212

Investment properties were 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 £1,932,708 (2021: £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 2022 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 2022.

13 Heritage Assets

	Parishes £'000	Central £'000	Total £'000
<b>Valuation</b>			
At 1 January 2022 and at 31 December 2022	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.** Items which have been commissioned or donated to the Diocese and Parishes over many years; and are held for their historical and artistic significance, which derives from association with the history of the Archdiocese, the Roman Catholic Church in Scotland, or Scottish art in general. 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.

NOTES to the ACCOUNTS - for the year ended 31 December 2022

13 Heritage Assets (*continued*)

**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 2022.

<b>14 Investments</b>	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Fair value at beginning of year	17,711	17,430
Additions at cost	6,857	17,276
Disposal proceeds	(4,822)	(18,919)
Realised (losses) / gains	(153)	301
Unrealised (losses) / gains	(3,559)	1,623
<b>Fair value at end of year – listed investments</b>	<b>16,034</b>	<b>17,711</b>
Cash held for re-investment	186	2,277
<b>Fair value at the end of the year – listed investments and cash</b>	<b>16,220</b>	<b>19,988</b>

As at 31 December 2022, £4,664,000 of the investments are identified (together with £3,620,000 of cash at bank) as required to match the Parish Deposits. The remaining £11,556,000 of investments are held for the longer term. (Further details are shown in appendix 2).

Cost at 31 December 2022	16,927	14,273
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All investments are listed and dealt on a recognised stock exchange. Investments at fair value comprised:	<b>2022</b>	<b>2021</b>
	<i>£'000</i>	<i>£'000</i>
Investments held in the UK	8,756	9,213
Investments held out with the UK	7,278	8,498
	<b>16,034</b>	<b>17,711</b>

There were no investment holdings which were greater than 5% of the portfolio valuation.

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.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and yield volatility. Markets fell during the year, with some volatility along the way, arising mainly from the impact of the war in Ukraine and the related impacts on oil, gas and other commodities, in turn impacting the broader economy. As the Archdiocese excludes oil and gas companies from its investments, the investment portfolios have fallen by more than the general market. 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.

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

NOTES to the ACCOUNTS - for the year ended 31 December 2022

	2022 £'000	2021 £'000
<b>15 Debtors</b>		
Trade debtors	29	21
Other debtors	1,836	1,027
	1,865	1,048
	1,865	1,048
<b>16 Creditors: amounts due within one year</b>		
Accruals and other creditors	323	263
Taxation and social security	-	20
	323	283
	323	283
<b>17 Liabilities: amounts due after more than one year</b>		
Liability for financial support of retired priests	2,800	4,300
	2,800	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 obligation that exists for those priests that were already retired at 31 December 2022 of £2,800,000 (2021: £4,300,000).

The most recent actuarial valuation was undertaken during 2023, based on values as at 31 December 2022. A summary of the updated liability and movements since the previous valuation as at 31 December 2017 is as follows:

	Past service of retired priests £m	Past service of active priests £m	Total past service £m	Future service of active Priests £m	Total £m
<b>Liability as at 31/12/2017</b>	4.3	7.6	11.9	5.8	17.7
Interest on that liability	0.8	1.4	2.2		2.2
Benefits paid out	-2.0		-2.0		-2.0
Deaths, retirements, actual inflation 2018 to 2022	0.5	-3.2	-2.7		-2.7
Changes to future inflation and interest assumptions	-0.8	-1.5	-2.3	-3.8	-6.1
Change in demographic assumptions		-0.4	-0.4		-0.4
Changes to scheme rules: 40 years service & lump sum		-0.6	-0.6		-0.6
<b>Liability as at 31/12/2022</b>	2.8	3.3	6.1	2.0	8.1

**Movement in provision**

As shown in the table above, the liability for priests who are already retired has reduced from £4.3m to £2.8m as a result of paying allowances for the past 5 years and changes in inflation and interest rate assumptions used by the actuaries. Therefore the provision in the accounts has been reduced to £2.8m.

**Past and future service**

It is normal practice in retirement funds to build up the liability to pay allowances over the working life, and to set aside contributions over the working life.

The AICF allowances are based on a priest serving for 40 years up to retirement at age 75. We assess the value of the liability to pay allowances based on the number of working years that have passed for each priest. For example for a priest who has worked for 10 years, the past service would be 10 years (or a quarter of the full allowances) for which 10 years of contributions should have been set aside. We assume that this priest will have 30 future years of service and 30 years of future contributions to fund their retirement.

**NOTES to the ACCOUNTS - for the year ended 31 December 2022**

**17 Liabilities (continued)**

At the time of the previous actuarial valuation as at 31 December 2017, the scheme rules did not allow past and future service to be separately identified, so that valuation included past and future service (the £11.9m and £5.8m figures in the table above, totalling £17.7m). The updated scheme rules in 2019, enabled the actuaries to prepare the new liability calculation with a clearer focus on the amount that we should hold for retired priests (£2.8m) and past service of active priests (£3.3m), totalling £6.1m. This enables the Archdiocese to more accurately identify how much money should be set aside for priests' retirement.

**Past service liability**

There is a large reduction in the liability for all past service from £11.9m in 2018 to £6.1m. The 3 main factors in this reduction are:

- Paying out allowances over the past 5 years = £2.0m
- The impact of deaths before retirement over the past 5 years = £2.7m
- Changes in inflation and interest rate assumptions = £2.3m (these will continue to fluctuate)

**Future service costs**

In the table above, the future service cost for active priests has been separated out as a liability of £2.0m.

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 uses an annual assessment based on income to raise the funding required to cover the annual contribution for active priests. As noted below the estimation of the future service cost is affected by changes in assumptions for inflation and interest rates (recent changes have reduced the figure from £5.8m to £2.0m). The funds required will be kept under regular review.

**Assets**

The assets of the AICF have increased over the past 5 years from £1,086,000 to £2,428,000, the movements were:

	<b>£'000</b>
Parish contributions	1,518
Legacies and donations	560
Investment income	159
Transfers from central general funds	949
Gains and losses on investments	(21)
Allowances paid out and expenses	(1,823)

**Deficit**

At 31 December 2022 the assets of the AICF (Priests Retirement Fund) were £2,428,000 and the past service liability was £6,100,000. Therefore additional funding of £3,672,000 is required to reach 100% (this is the deficit). The aim is to reduce this deficit over a period of years through donations, legacies and additional contributions from parishes where possible.

**Funding Plan**

The deficit and the future service costs are addressed in a funding plan which is kept under annual review. The key points in the plan are (1) contributions from parishes (the AICF assessment) to provide for future service and a contribution towards the past service deficit and (2) to seek one-off donations and legacies to reduce the past service deficit. Under the plan, if funding reaches 90% of the liability, the level of assessment will be adjusted to ensure that the fund does not accumulate more assets than are required. The funding plan is kept under review by the Trustees.

**Risks and uncertainties**

The purpose of the AICF is to enable the Archdiocese to provide for future retirement allowances for priests. The assets of the fund are subject to changes in investment returns. The cost of future liabilities are affected by changes in inflation and the health of our priests. Estimates of these factors change over time which impacts the estimated liability. It is helpful to consider the liability as a range of possibilities. Recent changes in interest rates and inflation assumptions have reduced the estimates, but these reductions illustrate the range of possibilities. The assumptions recommended by the actuaries as at 1/1/2018 (and up to 2021) and the updated assumptions recommended as at 31/12/2022 give these ranges:- past service £6.1m to £8.4m and future service £2m to £5.8m.

The assumptions used are based on standards agreed by the actuarial profession using inflation and bond yield statistics. These assumptions have changed over the past 18 months from perhaps the bottom to the top of the range of possible figures, leading to the large changes noted above.

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

NOTES to the ACCOUNTS - for the year ended 31 December 2022

18 Endowment and Restricted Funds

	Balance at 1 January 2022	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Endowment Funds	2,141	46	(9)	-	(14)	(229)	1,935
<b>Central Restricted Funds:</b>							
Special collections	173	5	(89)	127	(18)	-	198
Care Fund	174	-	(23)	6	-	-	157
Ecclesiastical Educ'n	-	28	(152)	19	105	-	-
AICF (Clergy Retirem't)	1,887	402	(369)	491	114	(97)	2,428
Taggart Bursary	133	-	-	-	-	-	133
Rev J C Barry Trust	16	-	-	-	-	-	16
Vocations	87	-	-	-	-	-	87
SPRED	19	-	-	-	-	-	19
Mission fund	807	16	(14)	-	-	(173)	636
Sick Priests fund	57	1	(1)	-	-	-	57
Margaret Sinclair fund	171	4	(5)	-	-	(36)	134
Friendly Society	51	-	(1)	-	-	-	50
Farquharson fund	17	-	-	-	-	-	17
Stipend fund	3	1	-	-	-	-	4
Mount Vernon	998	238	(160)	-	-	(159)	917
Pro-Life	1	-	-	-	-	-	1
Total central restricted funds	4,594	695	(814)	643	201	(465)	4,854
<b>Parish restricted funds, including Special Collections:</b>							
Tfr'd to central funds	-	152	-	(152)	-	-	-
Other spl colls	-	250	(250)	-	-	-	-
Other rest'd funds	32	-	-	-	-	-	32
Total parish restricted funds	32	402	(250)	(152)	-	-	32

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

19 Unrestricted Funds

	Balance at 1 January 2022	Incoming Resources	Outgoing Resources	Transfers Parish / Central	Transfers Central Funds	Realised & unrealised gains/ (losses)	Balance at 31 December 2022
<b>Designated:-</b>							
Inv. Prop. Maint. Fund	167	-	-	-	-	-	167
Heritable prop. gains	93	-	-	-	-	-	93
	260	-	-	-	-	-	260
<b>Other unrestricted:</b>							
Central general fund	11,939	1,867	(19)	627	(187)	(2,798)	11,429
Central reval'n fund	3,920	-	-	-	-	-	3,920
Total central unrestricted funds	16,119	1,867	(19)	627	(187)	(2,798)	15,609
Parish unrestricted Funds	33,727	7,087	(5,563)	(1,118)	-	(4)	34,129

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	Fixed Asset Investments £'000	Net Current Assets/ (Liabilities) £'000	Total £'000
<b>Central endowment funds</b>	-	-	1,583	352	1,935
<b>Central restricted funds:</b>					
Special collections	-	-	-	198	198
Care Fund	-	-	-	157	157
Ecclesiastical students fund	-	-	-	-	-
Aged and Infirm Clergy Fund	150	-	612	1,666	2,428
Taggart Bursary	-	-	-	133	133
Rev. J C Barry Trust	-	-	-	16	16
Vocations	-	-	-	87	87
SPRED	-	-	-	19	19
Mission Fund	-	-	601	35	636
Sick Priests Fund	-	-	50	7	57
Margaret Sinclair	-	-	126	8	134
Friendly Society	-	-	-	50	50
Farquharson Fund	-	-	-	17	17
Stipend Fund	-	-	-	4	4
Mount Vernon	-	-	554	363	917
Pro-Life	-	-	-	1	1
	150	-	1,943	2,761	4,854
<b>Parish restricted funds</b>	-	-	-	32	32
<b>Unrestricted Funds:</b>					
<b>Designated Funds:</b>					
Investment Property Maintenance Fund	-	-	-	167	167
Heritable Property Maintenance Fund	-	-	-	93	93
	-	-	-	260	260
<b>Other unrestricted funds:</b>					
Central general fund	4,376	-	7,997	(944)	11,429
Central revaluation fund	3,556	364	-	-	3,920
<b>Total central unrestricted funds</b>	7,932	364	7,997	(684)	15,609
<b>Total parish unrestricted funds</b>	16,517	689	33	16,890	34,129
<b>Total funds</b>	24,599	1,053	11,556	19,351	56,559

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

NOTES to the ACCOUNTS - for the year ended 31 December 2022

21 Endowment and Restricted Funds – movements in 2021

	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.

22 Unrestricted Funds – movements in 2021

	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
Herit prop. Maint. Fund	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.

23 Analysis of Net Assets between Funds – comparative figures for 2021

	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
Total central unrestricted funds	8,149	364	15,711	(8,105)	16,119
Total parish unrestricted funds	16,913	689	37	16,088	33,727
<b>Total funds</b>	<b>25,212</b>	<b>1,053</b>	<b>19,988</b>	<b>10,360</b>	<b>56,613</b>

24 Summary of Archdiocesan Funds

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

1 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)*

- 2 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.
- 3 Care Fund  
This fund is used to provide grants to further the charitable objectives of the Archdiocese.
- 4 Ecclesiastical Education Fund  
This fund relates to the training of students for the priesthood.

## ARCHDIOCESE OF ST ANDREWS & EDINBURGH

### NOTES to the ACCOUNTS - for the year ended 31 December 2022

#### 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 Heritable Property Maintenance Fund  
Gains realised on the disposal of property in earlier years, held for future property costs.
- 18 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***

- 19 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 2022

**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 £24,000 in the year (2021: £25,000).

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**

<b>2022</b>	<b>2021</b>
£'000	£'000

Amount committed, but not provided in the accounts	208	292
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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**

<b>2022</b>	<b>2021</b>
£'000	£'000

Net income / (expenditure) for the year	(54)	3,821
Interest and investment income	(928)	(1,060)
Depreciation and impairment	241	231
(Gain) / Loss on investments	3,712	(1,924)
(Gain) / Loss on disposal of other fixed assets	(360)	(842)
(Increase) / decrease in debtors	(817)	(290)
Increase in creditors	40	-
Movement in provisions	(1,500)	-

Net cash used in **operating** activities

334	(64)
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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 £2.8m 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 2022 the total expenditure on support and care of the Aged and Infirm Clergy amounted to £386,000 (2021: £390,000).

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 six 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 Pitfodells 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 2022 was £300,000 (2021: £300,000).

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

Supplementary information for the year ended 31 December 2022

Appendix 1

DETAILED INCOME and EXPENDITURE ACCOUNT

	Total 2022 £'000	Total 2021 £'000	Total 2020 £'000	Total 2019 £'000
<b>Income</b>				
Investment income	928	1,060	1,036	1,080
Special collections income	402	152	114	489
Legacies	1,839	565	290	367
Donations	757	953	629	566
Offertory collections and gift aid	4,345	3,843	3,177	4,376
Fundraising and hall rental	626	426	408	1,028
Church stall	190	110	97	288
Grants received	388	484	378	618
Miscellaneous	165	246	143	143
Mount Vernon cemetery income	223	188	191	169
Chaplaincy income	11	10	14	9
Courses and workbooks	79	49	15	10
Gain on disposal of fixed assets	144	842	25	125
<b>Total income</b>	<b>10,097</b>	<b>8,928</b>	<b>6,517</b>	<b>9,268</b>
<b>Expenditure</b>				
<u>Direct charitable expenditure:</u>				
Staff costs	794	757	832	897
Special collections and donations	499	242	250	429
Education of priests and students	152	172	220	145
Grants paid	23	32	7	41
Mount Vernon cemetery costs	51	40	61	73
Property expenses	3,961	3,354	3,639	4,233
Religious education, chaplaincies and pastoral activities	105	70	62	59
Retreats and courses	122	62	60	163
Mission costs	13	10	10	11
Travel and car expenses	189	157	123	195
<u>Support costs of charitable activities:</u>				
Staff costs	639	633	627	581
Care of sick and retired priests	386	390	370	446
Contributions to national assessments	107	76	86	161
Miscellaneous	6	4	25	11
Administration expenses	358	284	272	361
Office and stationery	199	186	198	211
Property expenses	143	158	130	173
Depreciation and impairment	241	230	203	192
Interest payable	8	7	9	12
Loss on disposal of fixed assets	-	1	4	5
Provision for doubtful debts	42	-	103	-
<u>Costs of generating funds</u>				
Investment managers' fees	78	88	78	81
Fundraising and church stall costs	39	40	42	115
<u>Governance costs</u>	42	38	29	40
<u>Provision for retired priests (note 17)</u>	(1,500)	-	-	-
<b>Total expenditure</b>	<b>6,655</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>3,442</b>	<b>1,897</b>	<b>(923)</b>	<b>633</b>

## Supplementary information for the year ended 31 December 2022

## Appendix 2

## DETAILED BALANCE SHEET

As at 31 December 2022

	Parish Funds	Central Funds Parish Deposits		Sub- total	Removed on consol.	2022	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Fixed assets</b>							
Tangible fixed assets	16,517	-	8,082	24,599	-	24,599	25,212
Heritage assets	689	-	364	1,053	-	1,053	1,053
Investments	33	4,664 *	11,523	16,220	-	16,220	19,988
<b>Total fixed assets</b>	<b>17,239</b>	<b>4,664</b>	<b>19,969</b>	<b>41,872</b>	<b>-</b>	<b>41,872</b>	<b>46,253</b>
<b>Current assets</b>							
Other debtors	920	-	1,258	2,178	(313)	1,865	1,048
Loans to parishes	-	-	1,418	1,418	(1,418)	-	-
Deposits in Central Funds	8,284	-	-	8,284	(8,284)	-	-
Cash at bank	9,522	3,620	2,803	15,945	-	15,945	13,895
<b>Total current assets</b>	<b>18,726</b>	<b>3,620</b>	<b>5,479</b>	<b>27,825</b>	<b>(10,015)</b>	<b>17,810</b>	<b>14,943</b>
<b>Liabilities</b>							
<b>Creditors: amounts due within one year</b>							
Other creditors	(386)	-	(250)	(636)	313	(323)	(283)
Deposits from parishes	-	(8,284)	-	(8,284)	8,284	-	-
Loans from Central Funds	(1,418)	-	-	(1,418)	1,418	-	-
<b>Total current liabilities</b>	<b>(1,804)</b>	<b>(8,284)</b>	<b>(250)</b>	<b>(10,338)</b>	<b>10,015</b>	<b>(323)</b>	<b>(283)</b>
<b>Net current assets/(liabilities)</b>	<b>16,922</b>	<b>(4,664)</b>	<b>5,229</b>	<b>17,487</b>	<b>-</b>	<b>17,487</b>	<b>14,660</b>
<b>Creditors: amounts falling due after one year</b>							
Liabilities and charges	-	-	(2,800)	(2,800)	-	(2,800)	(4,300)
<b>Net assets</b>	<b>34,161</b>	<b>-</b>	<b>22,398</b>	<b>56,559</b>	<b>-</b>	<b>56,559</b>	<b>56,613</b>
<b>Funds of the charity:</b>							
Central endowment funds	-	-	1,935	1,935	-	1,935	2,141
Central restricted funds	-	-	4,854	4,854	-	4,854	4,594
Central unrestricted funds	-	-	11,689	11,689	-	11,689	12,199
Central unrestricted – revaluation	-	-	3,920	3,920	-	3,920	3,920
Parish restricted	32	-	-	32	-	32	32
Parish unrestricted	34,129	-	-	34,129	-	34,129	33,727
<b>Total charity funds</b>	<b>34,161</b>	<b>-</b>	<b>22,398</b>	<b>56,559</b>	<b>-</b>	<b>56,559</b>	<b>56,613</b>

Balances between Parishes and Central Funds are eliminated for the purposes of the full Archdiocesan balance sheet on page 16.

\* The £4,664,000 of investments held as part of the Parish Deposits pool are shown at market value and can be sold at any time, if required to repay parish deposits.

ARCHDIOCESE OF ST ANDREWS & EDINBURGH

Supplementary information for the year ended 31 December 2022

Appendix 3

Reformatted Statement of Financial Activities (transfers shown before gains and losses, movements in provisions shown with gains and losses)

For the year ended 31 December 2022

	Notes	Parishes			Central Funds				2022 Total Funds £'000	2021 Total Funds £000
		Un- restricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Un- restricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000		
<b>INCOME FROM:</b>										
Donations and legacies	2	5,958	402	6,360	1,137	399	-	1,536	7,896	6,243
Charitable activities	3	201	-	201	74	228	-	302	503	357
Other trading activities	4	626	-	626	-	-	-	-	626	426
Investments	5	158	-	158	656	68	46	770	928	1,060
Gains on disposal of Fixed assets		144	-	144	-	-	-	-	144	842
<b>TOTAL INCOME</b>		<b>7,087</b>	<b>402</b>	<b>7,489</b>	<b>1,867</b>	<b>695</b>	<b>46</b>	<b>2,608</b>	<b>10,097</b>	<b>8,928</b>
<b>EXPENDITURE ON:</b>										
Raising funds	7	(39)	-	(39)	(63)	(6)	(9)	(78)	(117)	(128)
Charitable activities	8, 9,10	(5,524)	(250)	(5,774)	(1,459)	(808)	-	(2,267)	(8,041)	(6,902)
Loss on disposal of fixed assets		-	-	-	-	-	-	-	-	(1)
<b>TOTAL EXPENDITURE</b>		<b>(5,563)</b>	<b>(250)</b>	<b>(5,813)</b>	<b>(1,522)</b>	<b>(814)</b>	<b>(9)</b>	<b>(2,345)</b>	<b>(8,158)</b>	<b>(7,031)</b>
<b>Net income/ (expenditure) before transfers</b>		<b>1,524</b>	<b>152</b>	<b>1,676</b>	<b>345</b>	<b>(119)</b>	<b>37</b>	<b>263</b>	<b>1,939</b>	<b>1,897</b>
<b>Transfers between funds:</b>										
Parish Assessment, levies and special collections	18,19	(1,118)	(152)	(1,270)	627	643	-	1,270	-	-
Central Funds		-	-	-	(187)	201	(14)	-	-	-
<b>Net income/ (expenditure) after transfers</b>		<b>406</b>	<b>-</b>	<b>406</b>	<b>785</b>	<b>725</b>	<b>23</b>	<b>1,533</b>	<b>1,939</b>	<b>1,897</b>
Gain on disposal of investment property		-	-	-	216	-	-	216	216	-
Realised gains/(losses) on investments		-	-	-	(141)	(19)	7	(153)	(153)	301
Unrealised gains/ (losses) on investments	14	(4)	-	(4)	(2,870)	(446)	(236)	(3,552)	(3,556)	1,623
Movement in provisions for retired priests	17	-	-	-	1,500	-	-	1,500	1,500	-
<b>NET MOVEMENT IN FUNDS</b>		<b>402</b>	<b>-</b>	<b>402</b>	<b>(510)</b>	<b>260</b>	<b>(206)</b>	<b>(456)</b>	<b>(54)</b>	<b>3,821</b>
<b>Reconciliation of funds:</b>										
Total funds brought forward	18,19,20 21,22,23	33,727	32	33,759	16,119	4,594	2,141	22,854	56,613	52,792
<b>Total funds carried forward</b>	18,19,20	<b>34,129</b>	<b>32</b>	<b>33,759</b>	<b>15,609</b>	<b>4,854</b>	<b>1,935</b>	<b>22,398</b>	<b>56,559</b>	<b>56,613</b>