

**Report of the Trustees and
Financial Statements
for the Year Ended 31 December 2019
for
RC DIOCESE OF MOTHERWELL
Charity Number: SC011041**

RC DIOCESE OF MOTHERWELL

Report and Financial Statements For the year ended 31 December 2019

Index	Page
Reference and administrative details	1
Report of the Trustees	2
Report of the Independent Auditors	9
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14

RC DIOCESE OF MOTHERWELL

**Reference and administrative details
For the year ended 31 December 2019**

Name of Charity	RC Diocese of Motherwell
Registered Charity Number	SC011041 (Scotland)
Principal Office	Diocesan Centre Coursington Road Motherwell ML1 1PP
Trustees	Bishop Joseph Toal Father Gerard Chromy Father James Thomson
Principal Bankers	Clydesdale Bank plc 43 Hamilton Road Motherwell ML1 3DD
Solicitor	McSparran McCormick Waterloo Chambers 19 Waterloo Street Glasgow G2 6AH
Auditors	WDM Associates Registered Auditors Chartered Accountants Oakfield House 378 Brandon Street Motherwell ML1 1XA
Website	www.rcdom.org.uk

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2019

Introduction

The Trustees of the RC Diocese of Motherwell present their report together with the Financial Statements of the RC Diocese of Motherwell for the year ended 31 December 2019.

Trustees

The Trustees are the Bishop by right of the Office, the Vicar General of Motherwell and the Diocesan Treasurer who are freely appointed to these Offices by this Bishop and become Trustees by holder of these Offices.

At the 31st December 2019 the Trustees were accordingly as follows:

Rt Rev Joseph Toal	Bishop of Motherwell
Rev Gerard Chromy	Vicar-General
Rev James Thomson	Treasurer

The Trustees hold meetings on a regular basis to conduct the operations of the charity and other policies. The Diocese has an ongoing policy for training Trustees and are kept fully informed of legislative changes which affect the charity.

Scope of the Financial Statements

The financial statements include the assets, liabilities and transactions of the following:

- *RC Diocese of Motherwell Curial Funds*
Curial Funds are used to support the Bishop in providing diocesan services and pastoral care and to meet the costs of central administration.
- *Parochial Funds*
The Parochial Funds are administered by the parish priests, with guidance from the Curial Office, and are used to carry out the work of the Church within local areas and to help fund the Curial Office.

Structure, Governance and Management

Governing document

The RC Diocese of Motherwell is constituted by its Deed of Declaration of Trust. The Trustees named on page one have served throughout the year or since date of appointment. Appointment of Trustees is governed by the terms of the Deed of Declaration of Trust. The Trustees meet each month.

Organisational Structure

The organisational structure of the Diocese is headed by the Bishop of Motherwell in accordance with the law of the Church - Canon Law. The administrative and pastoral structures of the Diocese are described in the code of Canon Law and the books of Diocesan Structures.

The sixty parishes (excluding Mass centres and religious houses) are established and operate under the Code of Canon Law (the law of the Church) which confers on them separate canonical status, rights and obligations.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2019

Management

The Bishop has overall responsibility for the management of the Diocese. The Bishop is supported in his task of governance by the Diocesan Curia. The Diocesan Curia under the moderation of the Vicar General administers the day-to-day affairs of the charity from the registered office. The Curia is made up of both clerical and lay staff. Diocesan policies are put in place in consultation with a number of committees. Canon Law mandates a Diocesan Finance Committee consisting of people skilled in the administration of goods, both lay and clerical. The Finance Committee and the Fabric and Planning Committee meet eight times each year and report on activities of the Diocese and these are discussed and advice is given to the Bishop and the Trustees concerning their decisions. The College of Consultors is consulted on matters of major administrative significance.

Key management personnel remuneration

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received remuneration. Details of trustee expenses are disclosed in note 9 to the financial statements.

Objectives and Activities

Objectives

The objectives of the RC Diocese of Motherwell are defined in the Deed of Declaration of Trust and include:-

- . the advancement of Roman Catholic religion;
- . the advancement of education;
- . the relief of poverty;
- . the cure or alleviation of sickness and disease.

The policy of the Trustees is to seek finance and support to assist its work towards achieving those objectives within the Diocese.

Activities

The Diocese continued to support the parishes of the Diocese in their promotion of the advancement of religion and education and their work towards the relief of poverty and the alleviation of illness within the Diocese.

Volunteers

Many volunteers give up their time to help out at the Diocese and the parishes. This includes assistance with finances and managing the halls. We are greatly indebted to these volunteers for their commitment and support.

Safeguarding

"In God's Name", the Church's policies and procedures for the protection of children, young people and vulnerable adults continue to be the basis for good practice in our parishes. All parish priests have a copy of the manual and posters for display in the church and parish hall.

An annual Diocesan and Parish audit, compiled by the National Office for the Protection of Children and Young People, is compiled and the results fed back to the Diocese. An audit is also completed by the Diocesan Lourdes Pilgrimage, SPRED and Alma.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2019

Safeguarding (continued)

The Diocesan Safeguarding Team meets quarterly to aid the Bishop. The Diocesan Risk Assessment Team meets as and when required. The Safeguarding Adviser continues to attend national meetings and supports the national office in many ways.

Financial Review

The Trustees are responsible for the contents of the financial statements, which are prepared by the Diocese and audited by WDM Associates.

The Parish accounts have been included in the Diocesan financial statements to reflect the overall financial position of the Diocese, as required by charity accounting legislation.

Financial

The Trustees report a surplus of £1,545,182 on Curial funds for the year (2018: deficit £560,302) and a deficit of £213,527 on Parochial funds for the year (2018: surplus £497,602). Curial net current assets were £6,358,083 at 31 December 2019 (2018: £6,510,532) and Parochial net current assets were £12,174,583 (2018: £12,188,932).

Parochial reserves total £21,528,619 at 31 December 2019 (2018: £21,742,146) which relate solely to the assets and transactions of individual parishes. Curial reserves total £6,442,376 at 31 December 2019 (2018: £4,897,194).

Surplus/(Deficit) on Curial Funds

The main source of income for the Diocese is from the parishes through an annual levy and Special Collections for particular purposes. In the year under review, £1,252,151 (2018: £1,209,538) was raised in levy and a further £326,821 (2018: £330,943) was contributed through Special Collections. As the levy and Special Collections are intra the charity, i.e. between the Diocese and the parishes, they are included in the "Transfers between Funds" line of the Statement of Financial Activities.

The Curial fund has a surplus at 31 December 2019 of £617,370 after being in deficit in 2018 by £38,726. This is mostly attributable to the unrealised gains on investments arising at the year end of £640,930. Diocesan income has been insufficient this year to meet the obligations faced by the Diocese in relation to retired priests, education of seminarians and the administrative costs of the Diocesan Office.

In order to maintain the financial security of the Diocese for the future, it is essential that expenditure is continually monitored and controlled. However to meet these rising costs of our commitments, the level of contributions from all sources including parishes will also have to be continually reviewed and increased, otherwise the Diocese will encounter further deficits which will be unsustainable in the long term.

Going concern

The Trustees regard the future operation of the Diocese as a going concern given the cash at bank is £2.1million and the investment portfolio totals £9.9million at 31 December 2019. Plans which were put in place in 2015 to reduce costs are constantly monitored and income streams continue to be reviewed.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2019

Revaluation of property

Heritable assets include diocesan properties, parochial presbyteries and other parochial properties and sites and are valued by professional external advisers every five years. Only non-adjoined parochial properties, excluding churches, i.e. parish halls, presbyteries and other parochial properties not physically joined to each other or to the church are valued. Inalienable and historic assets have not been capitalised as no reliable value can be attributed to them.

Investment policy and performance

The Trustees have power to invest in such stocks, shares, 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. These investments will seek to achieve this by investing in a range of assets suitable for the investment of charitable monies, which will take account of our ethical requirements. The Trustees will not invest in anything that is contrary to the moral and ethical teachings of the Catholic Church.

The investments of the Diocese include a 39.61% share (2018: 42.33%) in the National Contingency Fund amounting to £9,529,291 at the end of the financial year (2018: £8,033,734). This fund is managed on an advisory basis by independent professional investment managers and stockbrokers on behalf of the Bishop's Conference of Scotland. The Diocese also holds unlisted investments of £4,000 (2018: £4,000) which are stated at cost.

The valuation of the various portfolios at 31 December 2019 produced an increase of £1,521,377 (2018: decrease £638,236). The National Contingency Fund, which is managed by the Bishops' Conference of Scotland on behalf of three of the Scottish dioceses, was responsible for most of the decrease.

During the year under review £241,000 was received as dividend from the National Contingency Fund (2018 £248,300). The costs of caring for our sick and retired clergy in the year was £313,664 (2018 - £315,337). The shortfall of £72,664 has been met from Central Funds.

Reserves policy

The intention of the Trustees is to build up general reserves to an equivalent of 6 months expenditure on unrestricted funds not designated for other purposes. This would provide sufficient funds to continue the current activities of the Diocese in the event of a significant drop in income.

At 31 December 2019 the balance of general funds was in surplus by £617,370 which is a reversal of the deficit at 31 December 2018 of £38,726. However much of this due to the unrealised gains on investments. The Trustees continue to take steps by preparing budgets for 2020 and 2021 to scrutinise and further reduce costs throughout the Diocese.

Developments

During the year we continued to invest in maintaining the fabric of our 74 churches and parish houses. At 31st December 2019, there were 60 parishes in the Diocese, as a result of amalgamations which have taken place over the last 4 years.

RC DIOCESE OF MOTHERWELL

Report of the Trustees

For the year ended 31 December 2019

Developments (continued)

After a number of years of trying to improve the trading situation of the Carfin Pilgrimage Centre, the Trustees of the Diocese of Motherwell informed the Directors of Carfin Pilgrimage Centre that the Diocese of Motherwell was no longer willing to offer guarantee for the Carfin Pilgrimage Centre. Over a number of years the Trustees have offered assistance to the Directors and Staff at the Carfin Pilgrimage Centre to help with a more efficient management model and also guidance on the best products to offer. Despite this, the Carfin Pilgrimage Centre continued to trade at a loss and the Diocese of Motherwell has guaranteed those losses.

When the Directors were informed of the Trustees decision they chose to close the Carfin Pilgrimage Centre and cease trading. The Diocese of Motherwell ensured that the proper procedures were followed with regard to redundancy and ensured that all employees were paid their due. The Diocese of Motherwell also settled all outstanding accounts.

The Carfin Pilgrimage Centred offered a service to those attending Carfin Grotto but it was not able to do so in a cost effective manner and has had to be subsidised by the Diocese of Motherwell since it started operating in 1992.

Risk Management

Whilst risk management can limit risk, it does not eliminate risk. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finances of the charity and are satisfied that the systems in place to mitigate exposure to these risks are operating effectively.

The Trustees are aware of the need to review, update and and document policies, procedures and guidance to enable the efficient and effective governance of the Diocese. The Trustees have established a folder which contains all relevant policies and procedures and which are kept under review.

Future Plans and Developments

The Diocese continues to promote the Gospel of Christ, in accordance with the teachings of the Catholic Church, and to carry out the mission of the Church throughout the Diocese of Motherwell. This will be carried out through the continuation of current activities and the development of further plans to enable the work of the Church to be fulfilled.

The Trustees and their advisors continue to monitor the financial position of the Diocese to ensure that the stewardship of resources and the availability of funds to meet commitments is managed for the long term welfare of the Diocese.

Whilst the Diocese has a large capital requirement over the next few years, capital expenditure will continue to be limited for all projects except essential maintenance and health and safety projects.

Covid-19

Given the official advice from Government to reduce the spread of Covid-19, the Bishops of Scotland took the decision to suspend Holy Mass in public from Thursday 19th March. Churches remained open for private prayer until the government announced the lockdown on 23rd March 2020 when all churches were closed. Priests continued to offer Holy Mass with no parishioners present and found different ways to keep in contact with their parishioners. The use of streaming on the internet was used by some parishes, while others kept in contact through telephone calls, Facebook, parish websites, or regular letters and bulletins to parishioners.

RC DIOCESE OF MOTHERWELL

Report of the Trustees For the year ended 31 December 2019

Covid-19 (continued)

Because of the closures, parishioners were not attending Church services and therefore the income usually received from collections was lost. However, as some parishioners make their donations through standing orders, this income continued. The use of standing orders was encouraged. On-line and electronic giving was expanded to a number of parishes and the Diocese also built a donations platform on its website.

In line with the advice from the Scottish Government the Diocesan Centre closed and staff worked from home. The Diocese, along with many parishes, participated in the government "Job Retention Scheme". A number of the staff who work at the Diocesan Office as well as staff working in Parishes were furloughed. Savings were made in the running of the Diocesan Office and of churches, especially in energy costs and through the Job Retention Scheme. Parishes were also encouraged to cut expenditure where possible.

Some grants were made available by the Government to assist charities, but it was found that we were not eligible to apply for these grants.

The principal source of income for the Curial Funds of the Diocese is through the levy on parishes. On the whole this has been maintained and most parishes have been able to meet their levy obligations.

The levy is calculated as a percentage of the ordinary income of parishes and it will be next year when this will affect income to the Curial Funds.

The Trustees are conscious that income to the Curial Funds is likely to be greatly reduced next year and are looking at ways to cut the running costs of the Diocesan Curia.

Following the guidance from the Scottish Government, when it is possible, working at home is continuing. At present the Diocesan Office is only open one day per week and this may rise to three days when the situation allows. This will give continued savings in energy costs.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The law applicable to charities in Scotland, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Diocese and of the incoming resources and application of resources, including the income and expenditure, of the Diocese of that period. In preparing these financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures and explained in the financial statements;
- prepare financial statements on the going concern basis unless there are indications to the contrary.

RC DIOCESE OF MOTHERWELL

**Report of the Trustees
For the year ended 31 December 2019**



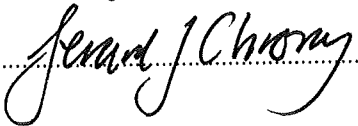
Statement of Trustees' Responsibilities

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Deed of Declaration of Trust. They are also responsible for safeguarding the assets of the Diocese and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each Trustee has taken all steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the Trustees on 22nd September 2020 and signed on their behalf by:

	Bishop Joseph Toal	Trustee
	Father James Thomson	Trustee
	Father Gerard Chromy	Trustee

Report of the Independent Auditors to the Trustees of the RC Diocese of Motherwell

Opinion

We have audited the financial statements of the RC Diocese of Motherwell for the year ended 31 December 2019 set out on pages 11 to 27. The financial reporting framework that has been applied in their preparation is applicable charity law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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. 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 auditors' 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure 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.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Report of the Independent Auditors to the Trustees of the RC Diocese of Motherwell

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.



WDM Associates (Statutory Auditors)
Chartered Accountants
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
Oakfield House
378 Brandon Street
Motherwell
ML1 1XA

Date: 22nd September 2020

RC DIOCESE OF MOTHERWELL

Statement of Financial Activities
For the year ended 31 December 2019

	Notes	Curial Funds				Parochial Funds	Total Funds 31/12/2019 £	Total Funds 31/12/2018 £
		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £	Restricted Funds £		
Income and Endowments from:								
Donations and legacies	2	33,172	-	-	33,172	6,897,420	6,930,592	7,460,794
Other trading activities	3	205,865	-	-	205,865	2,074,462	2,280,327	2,343,340
Investments	4	35,802	241,000	14	276,816	108,678	385,494	363,438
Other	5	29,337	-	-	29,337	39,237	68,574	56,518
Total income		304,176	241,000	14	545,190	9,119,797	9,664,987	10,224,090
Expenditure on:								
Raising funds	6	263,732	-	-	263,732	1,025,527	1,289,259	1,282,455
Charitable activities	7	1,932,848	-	-	1,932,848	6,632,602	8,565,450	8,366,099
Total expenditure		2,196,580	-	-	2,196,580	7,658,129	9,854,709	9,648,554
Net income/(expenditure) and net movement in funds before gains and losses on investments		(1,892,404)	241,000	14	(1,651,390)	1,461,668	(189,722)	575,536
Net gains/(losses) on investments	12	640,930	880,447	-	1,521,377	-	1,521,377	(638,236)
Net income/expenditure		(1,251,474)	1,121,447	14	(130,013)	1,461,668	1,331,655	(62,700)
Transfers between funds								
Levy and Special Collections	16	1,578,972	-	-	1,578,972	(1,578,972)	-	-
Other transfers	17	324,386	(241,000)	12,837	96,223	(96,223)	-	-
		1,903,358	(241,000)	12,837	1,675,195	(1,675,195)	-	-
Other recognised gains/(losses)								
Gains/(losses) on revaluation of fixed assets	11	-	-	-	-	-	-	-
Net movement in funds		651,884	880,447	12,851	1,545,182	(213,527)	1,331,655	(62,700)
Reconciliation of Funds								
Total Funds brought forward		167,665	4,729,529	-	4,897,194	21,742,146	26,639,340	26,702,040
Total Funds carried forward		819,549	5,609,976	12,851	6,442,376	21,528,619	27,970,995	26,639,340

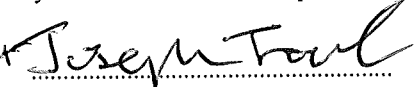
The notes form part of these financial statements


RC DIOCESE OF MOTHERWELL

Balance Sheet
As at 31 December 2019

	Notes	Curial 31/12/2019 £	Parochial 31/12/2019 £	Total 31/12/2019 £	Total 31/12/2018 £
Fixed assets					
Tangible assets	11	1,503,980	9,354,036	10,858,016	10,943,817
Investments	12	9,974,912	-	9,974,912	8,440,520
		<u>11,478,892</u>	<u>9,354,036</u>	<u>20,832,928</u>	<u>19,384,337</u>
Current assets					
Stocks		8,035	8,418	16,453	14,017
Debtors	13	4,419,209	11,444,599	15,863,808	16,177,639
Short term deposits		1,386,675	-	1,386,675	1,375,495
Cash at bank and in hand		750,755	4,976,608	5,727,363	5,878,959
		<u>6,564,674</u>	<u>16,429,625</u>	<u>22,994,299</u>	<u>23,446,110</u>
Liabilities					
Creditors falling due within one year	14	206,591	4,255,042	4,461,633	4,746,646
		<u>6,358,083</u>	<u>12,174,583</u>	<u>18,532,666</u>	<u>18,699,464</u>
Net current assets					
		17,836,975	21,528,619	39,365,594	38,083,801
Total assets less current liabilities					
Liabilities					
Amounts falling due after more than one year	15	(11,394,599)	-	(11,394,599)	(11,444,461)
		<u>6,442,376</u>	<u>21,528,619</u>	<u>27,970,995</u>	<u>26,639,340</u>
Net assets					
The funds of the charity					
Unrestricted funds	16	617,370	-	617,370	(38,726)
Revaluation reserve	16	202,179	-	202,179	206,391
Designated funds	16	5,609,976	-	5,609,976	4,729,529
Restricted funds	16	12,851	21,528,619	21,541,470	21,742,146
		<u>6,442,376</u>	<u>21,528,619</u>	<u>27,970,995</u>	<u>26,639,340</u>

Approved by the Trustees on 22nd September 2020

Trustee  Bishop Joseph Toal

Trustee  Father James Thomson

Trustee  Father Gerard Chromy

The notes form part of these financial statements

RC DIOCESE OF MOTHERWELL

Statement of Cash Flows
For the year ended 31 December 2019

	Note	31/12/2019 £	31/12/2018 £
Net cash used in operating activities			
Reconciliation of net income/expenditure to net cash flow from operating activities	19		
Net movement in funds		1,331,655	(62,700)
Adjustments for:			
Interest received		(21,999)	(11,819)
Dividends received		(254,015)	(261,627)
Rent received		(109,480)	(89,992)
Depreciation charges		231,058	231,665
Gain on disposal of assets		(2,206)	(130,575)
Net (gains)/losses on investments		(1,521,377)	638,236
(Increase)/decrease in stocks		(2,436)	2,872
Decrease/(increase) in debtors		313,831	(83,910)
(Decrease)/increase in creditors		(334,875)	(57,368)
Net cash used in operating activities		<u>(369,844)</u>	<u>174,782</u>
Cash flows from investing activities			
	20		
Interest received		21,999	11,819
Dividends received		254,015	261,627
Rent received		109,480	89,992
Payments to acquire fixed asset investments		(13,015)	(513,327)
Payments to acquire tangible fixed assets		(149,883)	(4,997)
Receipts from sales of tangible fixed assets		6,832	920,575
Receipts from sales of fixed asset investments		-	-
Net cash flows from investing activities		<u>229,428</u>	<u>765,689</u>
Changes in cash and cash equivalents in the year		<u>(140,416)</u>	<u>940,471</u>
Cash and cash equivalents brought forward		7,254,454	6,313,983
Cash and cash equivalents carried forward	21	<u><u>7,114,038</u></u>	<u><u>7,254,454</u></u>

The notes form part of these financial statements

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

1 Accounting Policies

Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of some heritable property and investments which are included at fair value. The financial statements have been prepared in accordance with the Charities SORP (FRS102) "Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard application in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", Financial Reporting Standard FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The RC Diocese of Motherwell constitutes a public benefit as defined by FRS 102.

Going Concern

The Trustees have reviewed the Diocese's annual budget and plans and have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Diocese of Motherwell to continue as a going concern. The Trustees believe that there are adequate resources to continue in operational existence for the foreseeable future, being a period of 12 months after the date of which the report and financial statements are signed. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Parishes

The parishes of the Diocese are established and operate under the Church's Code of Canon Law which confers on them separate canonical status. Parishes are now accounted for within the financial statements of the Diocese, but their distinct canonical status explains the columnar approach taken in these financial statements and the classification of parish assets and liabilities as restricted funds.

Whilst the parishes account for income and expenditure on a cash basis, adjustments are made by the Diocese to incorporate accruals and deferrals prior to inclusion in the financial statements of the Diocese.

Transactions between parishes and the Diocese are accounted for as transfers between funds in the Statement of Financial Activities. These transactions are principally the annual amount levied to cover central costs and amounts collected by parishes and passed on intact to the Diocese for such purposes as the Trustees periodically nominate.

Income recognition

Income is recognised in the year in which the charity is entitled to receipt, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

Offertory income, Special Collections and donations

Offertory income, Special Collections and donations are credited to the Statement of Financial Activities in the year in which they are receivable. Donated services and gifts are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Legacies

Legacies are credited to the Statement of Financial Activities once the charity has been advised by the personal representative of an estate that payment will be made and the amount involved can be quantified.

Grants

Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

1 Accounting policies

Investment income

Dividends and other investment income are recognised when receivable. 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 received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolios.

Expenditure recognition

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Allocation of support and governance costs

Support and governance costs relating to charitable activities have been allocated among Diocesan, National and Parochial activities. Governance costs are allocated by time spent. The apportionment is analysed in note 7.

Costs of raising funds

Costs of raising funds consist of those associated with generating income and investment management costs.

Charitable activities

Charitable activities included expenditure associated with meeting the Diocese's primary objectives and include both the direct costs and the support costs relating to those activities.

Tangible fixed assets

Heritable properties are initially recognised at cost and subsequently measured at their fair value at the balance sheet date. Properties are revalued by professional external advisers every 5 years. The surpluses or deficits on revaluation are transferred to the relevant fund to which the assets relate, namely designated, restricted or unrestricted.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Heritable property	2% straight line
Furniture, fittings and equipment	20% - 33% straight line
Motor vehicles	25% reducing balance

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value 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 investment in the Catholic National Endowment Trust 4 is included on the balance sheet at the value of the Diocese's share of the reserves of that investment at the balance sheet date. Unlisted investments are included on the balance sheet at cost less impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stocks consist of goods for resale.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any discounts due.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

1 Accounting policies

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any discounts due.

Realised gains and losses

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 their opening carrying value or purchase value of acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Pensions

The Diocese operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Diocese, being invested with insurance companies. Pension costs charged in the Statements of Financial Activities represent the contributions payable by the Diocese in the year.

Fund Accounting

Unrestricted general funds are those which are available for use at the discretion of the trustees in furtherance of the objects of the charity.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purposes or projects.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the charity for a particular purpose.

Full details of the funds are included in note 16 to the financial statements.

2 Income from donations and legacies

	Curial Restricted Funds £	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2019 £	Total 2018 £
Offerings	-	-	4,590,889	4,590,889	4,599,024
Gift Aid Scheme repayments	-	-	687,562	687,562	766,913
Special Collections	-	-	810,455	810,455	838,664
Legacies	-	2,261	162,189	164,450	129,669
Other donations	-	30,911	267,445	298,356	299,389
Votive candles	-	-	342,119	342,119	335,660
Grants received	-	-	36,761	36,761	491,475
	-	33,172	6,897,420	6,930,592	7,460,794

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2019

3 Income from other trading activities

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2019 £	Total 2018 £
<i>Income</i>				
Pilgrimage Centre				
Sales income	205,865	-	205,865	249,866
Parishes:				
Hall income	-	1,508,604	1,508,604	1,510,455
Stall	-	233,651	233,651	227,289
General fundraising	-	332,207	332,207	355,730
	<u>205,865</u>	<u>2,074,462</u>	<u>2,280,327</u>	<u>2,343,340</u>

4 Income from investments

	Curial Restricted Funds £	Curial Unrestricted Funds £	Curial Designated Funds £	Parochial Restricted Funds £	Total 2019 £	Total 2018 £
Rent received		3,445	-	106,035	109,480	89,992
Interest received	14	19,342	-	2,643	21,999	11,819
Dividends received		13,015	-	-	13,015	13,327
CNET4 dividend		-	241,000	-	241,000	248,300
	<u>14</u>	<u>35,802</u>	<u>241,000</u>	<u>108,678</u>	<u>385,494</u>	<u>363,438</u>

5 Other income

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2019 £	Total 2018 £
Religious education	24,481	-	24,481	26,180
Other income	4,856	39,237	44,093	30,338
	<u>29,337</u>	<u>39,237</u>	<u>68,574</u>	<u>56,518</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2019

6 Expenditure on raising funds

	Curial Unrestricted Funds £	Parochial Restricted Funds £	Total 2019 £	Total 2018 £
Pilgrimage Centre expenditure				
Cost of sales	86,206	-	86,206	112,057
Property costs	20,526	-	20,526	26,836
Staff costs	154,065	-	154,065	123,035
Administration costs	2,935	-	2,935	4,003
Parishes				
Hall expenditure	-	636,330	636,330	625,678
Staff costs	-	163,671	163,671	172,272
Stall	-	192,895	192,895	186,671
General fundraising costs	-	32,631	32,631	31,903
	<u>263,732</u>	<u>1,025,527</u>	<u>1,289,259</u>	<u>1,282,455</u>

7 Expenditure on Charitable Activities

	Diocesan Activities £	National Activities £	Parochial Activities £	Total 2019 £	Total 2018 £
Education and formation	105,148	-	40,261	145,409	135,716
Seminaries and Permanent Diaconate	220,031	-	-	220,031	190,412
Pastoral services	-	203,029	633,925	836,954	768,838
Retired priests	313,664	-	-	313,664	315,337
Special Collections	-	229,357	475,588	704,945	706,320
Special care	70,033	-	-	70,033	66,287
Safeguarding	1,336	-	-	1,336	27
Staff costs	336,510	-	656,875	993,385	975,838
Property costs	95,551	-	3,642,100	3,737,651	3,846,964
Computer costs	24,515	-	-	24,515	16,218
Depreciation	35,046	-	196,012	231,058	231,665
(Gain)/loss on disposal of assets	1,460	-	(3,666)	(2,206)	(130,575)
Administration	82,459	-	720,677	803,136	853,774
Retired housekeepers' fund	38,036	-	-	38,036	-
St Mungo's insurance	33,075	-	-	33,075	-
Professional fees	63,037	-	4,166	67,203	93,950
Auditor's remuneration	18,592	-	15,125	33,717	33,693
Donations	27,690	-	54,130	81,820	82,267
Other	34,279	-	197,409	231,688	179,368
	<u>1,500,462</u>	<u>432,386</u>	<u>6,632,602</u>	<u>8,565,450</u>	<u>8,366,099</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

8 Analysis of Staff Costs and Remuneration of Key Management Personnel

	2019	2018
	£	£
Curial		
Salaries and wages	519,881	466,815
Social security costs	33,828	31,029
Pension costs	22,979	20,757
	<hr/>	<hr/>
	576,688	518,601
Wages and salaries - parishes	820,546	835,637
	<hr/>	<hr/>
	1,397,234	1,354,238
	<hr/>	<hr/>
The average monthly number of employees during the year was	48	50

The above numbers include lay people, priests and religious sisters who were employed on a full time basis. Priests who perform administrative duties for the Diocese do not receive remuneration for their services.

The Charity considers its key management personnel comprises the Trustees. Remuneration of the Trustees is detailed in note 9 to the financial statements. No employee received remuneration in excess of £60,000.

9 Remuneration of Trustees

The three Trustees of the Diocese receive no remuneration for their services as Trustees. All of the Trustees are clergy of the Diocese and, as such, are housed, remunerated and reimbursed expenses for carrying out their ministry in the same way as other priests of the Diocese, in accordance with the code of Canon Law. The Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006 require disclosure of remuneration and expenses paid to Trustees in whatever capacity. The total remuneration paid to the Trustees amounted to £Nil (2018: £Nil) and the total costs of accommodation and reimbursement of expenses amounted to £54,219 (2018: £59,656).

The Diocese has insurance to protect the Diocese from loss arising from neglect or default of its Trustees and insurance to indemnify the Trustees against consequences of neglect or default on their part.

10 Auditor's remuneration

The auditor's remuneration constituted audit fees of £33,717 (2018 -£33,693) and additional accountancy work of £10,416 (2018 -£11,166).

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

11 Tangible Fixed Assets

	Heritable Property		Curial Furniture, fittings, vehicles & equipment	Parochial Furniture, fittings & motor vehicles	Total
	Curial £	Parochial £	£	£	£
Cost or Valuation					
At 1 January 2019	1,408,000	9,740,000	138,865	50,671	11,337,536
Additions	149,209	-	674	-	149,883
Disposals			(1,524)	(23,721)	(25,245)
Reclassification/transfer			(27,518)	-	(27,518)
At 31 December 2019	1,557,209	9,740,000	110,497	26,950	11,434,656
Depreciation					
At 1 January 2019	28,160	194,800	128,102	42,657	393,719
Provision	31,144	194,800	3,902	1,212	231,058
On disposal	-		(1,524)	(20,555)	(22,079)
Reclassification/transfer			(26,058)	-	(26,058)
At 31 December 2019	59,304	389,600	104,422	23,314	576,640
Net Book Value					
At 31 December 2019	1,497,905	9,350,400	6,075	3,636	10,858,016
At 31 December 2018	1,379,840	9,545,200	10,763	8,014	10,943,817

DM Hall LLP, Chartered Surveyors were appointed to perform valuations of relevant diocesan and parochial properties and sites for the year ended 31 December 2017. DM Hall are independent qualified surveyors and this is their first year of appointment. The total fees paid by the Diocese in respect of the valuation work are minimal in terms of the overall turnover of DM Hall LLP.

The basis for all valuation is fair value as per Valuation Practice Statement 4.1 of the RCIS Valuation - Professional Standards, published January 2014 and updated in January 2015. In determining the fair value of each of the properties and sites, the "comparative" principle of valuation methodology was adopted. The date of valuation is 31st December 2017.

All diocesan properties and sites were included in the valuation but only non-adjoined parochial properties, excluding churches; i.e. parish halls, presbyteries and other parochial properties not physically joined to each other or the church, were included, together with parish sites.

RC DIOCESE OF MOTHERWELL

**Notes to the Financial Statements
For the year ended 31 December 2019**

11 Tangible Fixed Assets

The heritable property figures stated above for cost or valuation include land and heritable property as follows:

	2019	2018
	£	£
At valuation - Curial properties	<u>1,557,209</u>	<u>1,408,000</u>
At cost - Parochial properties	-	-
At valuation - Parochial properties	9,740,000	9,740,000
	<u><u>11,297,209</u></u>	<u><u>11,148,000</u></u>

If certain fixed assets belonging to the Curial Office had not been revalued they would have been included on the historical cost basis at the following amounts:

	2019	2018
	£	£
Cost	1,619,302	1,470,093
Accumulated depreciation	(318,163)	(285,781)
	<u><u>1,301,139</u></u>	<u><u>1,184,312</u></u>

The above cost figures do not include the cost of parish properties as these are unknown.

12 Fixed Asset Investments

	2019	2018
	£	£
Valuation		
At 1 January 2019	8,440,520	8,565,429
Invested during the year	13,015	513,327
Proceeds from disposals	-	-
(Deficit)/Surplus on revaluation	1,521,377	(638,236)
Movement in cash held by the stockbroker	-	-
At 31 December 2019	<u><u>9,974,912</u></u>	<u><u>8,440,520</u></u>
Cost at 31 December 2019	<u><u>5,789,964</u></u>	<u><u>5,789,964</u></u>

The above total is represented by:

	2019	2018
	£	£
Listed investments	441,621	402,786
Catholic National Endowment Trust 4	9,529,291	8,033,734
Unlisted investments	4,000	4,000
	<u><u>9,974,912</u></u>	<u><u>8,440,520</u></u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

12 Fixed Asset Investments

The above assets are split between UK and non-UK investment assets as follows:

	2019	2018
	£	£
Investment assets inside the UK	9,974,912	8,440,520
Investment assets outside the UK	-	-
	<u>9,974,912</u>	<u>8,440,520</u>

All investments are carried at their fair value. The listed investments consist of equities traded in quoted public markets, primarily the London Stock Exchange and holdings in common investment funds, unit trusts and open-ended investment companies. The 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 market value, using the bid price.

The Catholic National Endowment Trust 4 is an unlisted unit trust which holds its funds in investments listed on a recognised stock exchange. At 31 December 2019 the Diocese of Motherwell had ownership of 42.33% of the total fund (2018: 42.33%). The cost of these investments at 31 December 2019 was £5,445,392 (31 December 2018: £5,445,392). This investment is repayable on demand.

The investment has been made principally to provide for the care of sick and retired priests in the future, although this remains at the discretion of the Trustees of the Diocese of Motherwell.

13 Debtors

	Curial	Parochial	Total	Total
	£	£	2019	2018
			£	£
Prepayments and accrued income	421,972	-	421,972	467,805
Parish loans	3,997,237	-	3,997,237	4,215,373
Due by Curial Office	-	11,394,599	11,394,599	11,444,461
Other debtors	-	50,000	50,000	50,000
	<u>4,419,209</u>	<u>11,444,599</u>	<u>15,863,808</u>	<u>16,177,639</u>

The amounts due by the parishes are largely in connection with parish developments.

Due to the necessity to show parochial and diocesan assets and liabilities separately, the amount stated above as a diocesan debtor is also included as a parochial creditor in note 13 and vice versa for amounts due by the Diocese to the parishes (see note 14).

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

14 Creditors falling due within one year

	Curial £	Parochial £	Total 2019 £	Total 2018 £
Bank overdrafts	-	-	-	-
Trade creditors	3,071	1,052	4,123	48,963
Accruals	164,300	243,120	407,420	434,195
Parish loans	-	3,997,237	3,997,237	4,215,373
Taxation and social security	11,103	13,633	24,736	18,632
Other creditors	28,117	-	28,117	29,483
	<u>206,591</u>	<u>4,255,042</u>	<u>4,461,633</u>	<u>4,746,646</u>

15 Creditors falling due after more than one year

	Curial £	Parochial £	Total 2019 £	Total 2018 £
Parochial Investment Fund	10,126,147	-	10,126,147	10,161,188
Pastoral Aid Fund	1,268,452	-	1,268,452	1,283,273
	<u>11,394,599</u>	<u>-</u>	<u>11,394,599</u>	<u>11,444,461</u>

The Parochial Investment Fund represents monies deposited with the Diocese by the parishes. Investing parishes receive interest at a rate of 0.25%. Loans (see note 13) are made available at a low interest rate to parishes wishing to embark on major building or repair work. The remaining funds are invested centrally by the Diocese.

The Pastoral Aid Fund represents monies deposited with the Diocese by the parishes to meet some of the income needs of parishes in poorer areas. Investing parishes receive interest at a rate of 0.25% above that paid by the Bank of Scotland on ordinary deposit accounts. The Diocese invests the total fund centrally and the surpluses created are distributed to needy parishes.

16 Analysis of charitable funds

(a) Curial Unrestricted Funds

	At 1 January 2019 £	Incoming Resources £	Resources Expended £	Revaluation/ Investment Gains/(losses) £	Transfers £	At 31 December 2019 £
General Fund	(38,726)	304,176	(2,196,580)	640,930	1,907,570	617,370
Revaluation reserve	206,391	-	-	-	(4,212)	202,179
Unrestricted funds	<u>167,665</u>	<u>304,176</u>	<u>(2,196,580)</u>	<u>640,930</u>	<u>1,903,358</u>	<u>819,549</u>

Description of Funds

The general fund is the surplus of general income over general expenditure and is available for any of the purposes of the charity. The revaluation reserve represents the increase or decrease in value of the curial properties. The properties are professionally valued every five years.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2019

16 Analysis of charitable funds

(b) Curial Designated Funds

	At 1 January 2019 £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31 December 2019 £
CNET 4	4,729,529	241,000	-	880,447	(241,000)	5,609,976

Description of Funds

Designated Funds are monies set aside by the Trustees for a particular purpose.

CNET4 - As described in note 12, this fund has been set up principally to provide for the care of sick and retired priests in the future, although this remains at the discretion of the Trustees of the Diocese of Motherwell. The fund is represented by investment in property and share portfolios.

(c) Curial Restricted Funds

	At 1 January 2019 £	Incoming Resources £	Resources Expended £	Investment Losses £	Transfers £	At 31 December 2019 £
Cathedral organ fund	-	14	-	-	12,837	12,851

Description of Funds

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

This fund has been set up for the maintenance and upkeep of the cathedral organ.

(d) Parish Restricted Funds

	At 1 January 2019 £	Incoming Resources £	Resources Expended £	Revaluation Losses £	Transfers £	At 31 December 2019 £
Parochial restricted funds	21,742,146	9,119,797	(7,658,129)	-	(1,675,195)	21,528,619

Description of Funds

The parishes of the Diocese of Motherwell are established and operate under the Code of Canon Law of the Roman Catholic Church which gives them separate canonical status. Therefore each parish has been treated as a separate restricted fund within these financial statements. The parish funds are administered by the parish priests with guidance from the Curial Office, and are used to further the work of the Church in local areas and to support the work of the Curia.

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2019

(d) Transfers between Funds - Levy and Special Collections

The transfer of funds of Levy and Special Collections from parishes to the Diocese comprised the following:

	2019 £	2018 £
Levy	<u>1,252,151</u>	<u>1,209,538</u>
Special Collections:		
Communications	32,598	31,377
Day for Life	22,671	25,785
St Margaret's Children and Family Care	27,092	23,249
Justice and Peace	38,294	39,115
Holy Places	43,189	43,547
Peter's Pence	37,620	33,251
Lenten Appeal	48,369	36,715
Education Fund	37,918	38,900
Students/retired priests boxes	4,790	15,254
Catholic Education Commission	34,280	43,750
	<u>326,821</u>	<u>330,943</u>
Total	<u><u>1,578,972</u></u>	<u><u>1,540,481</u></u>

17 Other transfers between funds

Other transfers from the parishes to the Diocese were as follows:

	2019 £	2018 £
Parish loan interest	27,713	34,648
Health and safety audits	100,350	-
Cathedral organ fund	12,837	-
	<u>140,900</u>	<u>34,648</u>

Transfers from the Diocese to the parishes were as follows:

	2019 £	2018 £
Parochial Investment Fund interest	25,299	24,902
Pastoral Aid Fund interest	3,178	3,200
Support of retired priests	16,200	14,075
	<u>44,677</u>	<u>42,177</u>
Total	<u><u>96,223</u></u>	<u><u>(7,529)</u></u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements
For the year ended 31 December 2019

18 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Designated Funds £
Tangible fixed assets	1,503,980	9,354,036	-
Investments	4,364,936	-	5,609,976
Cash at bank and in hand	2,137,430	4,976,608	-
Other net current assets/(liabilities)	(7,173,946)	7,197,975	-
	<u>832,400</u>	<u>21,528,619</u>	<u>5,609,976</u>

19 Reconciliation of net movement in funds to net cash flows from operating activities

	Curial £	Parochial £	Total 2019 £	Total 2018 £
Net movement in funds	(130,013)	1,461,668	1,331,655	(62,700)
Adjustments for:				
Interest received	(19,342)	(2,643)	(21,985)	(11,819)
Dividends received	(254,015)	-	(254,015)	(261,627)
Rent received	(3,445)	(106,035)	(109,480)	(89,992)
Depreciation charges	35,046	196,012	231,058	231,665
(Gain)/loss on disposal of assets	1,460	(3,666)	(2,206)	(130,575)
Net gains on investments	(1,521,377)	-	(1,521,377)	638,236
(Increase)/decrease in stocks	(1,795)	(641)	(2,436)	2,872
Decrease in debtors	263,969	49,862	313,831	(83,910)
Increase in creditors	(77,892)	(256,983)	(334,875)	(57,368)
Net cash used in operating activities	<u>(1,707,404)</u>	<u>1,337,574</u>	<u>(369,830)</u>	<u>174,782</u>

20 Cash flows from investing activities

	Curial £	Parochial £	Total 2019 £	Total 2018 £
Interest received	19,356	2,643	21,999	11,819
Dividends received	254,015	-	254,015	261,627
Rent received	3,445	106,035	109,480	89,992
Payments to acquire fixed asset investments	(13,015)	-	(13,015)	(513,327)
Payments to acquire tangible fixed assets	(149,883)	-	(149,883)	(4,997)
Receipts from sales of tangible fixed assets	-	6,832	6,832	920,575
Receipts from sales of fixed asset investments	-	-	-	-
	<u>113,918</u>	<u>115,510</u>	<u>229,428</u>	<u>765,689</u>

RC DIOCESE OF MOTHERWELL

Notes to the Financial Statements For the year ended 31 December 2019

21 Analysis of cash and cash equivalents

	At 1 January 2019 £	Cash Flows £	At 31 December 2019 £
Curial Funds			
Cash at bank	2,055,735	81,695	2,137,430
Bank overdrafts	-	-	-
	<u>2,055,735</u>	<u>81,695</u>	<u>2,137,430</u>
Parochial Funds			
Cash at bank	5,198,719	(222,111)	4,976,608
	<u>7,254,454</u>	<u>(140,416)</u>	<u>7,114,038</u>

22 Pensions

The Diocese operates defined contribution schemes for the benefit of certain Curial Office employees. The assets of the scheme are administered by trustees in funds independent from those of the Diocese.

23 Associated and Connected Bodies and Related Party Transactions

At 31 December 2019 the following companies were connected with the Diocese:

Subsidiary Companies	Class of Share Capital Held	Proportion Held	Nature of Business
Carfin Pilgrimage Centre Limited	Equity	100%	Multi denominational visitor centre
St Patrick's Tearoom Limited	Equity	100%	Tearoom
St Columbkille's Tearoom Limited	Equity	100%	Tearoom

The Carfin Pilgrimage Centre Limited, St Patrick's Tearoom Limited and St Columbkille's Tearoom Limited are registered in Scotland. The Carfin Pilgrimage Centre Limited, St Patrick's Tearoom Limited and St Columbkille's Tearoom Limited have been consolidated in the financial statements.

Carfin Pilgrimage Centre is a wholly owned subsidiary of the Diocese. The centre was closed on 30 September 2019 due to continued unsustainable losses. St Patrick's Tearoom Limited and St Columbkille's Tearoom Limited are wholly owned subsidiaries of St Patrick's Parish, Coatbridge and St Columbkille's Parish, Rutherglen. All profits by these companies are donated to the respective parishes through gift aid. In the year under review £32,014 (2018 -£41,012) was gift aided by St Patrick's Tearoom Limited and nil (2018 - £nil) was gift aided by St Columbkille's Tearoom Limited. All amounts are removed on consolidation.

24 Capital Commitments

There were no unprovided capital commitments at 31 December 2019 or 31 December 2018.

25 Contingent liability

Potential claims have been made against the Diocese relating to alleged abuse. Although there is insurance cover in place, any damages or costs in excess of the policy limit will need to be met by the Diocese. However the financial risk cannot be quantified at this stage and no provision has been made in these financial statements.