

**THEROMANCATHOLICARCHDIOCESE
OFSTANDREWSANDEDINBURGH**

ANNUALREPORTandACCOUNTS

For theyearended31December2 006



THEROMANCATHOLICARCHDIOCESEOFSTANDREWSANDEDINBURGH

ANNUALREPORTandACCOUNTS

For theyearended31December2006

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TRUSTEES REPORT 2006

Reference & Administrative Details

The Roman Catholic Archdiocese of St Andrews & Edinburgh was established by the Apostolic Letter "Ex Supremo" of Pope Leo XIII dated 4 March 1878, being the date of the restoration of the Roman Catholic Hierarchy, which had been extinct since 1603.

Trustees

The Trustees of the Archdiocese during the year to 31 December 2006 and at the time the financial statements were approved were:-

<i>Name</i>	<i>Title</i>	<i>Appointed by</i>
His Eminence Keith Patrick Cardinal O'Brien	Archbishop	His Holiness the Pope
Right Reverend Monsignor Alistair Lawson	Senior Vicar General	Archbishop
Reverend Nicholas Hodgson	Chancellor	Archbishop (resigned 1 September 2007)
Right Reverend Monsignor Philip Kerr	Vicar General	Archbishop (appointed 1 September 2007)

The holders of these positions ex officio assume the office of Trustees.

Address

The principal address of the Archdiocese is Archdiocesan Offices, Gillis Centre, 100 Strathearn Road, Edinburgh, EH9 1BB, the location of its administration offices.

Bankers

Bank of Scotland, Edinburgh Business Centre, 2 Castle Terrace, Edinburgh, EH12 4YA
Royal Bank of Scotland, 36 St Andrew Square, Edinburgh, EH2 2YB
Skipton Building Society, The Bailey, Skipton, North Yorkshire, BD23 1DN

Solicitors

Anderson Strathern WS, 1 Rutland Court, Edinburgh, EH3 8EY

Auditors

Chiene + Tait, Chartered Accountants and Registered Auditors, 61 Dublin Street, Edinburgh, EH3 6NL

Investment Advisors

Brewin Dolphin Securities Ltd., 48 St Vincent Street, Glasgow, G2 5TS
Newton Investment Management Limited, Capital House, 2 Festival Square, Edinburgh, EH3 9SU

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

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Structure, Governance & Management

Organisational Structure

The Archdiocese is comprised of 106 parishes located in various cities, towns and villages throughout its boundaries. A Parish Priest, who is appointed by and is accountable to the Archbishop, is responsible, in terms of the Code of Canon Law, for a single or multiple Parishes. Parishes are grouped into Deaneries on a geographical basis. The Archbishop appoints one of the Parish Priests in each Deanery as "Dean". There are regular meetings of the 10 Deans with the Archbishop as well as meetings of the individual Dean with him.

Governance

The Archdiocese utilises a committee structure to administer its affairs. The Archbishop is automatically a member of all committees. The following are the main committees used for administration purposes: -

- o College of Consultors
- o Council of Priests
- o Finance Committee
- o Fabric & Planning Committee
- o Vicars General
- o Secretaries' Committee

Each Parish operates under the leadership of the Parish Priest. Canon Law dictates that each Parish must have a Finance Committee to advise and assist the Parish Priest with its governance.

Management

The Archbishop has overall responsibility for the management of the Archdiocese. On a day-to-day basis various Senior Managers administer the affairs of the Archdiocese.

Induction & Training

The Archdiocese has an ongoing policy for training of its Trustees and Senior Managers. They are all kept fully informed of legislation changes which affect the charity. The emphasis is that the Senior Managers are continually trained and they in turn convey this training to the Trustees and staff.

Objectives & Activities

Objectives

The objectives of the Archdiocese are: -

1. The advancement of the Roman Catholic Religion.
2. The advancement of education.
3. The relief of poverty.
4. The cure or alleviation of human sickness or disease.

Mission Statement

The aim of the Archdiocese is to foster a spirit of unity within our Archdiocesan family so that we can all grow together in the love of God and service to our neighbour.

Activities

In order to achieve the objectives of the Archdiocese, each parish uses its own resources with guidance from the Archbishop and his advisors. Support and direction are also provided by the agencies and commissions of the Archdiocese.

In the current climate with diminishing numbers of volunteers, and more worryingly falling numbers of clergy and religious orders, there has been an increase in the numbers of paid employees. However, throughout the Archdiocese, there are still many unpaid volunteers who occupy various positions to promote its objectives.

It is Archdiocesan policy to provide funding and expertise where possible so that the social and pastoral services required in the parish can be provided.

Achievements & Performance

It is very difficult for a Religious Charity to assess its achievements and performances as there are no practical indicators and measures to use. The only relevant measure is the number of souls saved and that is an immeasurable statistic.

The Cardinal and his advisors have produced a Pastoral Plan for the Archdiocese called "Now is the favourable time". This is attempting to address the falling numbers of clergy and religious persons in the Archdiocese by clustering parishes and revising Deanery boundaries. The consultation process, with all persons within the Archdiocese, has been started and will continue over the next year. The aim is to have a three year strategic plan in place by the end of 2007.

Financial Review

The Trustees are responsible for the contents of the accounts, which are prepared by the Archdiocese and audited by Chiene + Tait.

The accounts for the year ended 31 December 2006 are presented in accordance with the legislation governing the reporting of charities under the provisions of the Law Reform (Miscellaneous Provisions) Scotland Act 1990 and the Charities Accounts (Scotland) Regulations 1992 and comply in every material respect with the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (2005).

Financial

The Year of 2006 has been financially sound in that we can again report a surplus of £1,004,000 before unrealised gains and an exceptional item. The exceptional item consists of a non-recurring writedown in the value of the Archdiocesan heritable property amounting to £1,959,000. This reflects the results of a detailed valuation at 31 December 2006 by Ryden of all the Archdiocesan properties included in the balancesheet under the requirements of the relevant accounting regulations. It should also be noted that the balancesheet has been restated from 1 January 2005 to include additional bank accounts and investments funds amounting to £1,345,000 newly identified as assets under the control of the Archdiocese. The fall in charitable activities from 2005 to 2006 is principally as a result of lower property repair costs this year. As has been stated over the past number of years, the numbers of lay people employed by the Archdiocese has steadily increased with the resultant increase in costs. Over the next few years, there will be a substantial capital commitment required to maintain our buildings. This will involve a review of four investments, some of which may have to be realised to provide the funding.

We are however fortunate in our Archdiocese that a number of more affluent Parishes provide us with loans (often interest free) so we can finance these projects without resorting to outside borrowing. This allows us to support other Parishes with interest free loans thus eliminating interest costs. To the Parishes who give us these funds, we are deeply indebted and extremely grateful.

The stock market in 2006 performed well and this has increased the value of our portfolios as can be seen later in the report. We must not, however, assume that this will continue given the volatile state of the world economy.

The Trustees believe that the funds held are in the appropriate form to enable each fund to be applied in accordance with any restrictions imposed.

TRUSTEES REPORT 2006

Developments

A number of developments were started in 2006 and will continue into 2007. It has become increasingly apparent that a number of capital projects, which are in the pipeline, may have to be reviewed as some of our churches and presbyteries will require major maintenance.

Rosewell – Major repairs to the fabric of the church, presbytery and hall commenced in 2006 and should be completed in 2007. As these are listed buildings, HS and HLF grants were received leaving a shortfall of £450,000 to be funded by the Archdiocese.

St Patrick's, Cowgate, Edinburgh – Subsequent to the year end a deal was concluded with the Chardon Hotel Group to build a hotel next to the church on the site of the old bowling green. A capital sum of £900,000 and an annual rent was received in exchange for a long term lease of the site. This capital sum together with grants of approx. £500,000 will help to fund most of the major restoration work to the church and presbytery; and the building of a parish hall. The total cost of the project is £2.0 million thus leaving a shortfall of £600,000. The Archdiocese will fund this shortfall but the parish have already set in process a major fundraising campaign to pay off the debt.

Falkirk St Francis Xavier – An extension to the parish hall has been approved by the Trustees at a cost of £550,000.

Investments – Performance

We are pleased to report that the return in the Stock Market achieved last year has continued into 2006 and has enabled us to increase our portfolio valuation. Equity investment may be subject to uncertainty and volatility as investors vacillate between fears about liquidity flows and economic cycles; and the well-timed holding of bonds may serve to diversify risk and indemnify investors against the dangers of weakening economies. The short-term uncertainties of stock market investments should be acknowledged, but equities remain the long-term champions of real growth in income and capital.

Market Value	FTSE All Share Index	Bell Lawrie White	Newton Management	Shares held separately
At Dec 06	3221.42	£2,256,896	£3,609,266	£659,198
At Dec 05	2847.02	£1,941,624	£3,285,722	£578,254
Percentage change in year	13.15	16.24	9.85	14.00

Although our portfolio with Newton Management underperformed, Bell Lawrie White's portfolio compensated for this. So overall we have achieved a very good growth, which slightly outperformed the FTSE All Share Index.

Reserves

It is Archdiocesan policy to increase our Unrestricted Funds in order to provide support to the parishes and the administration of the Archdiocese. As with previous years, it is essential that provision is made for the future as the current level of income may not be sustainable. Our Restricted and Endowment Funds given for specific purposes are detailed in notes 17, 18, 19 and 20 to the accounts.

Investments – Policy

The Trustees have the 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 Roman Catholic Church.

Grant Making

It is Archdiocesan policy to award grants to all retiring Archdiocesan clergy in addition to a monthly retirement allowance.

Grants may be made to any parish, which requires financial support, after a review by the relevant committees.

Other grants are made to groups and individuals in order to further the charitable objectives of the Archdiocese, and are approved by the Trustees.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

TRUSTEES REPORT 2006

Financial Review (cont'd)

Parish Accounts

The Parish Accounts have been included in the Archdiocesan accounts to reflect the overall financial position of the Archdiocese, as requested by charity accounting legislation.

Risk Assessment

The Trustees have assessed the major risks to which the charity is exposed and systems have been established to mitigate them:

Financial

The Roman Catholic Church being a charitable institution is totally reliant on the generosity of its members. As in previous recent years, the problem of falling Mass attendance seriously diminishes the level of income, which we can hope to attain. The reduction in the numbers of clergy means that the utilisation of the laity at both parish and diocesan level will be an additional cost burden. The continuing escalation of costs to maintain and repair our church properties is an ongoing expense, which in many cases has to be borne by the Archdiocese.

In 2006 due to a lack of financial prudence in some Parishes, we have had to liquidate some of our reserves. As previously mentioned, this has reduced our income. This has shown the need for stricter expenditure and budgetary control to ensure that the Archdiocese does not find itself in severe financial difficulties in the future.

This lack of financial prudence has prompted the need for the production of a capital budget to cover the whole Archdiocese. The strain on our financial resources has become so great that, if we do not exercise strict budgetary and financial controls, there will be insufficient funds to meet our commitments. This budget will be strictly controlled and closely monitored by the Trustees.

As previously indicated in the report the Trustees will continue to monitor the investments and if necessary move funds around to obtain the best financial return with the minimum possible risk.

Health & Safety

As indicated in previous reports the legislation, which is applicable to all organisations, is currently being imposed on the Archdiocese. The Health and Safety legislation, which will become obligatory for all parishes and organisations, will involve additional expenditure to ensure compliance. The Archdiocese continues to monitor and review this policy in the light of new legislation.

Child Protection & Vulnerable Adult Policy

The Archdiocese, in conjunction with the other Scottish Dioceses, complies with the policy formulated by the Episcopal Conference of Scotland and the Scottish Executive. This sets out the guidelines for all organisations and individual volunteers throughout Scotland. It is stressed that this must be complied with rigidly as any failure to comply with the standards could cause irreparable damage to any individual, the diocese and the church as a whole.

Strategic Plan

As already mentioned earlier in the report, the Cardinal and his advisors are consulting with the Archdiocesan flock to form a strategic plan to address the major problem of falling numbers of clergy. It is envisaged that this will be in place at the end of 2007.

Future Plans

Pastoral

Following the Archdiocesan programme "Together in Hope", a further consultation exercise was undertaken with the help of an external consultant with the process being re-branded as "Now is the favourable time". This has led to a full review of the way the Archdiocese is structured with regard to the Deaneries and the work of the agencies. A co-ordination of these areas is preparing the way ahead when there will be a smaller number of ordained clergy and utilising of the lay faithful for greater involvement in the pastoral work of the Archdiocese.

TRUSTEES REPORT 2006

Future Plans (cont'd)

Financial

The Trustees and their advisors will continue to monitor the financial position of the Archdiocese to ensure that funds are available to meet their commitments. As indicated in the accounts, the Archdiocese has a large capital commitment of over the next few years. It is proposed that a temporary moratorium will be introduced on all expenditure except essential maintenance until the financial position is more stable.

The requirements of OSCR (Office of Scottish Charity Regulator) and the SORP 2005 (Statement of Recommended Practice) will continue to be the basis for the financial controls within the Archdiocese. This will entail further administrative information requirements from the Parishes. We must ensure that there is Archdiocesan support for the Parish Priests in order to achieve this.

In conclusion, the Trustees wish to thank all the Archdiocesan personnel both clergy and lay for their hard work in 2006. A special word of thanks is given to the many volunteers throughout the Archdiocese for their continued lay ministry. Without this ministry of the laity the Archdiocese would not function and it is hoped that it will continue to become even stronger in the future.

Statement of Trustees Financial Responsibilities

Law applicable to Charities in Scotland requires the trustees to prepare financial statements for each financial year which gives a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing the financial statements the trustees should follow best practice and:

- o Select suitable accounting policies and apply them consistently;
- o Make judgements and estimates that are reasonable and prudent;
- o State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- o Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any position the financial position of the Charity and enable them to ensure that the financial statements, which they are responsible for preparing, comply with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and the Charity Accounts (Scotland) Regulations 1992 and the terms of the charity's Founding Deed. The applicable law also sets out the trustees' responsibilities for the preparation and content of the trustees Annual Report. In addition, the trustees are responsible for any other information published along with the trustees Annual Report and Financial Statements.

Trustees are also responsible for safeguarding the assets of the Charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

KEITH PATRICK O'BRIEN
Senior Trustee

31 October 2007



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS & EDINBURGH

We have audited the financial statements of the Roman Catholic Archdiocese of St Andrews & Edinburgh for the year ended 31 December 2006 set out on pages 8 to 23. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with paragraph 7 of the Charities Accounts (Scotland) Regulations 1992. 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.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charities Accounts (Scotland) Regulations 1992 and the terms of the charity's founding deed. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2006 and of its incoming resources and application of resources including, in its income and expenditure account, the surplus for the year then ended; and
- have been properly prepared in accordance with the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charities Accounts (Scotland) Regulations 1992 and the terms of the charity's founding deed.

CHIENE+TAIT
Chartered Accountants and Registered Auditors
61 Dublin Street
Edinburgh EH3 6NL

8 November 2007

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account)

For the year ended 31 December 2006

	Notes	Parishes			Curial				2006 Total Funds £'000	Restated 2005 Total Funds £000
		Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000		
INCOMING RESOURCES:										
Incoming Resources from Generated Funds										
Voluntary Income	2	5,119	218	5,337	189	231	-	420	5,757	5,925
Activities for generating Funds	3	634	-	634	-	2	6	8	642	540
Investment Income	4	152	-	152	368	148	100	616	768	663
Incoming resources from charitable activities	5	349	-	349	160	80	-	240	589	564
Other income - gains on disposal of fixed assets		34	-	34	-	-	-	-	34	47
TOTAL INCOMING RESOURCES		6,288	218	6,506	717	461	106	1,284	7,790	7,739
RESOURCES EXPENDED										
Cost of generating funds										
Cost of generating voluntary income		279	-	279	-	-	-	-	279	193
Investment manager's fees		-	-	-	16	-	6	22	22	23
Charitable activities	7,8	4,803	218	5,021	1,159	487	30	1,676	6,697	7,399
Governance costs	10	-	-	-	30	-	-	30	30	18
TOTAL RESOURCES EXPENDED		5,082	218	5,300	1,205	487	36	1,728	7,028	7,633
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		1,206	-	1,206	(488)	(26)	70	(444)	762	106
Gross transfers between funds	18,19	-	-	-	(78)	78	-	-	-	-
Parish Assessments and levies	18,19	(794)	-	(794)	485	309	-	794	-	-
NET INCOMING/ (OUTGOING) RESOURCES AFTER TRANSFERS		412	-	412	(81)	361	70	350	762	106
Realised gains on sale of investments and heritable property		202	-	202	39	-	1	40	242	909
NET (DEFICIT)/ SURPLUS FOR THE YEAR		614	-	614	(42)	361	71	390	1,004	1,015
Exceptional revaluation in fixed assets	12	(1,959)	-	(1,959)	-	-	-	-	(1,959)	
Unrealised gain on investments and investment properties	12,13 14	330	-	330	1,314	201	143	1,658	1,988	1,255
NET MOVEMENT ON FUNDS		(1,015)	-	(1,015)	1,272	562	214	2,048	1,033	2,270
Fund balances brought forward as previously stated		25,683	-	25,683	10,448	1,587	2,181	14,216	39,899	37,714
Prior year adjustment	1	125	-	125	-	1,305	-	1,305	1,430	1,345
Funds Brought Forward as restated	1	25,808	-	25,808	10,448	2,892	2,181	15,521	41,329	39,059
FUNDS CARRIED FORWARD	20	24,793	-	24,793	11,720	3,454	2,395	17,569	42,362	41,329

All of the Archdiocese activities are continuing. The notes on pages 11 to 23 form part of these accounts.

THEROMANCATHOLICARCHDIOCESEOFSTANDREWSANDEDINBURGH

BALANCESHEET

Asat31December200 6

	Notes	2006	Restated
		£'000	2005
		£'000	£'000
FixedAssets			
Tangible fixedassets	12	25,253	25,760
Investments	13	7,365	6,482
National Contingency Investmentfund	14	3,627	3,158
TotalFixedAssets		36,245	35,400
CurrentAssets			
Debtors	15	449	275
Cashatbankandinhand		8,388	7,872
TotalCurrentAssets		8,837	8,147
Liabilities			
Creditors: amountsduewithinoneyear	16	(2,720)	(2,218)
Netcurrent assets		6,117	5,929
NetAssets		42,362	41,329
The Funds oftheCharity :			
Curial Endowments	17	2,395	2,181
Curial Restrictedfunds	18	3,454	2,892
Curial Unrestrictedfu nds	19	11,720	10,448
ParishUnrestrictedfunds	19	24,793	25,808
TotalCharityFunds	20	42,362	41,329

ApprovedbytheTrusteeson 31October 2007

KeithPatrickO'Brien	Trustee
AlistairLawson	Trustee
PhilipJKerr	Trustee

The notes on pages 11 - 23 form part of these accounts

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS & EDINBURGH

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2006

	Note	2006 £'000	Restated 2005 £'000
Net cash inflow/(outflow) from operating activities	24	111	(411)
Returnsoninvestmentsandservicing offinance			
Interest and investment income received		768	663
Net cash inflow from returnson investmentsandservicingoffinanc e		768	663
Capitalexpenditureandfinancialinvestment			
Payments to acquire fixed assets		(790)	(1,507)
Payments to acquire investments		(2,059)	(2,142)
Receipts from the sale of fixed assets		227	788
Receipts from the sale of investments		1,676	1,476
Net cash outflow from capital expenditureandinvestments		(946)	(1,385)
Cash outflow before financing		(67)	(1,133)
Financing			
Loans received in the year		290	175
Increase/(decrease) in cash in the year	25,26	223	(958)

The notes on pages 11 - 23 form part of these accounts

NOTES TO THE ACCOUNTS

For the year ended 31 December 2006

1 Accounting Policies

The Roman Catholic Archdiocese of St Andrews and Edinburgh is recognised as a designated religious body under Section 3 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 and fully complies with this designation.

Basis of preparation

The Trust is recognised as a Scottish Charity (No. SC008664) under Part I of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990. The accounts are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, on an accruals basis and comply in every material respect with the Statement of Recommended Practice - Accounting and Reporting by Charities (2005) and the Charities Accounts (Scotland) Regulations 1992. From the year ended 31 December 2005, parishes were considered to be part of the charity, and accordingly parish income, expenditure, assets and liabilities are reflected in the financial statements.

Prior year adjustment – restated funds

As a result of additional information being provided to the trustees in the course of the year ended 31 December 2006, it was confirmed that additional restricted funds held in bank accounts and investment portfolios were controlled and beneficially owned by the Archdiocese. The principal effect of the adjustment has been to increase unrestricted and restricted funds at 31 December 2006 by £1,345,000. The comparative figures for the year ended 31 December 2005 in these accounts have therefore been restated accordingly. The effect on the income and expenditure for the year ended 31 December 2005 has been to increase incoming resources by £42,000, increase resources expended by £99,000, and to increase unrealised gains by £142,000. The net assets figure previously stated at 31 December 2005 has increased by £1,430,000.

Offerory and Special Collections Income

Offerory and Special Collections Income is credited to the Income and Expenditure Account in the year in which it is receivable.

Donations and Legacies

Legacies are credited to the Income and Expenditure Account in the year in which they are receivable.

Grants

Grants are credited to the Income and Expenditure Account in the year in which they are receivable.

Income from Investments

Dividends and interest are credited to the Income and Expenditure Account in the year in which they are receivable.

Resources expended

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those associated with generating incoming resources and charitable activities; costs are those expended on meeting the Archdiocese's objectives.
- Charitable activities include expenditure associated with meeting the Archdiocese's primary objectives and include both the direct costs and the support costs relating to these activities.
- Governance costs are those of a constitutional, strategic, or statutory nature with respect to the general running of the Archdiocese, rather than day-to-day management.
- 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.

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

1 Accounting Policies (cont'd)

Tangible Fixed Assets

All fixed assets, other than investment properties, are included in the accounts at their historical cost less estimation of their value in use, less depreciation which is provided 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.

Depreciation

Heritable properties: -

Financial Reporting Standard (FRS) 15 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 heritable depreciation charge is therefore zero and no charge has therefore 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 under FRS 15 is not less than the carrying value in the financial statements.

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

Furnishings and equipment	-	25% per annum on a straightline basis
Motor Vehicles	-	25% per annum on a straightline basis

These rates are calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life.

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

Investment Properties

Investment properties are included in the balance sheet at open market value. In accordance with SSAP 19, depreciation is not provided on investment properties that are held as freehold investment properties. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot reasonably be separately identified or quantified.

Investments

In order to comply with the Statement of Recommended Practice investments are included in the Balance Sheet at market value at the year end, the unrealised gain or loss for the year being applied to the relevant fund. Gains or losses arising on the realisation of investments are applied to the income and expenditure account in the year in which the investments are realised.

Pensions

The Archdiocese operates three defined contribution pension schemes. Contributions to the schemes are charged to the income and expenditure account. In addition, the Archdiocese accepts the responsibility to assist retired priests where possible under obligations arising from Canon Law. In accordance with this responsibility the Archdiocese provides accommodation and gratuities where appropriate. Amounts paid in respect of these obligations are financed by special collections and the Archdiocesan reserves, but are ultimately unfunded. Further details are included in notes 21 and 27 to the financial statements.

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2006

1 Accounting Policies (cont'd)

Fund Accounting

The nature and purpose of each restricted fund is explained in note 20.

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 purposes and which form the restricted funds of the Archdiocese. 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 Trust, and must be spent in accordance with the terms of the endowment.

2 Voluntary income

Restated

2006 **2005**
£'000 £'000

Donations	425	498
Legacies	310	167
Special collections income	487	676
Offertory collections and gift aid	3,895	3,921
Miscellaneous collections and donations	266	295
Grants received	374	368
	-----	-----
	5,757	5,925
	=====	=====

3 Activities for generating funds

2006 **2005**
£'000 £'000

AICF property income	2	-
Fundraising and parish hall and other property income	640	540
	-----	-----
	642	540
	=====	=====

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

4 Investment Income

Restated

2006 2005
£'000 £'000

Income from listed investments	263	1 40
Bank interest receivable	64	41
Other interest receivable	88	57
National Contingency Investment Fund income	66	55
Rental income from investment properties	287	370
	-----	-----
	768	663
	=====	=====

5 Incoming resources from charitable activities

2006 2005
£'000 £'000

Gillis Centre income	160	121
Mount Vernon cemetery income	80	80
Church stall	303	318
Chaplaincy income	46	45
	-----	-----
	589	564
	=====	=====

6 Staff Costs

2006 2005
£'000 £'000

Diocese		
Wages and salaries	364	363
Social security costs	29	28
Pension costs	18	10
	-----	-----
	411	401
Wages and salaries – parishes	589	488
	-----	-----
	1,000	889
	=====	=====

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

No No

The average monthly number of employees during the year was	48	44
	=====	=====

The above numbers include laymen and women and religious sisters who were employed on a full-time basis. Priests who perform administrative duties for the Archdiocese do not receive remuneration for their services.

Two Trustees in respect of their work as Parish Priests have received remuneration from the Archdiocese during the year. The Archbishop in respect of his work as Archbishop of the Archdiocese has received remuneration from the Archdiocese during the year. During the year no expenses were reimbursed to the Trustees incurred in attending Trustees' meetings. The Archdiocese has 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.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

7 Parish charitable expenses

Restated

2006 2005
£'000 £'000

Direct charitable activities

Special collections remitted	218	350
Travel and car expenses	188	194
Repairs and renovations	1,243	1,537
Church costs	994	1,156
Hall costs	210	360
Priests' house costs	983	1,053
Staff salaries and national insurance	589	488
	-----	-----
	4,425	5,138
	-----	-----

Support costs of charitable activities

Depreciation	90	92
Retreats and courses	133	142
Insurance	36	34
Professional and legal fees	53	96
Office and stationery	201	190
Interest payable	30	8
Miscellaneous	53	122
	-----	-----
	596	684
	-----	-----
	5,021	5,822
	=====	=====

8 Diocesan charitable activities

Direct charitable activities

Staff salaries and national insurance	84	78
Education of priests and students	124	58
Grants paid (note 11)	62	8
Endowment fund expenditure	30	-
Special collections	110	281
Mount Vernon cemetery costs	13	41

Support costs of charitable activities

Curial administration expenses	247	205
Curial property expenses	317	174
Care of sick and retired priests	115	146
Religious education and chaplaincies	179	220
Contribution to national assessments	115	115
Staff salaries and national insurance	280	251
	-----	-----
	1,676	1,577
	=====	=====

Total of notes 7 and 8

6,697 7,399
=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

9 Charitable activities	2006	2005
	<i>£'000</i>	<i>£'000</i>
Advancement of Religion (40%)	2,679	2,959
Advancement of Education (35%)	2,344	2,590
Relief of Poverty (15%)	1,004	1,110
Cure/alleviation of sickness /disease (10%)	670	740
	<u>6,697</u>	<u>7,399</u>

Charitable activities include the direct costs of carrying out the charitable activities, along with the support costs. The support costs have been apportioned between the main charitable activities on the basis of time spent on each activity. All costs connected with charitable activities have been allocated to the four principal charitable objectives based on percentages determined by the trustees. These percentages are reviewed for reasonableness by the trustees on an annual basis.

10 Governance costs	2006	2005
	<i>£'000</i>	<i>£'000</i>
Auditors' remuneration in respect of audit services	30	18
	<u>30</u>	<u>18</u>

The remuneration paid to the auditors in respect of other professional services amounted to £ 22,250 (2005: £8,095).

11 Grants Paid	2006	2005
	<i>£'000</i>	<i>£'000</i>
The amounts payable in the year, which are included within charitable activities, comprise:		
Grantsto institutions		
To fund the running of parishes	2	-
Marriage and family	37	-
Other institutional grants	9	8
	<u>48</u>	<u>8</u>
Grantsto individuals		
Clergy – Ecclesiastical education	12	-
Students - Ecclesiastical education	2	-
	<u>14</u>	<u>-</u>
	<u>62</u>	<u>8</u>

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

12 Tangible Fixed Assets	Investment Properties £'000	Heritable Properties £'000	Furnishings and Equipment £'000	Motor Vehicle £'000	Total £'000
Asset cost, valuation or revalued amount					
Balance brought forward	5,090	19,899	782	205	25,976
Reclassification	(81)	81	-	-	-
Additions	23	(54)	673	149	791
Disposals	-	(112)	(51)	(41)	(204)
Revaluation	1,080	(1,959)	-	-	(879)
Costs written off	-	(165)	-	-	(165)
Balance carried forward	6,112	17,690	1,404	313	25,519
Depreciation					
Balance brought forward	-	-	151	65	216
Charge for the year	-	-	36	77	113
Disposal	-	-	(51)	(12)	(63)
Balance carried forward	-	-	136	130	266
Net Book Value					
As at 31 December 2006	6,112	17,690	1,268	183	25,253
As at 31 December 2005	5,090	19,899	631	140	25,760

Investment properties have been independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2006 on the basis of open market value. The historic cost of the investment properties is £933,397.

The Archdiocese owns St Mary's Cathedral together with a large number of properties throughout the 106 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 non-adjoined property portfolio was independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2006 on the basis of open market value on the existing use basis. This resulted in a net exceptional write down in the value of heritable properties amounting to £1,959,000.

Following a review of the nature and use of investment properties, £81,000 was reclassified from heritable properties to investment properties during the year.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

	2006	Restated 2005
	£'000	£'000
13 Investments		
Market value at beginning of year	6,482	4,884
Additions	1,955	2,280
Disposals	(1,636)	(1,308)
Unrealised gain	564	626
	<u>7,365</u>	<u>6,482</u>
Market value at end of year	<u>7,365</u>	<u>6,482</u>
Cost at 31 December 2006	<u>5,978</u>	<u>5,614</u>

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

Investments at market value comprised: -

Investments held in the UK	6,605	5,679
Investments held outwith the UK	760	803
	<u>7,365</u>	<u>6,482</u>

Investments include the following investments which are greater than 5% of the portfolio valuation.

	£'000
HBOS ordinary shares	<u>659</u>

14 National Contingency Investment Fund

This fund is administered by the Dioceses of Scotland. Each Diocese's annual contribution increases in line with the rate of inflation. Thirteen annual contributions have been paid to date. This investment, which is repayable on demand, was set up to provide funds which would be available to meet future Diocesan needs. These figures relate to the Archdiocesan Contribution.

	2006	2005
	£'000	£'000
Market value at 1 January 2006	3,158	2,404
Additions	125	125
Unrealised gain	344	629
	<u>3,627</u>	<u>3,158</u>
Market value at 31 December 2006	<u>3,627</u>	<u>3,158</u>
Cost at 31 December 2006	<u>1,741</u>	<u>1,616</u>

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

15 Debtors	Restated	
	2006 £'000	2005 £'000
Other debtors	449	275
	<u>449</u>	<u>275</u>

16 Creditors: amounts due within one year	Restated	
	2006 £'000	2005 £'000
Bank overdraft	1,649	1,356
Accruals	162	160
Other creditors	909	702
	<u>2,720</u>	<u>2,218</u>

Included with other creditors is a loan from a third party for £550,000 (2005: £260,000). Interest is payable on this loan at base plus 1%. There are no set terms for repayment and the loan is repayable on demand. This loan was repaid in full subsequent to the year end.

17 Curial Endowments	Restated Balance at 1 January 2006			Realised and Unrealised Transfers Between Funds and Unrealised gains on Investments		Balance at 31 December 2006
	Incoming Resources £'000	Outgoing Resources £'000	Outgoing Resources £'000	Transfers Between Funds £'000	Unrealised gains on Investments £'000	
Funds for special purposes	2,181	106	(36)	-	144	2,395
	<u>2,181</u>	<u>106</u>	<u>(36)</u>	<u>-</u>	<u>144</u>	<u>2,395</u>

18 Curial Restricted Funds

	Restated Balance at 1 January 2006	Incoming Resources	Outgoing Resources	Realised and Unrealised Transfers Between Funds	Unrealised gains on Investments	Balance at 31 December 2006
	£'000	£'000	£'000	£'000	£'000	£'000
Special Collections	230	-	(159)	238	-	309
Ecclesiastical Education Fund	(28)	-	(80)	108	-	-
Aged and Infirm Clergy Fund	1,320	228	(175)	66	95	1,534
Rev JC Barry Trust	17	-	-	-	-	17
Taggart Bursary	24	42	-	-	-	66
Cathedralicum	25	-	-	(25)	-	-
Mount Vernon	550	119	(68)	-	25	626
Vocations	-	61	(1)	-	-	60
SPRED	-	11	-	-	-	11
Mission Fund	733	-	-	-	81	814
Sick Priests' Fund	21	-	(4)	-	-	17
	<u>2,892</u>	<u>461</u>	<u>(487)</u>	<u>387</u>	<u>201</u>	<u>3,454</u>

ROMANCATHOLICARCHDIOCESEOFSTANDREWSANDEDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2006

19 Unrestricted Funds	Restated			Transfers Between Funds £'000	Impairment/ Realised Gains £'000	Unrealised Gains £'000	Asat 31 Dec 2006 £'000	
	Asat 1 Jan 2006 £'000	Incoming Resources £'000	Outgoing Resources £'000					
Designated Funds: -								
Development Fund	137	-	-	-	-	-	137	
Priestson Foreign Missions	25	5	(3)	-	-	-	27	
Parish Support Fund	15	-	(2)	-	-	-	13	
Adult Lay Formation Fund	180	-	-	-	-	-	180	
Gainson sale of property	333	-	-	-	39	-	372	
National Contingency Investment Fund	3,158	-	-	125	-	344	3,627	
	<u>3,848</u>	<u>5</u>	<u>(5)</u>	<u>125</u>	<u>39</u>	<u>344</u>	<u>4,356</u>	
Other Unrestricted Funds:								
Curial Central Fund	4,073	712	(1,200)	282	-	220	4,087	
Revaluation Fund	2,527	-	-	-	-	750	3,277	
	<u>10,448</u>	<u>717</u>	<u>(1,205)</u>	<u>407</u>	<u>39</u>	<u>1,314</u>	<u>11,720</u>	
Parish unrestricted fund	<u>25,808</u>	<u>6,288</u>	<u>(5,082)</u>	<u>(794)</u>	<u>(1,757)</u>	<u>330</u>	<u>24,793</u>	
20 Analysis of Net Assets between Funds								
				Tangible Fixed Assets £'000	Invest- ments £'000	National Contingency Investment Funds £'000	Net Current Assets/ (Liabilities) £'000	Total £'000
Endowments:-								
Funds for Special Purposes				-	1,215	-	1,180	2,395
Restricted Funds:								
Special collections				-	-	-	309	309
Aged and Infirm Clergy Fund				-	496	-	1,038	1,534
Rev. JCB Barry Trust				-	-	-	17	17
Taggart Bursary				-	-	-	66	66
Mount Vernon				-	408	-	218	626
Vocations				-	-	-	60	60
SPRED				-	-	-	11	11
Mission Fund				-	659	-	155	814
Sick Priest's Fund				-	-	-	17	17
				<u>-</u>	<u>1,563</u>	<u>-</u>	<u>1,891</u>	<u>3,454</u>
Unrestricted Funds:								
Designated Funds:								
Development Fund				-	-	-	137	137
Priestson Foreign Missions Fund				-	-	-	27	27
Parish Support Fund				-	-	-	13	13
Adult Lay Formation Fund				-	-	-	180	180
Gainson sale of Heritable Property				-	-	-	372	372
National Contingency Investment Fund				-	-	3,627	-	3,627
				<u>-</u>	<u>-</u>	<u>3,627</u>	<u>729</u>	<u>4,356</u>
Other Unrestricted Funds: Curial Central Fund				4,093	4,534	-	(4,540)	4,087
Revaluation Fund				3,277	-	-	-	3,277
				<u>7,370</u>	<u>4,534</u>	<u>3,627</u>	<u>(3,811)</u>	<u>11,720</u>
Total curial unrestricted funds				<u>17,883</u>	<u>53</u>	<u>-</u>	<u>6,857</u>	<u>24,793</u>
Total parish unrestricted funds				<u>25,253</u>	<u>7,365</u>	<u>3,627</u>	<u>6,117</u>	<u>42,362</u>

NOTES TO THE ACCOUNTS (cont'd)

For the year ended 31 December 2006

20 Analysis of Net Assets between Funds (cont'd)

Endowment Funds

- 1 Funds for Special Purposes
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

- 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 Ecclesiastical Education Fund
This fund relates to the training of students for the priesthood.
- 4 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.
- 5 Rev JC Barry Trust
This fund is to be used to send Edinburgh students to the Holy Land, preferably to study on a recognised course.
- 6 Taggart Bursary
This fund is to be used for four Edinburgh students in Rome or Spain to study at the Scots College.
- 7 Cathedraicum
This fund helps to meet the costs of the Cardinal's office.
- 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
This fund is to be used to provide assistance to learning disabled people to take their rightful place in the parish community.
- 11 Mission Fund
This fund is to be used to meet expenses incurred in connection with foreign missions undertaken by the Archdiocese.
- 12 Sick Priests Fund
This fund is to be used for the care of sick priests.

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2006

20 Analysis of Net Assets between Funds (cont'd)

Designated Funds

13 Development Fund

This fund is for future capital projects of the Archdiocese.

14 Priestson Foreign Missions Fund

These funds represent amounts set aside by the Trustees for expenditure on priestson foreign missions .

15 Parish Support Fund

This fund represents amounts set aside by the Trustees for administrative assistant for parishes .

16 Gainson Sale of Heritable Properties

This fund represents the accumulated net gains realised on the disposal of property.

17 National Contingency Investment Fund

This fund represents the market value of investments, purchased with annual sums set aside from income, to provide the Archdiocese with a reserve fund which could be readily utilised at the Trustees' discretion. Interest generated is allocated to the Aged and Infirm Clergy Fund.

21 Pension commitments

The Archdiocese operates three defined contribution pensions schemes. 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 £ 17,757 the year (2005: £10,000).

22 Capital commitments

	2006	2005
	£'000	£'000
Amount contracted for but not provided in the accounts	1,700	-
Amount authorised but not contracted for	-	2,400
	<u>1,700</u>	<u>2,400</u>

ROMANCATHOLICARCHDIOCESEOFSTANDREWSANDEDINBURGH

NOTES to the ACCOUNTS (cont'd)

For the year ended 31 December 2006

23 Postbalancesheet event

Also in March 2007, £900k was received for the sale of land on long leasehold at St Patrick's, Cowgate, to a hotel development company.

24 Reconciliation of net income minus resources before unrecognised gains and exceptional items to net cash outflow from operating activities

	Restated	
	2006	2005
	<i>£'000</i>	<i>£'000</i>
Net surplus for the year	1,004	1,015
Interest and investment income	(768)	(663)
Depreciation	113	92
Additional fixed asset costs written off	165	-
Gain on disposals of investments and heritable property	(242)	(909)
Gain on disposal of other fixed assets	(34)	(47)
(Increase)/decrease in debtors	(46)	55
(Decrease)/increase in creditors	(81)	46
	<u>111</u>	<u>(411)</u>

25 Reconciliation of net cash inflow to movement in funds

	2006	2005
	<i>£'000</i>	<i>£'000</i>
Increase/(Decrease) in cash in the year	223	(958)
New loans	(290)	(175)
	<u>(67)</u>	<u>(1,133)</u>
Change in funds		
Net funds at beginning of year	6,256	7,389
	<u>6,189</u>	<u>6,256</u>

26 Analysis of changes in funds

	Restated		At
	At		31 Dec
	1 January	Cash	2006
	2006	flows	2006
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cash at bank and in hand	7,872	516	8,388
Bank overdraft	(1,356)	(293)	(1,649)
	<u>6,516</u>	<u>223</u>	<u>6,739</u>
Loan	(260)	(290)	(550)
	<u>6,256</u>	<u>(67)</u>	<u>6,189</u>

27 Contingent liability

In accordance with its responsibilities under Canon Law the Diocese provides accommodation and gratuities where appropriate to former priests of the Parish. Due to annual variations in the numbers of parish priests qualifying for assistance, together with a variable age of retirement, it is not possible to assess and quantify reliably future commitments to this expenditure, and accordingly no provision has been made in these financial statements.

Appendix 1

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 December 2006

	Total 2006 £'000	Restated Total 2005 £'000
Income		
Investment income	768	663
Gillis and AICFP property income	162	121
Special collections income	487	676
Legacies	310	167
Donations	425	498
Offer tory collections and gift aid	3,895	3,921
Fundraising and hall rental	640	540
Church stall	303	318
Grants received	374	368
Miscellaneous	266	295
Mount Vernon funeral income	80	80
Chaplaincy income	46	45
Realised gains on sale of motor vehicles	34	47
Total income	7,790	7,739
Expenditure		
<u>Direct charitable expenditure :</u>		
Staff costs	673	566
Special collection expenditure	328	631
Education of priests and students	124	58
Grants paid	62	8
Endowment fund expenditure	30	-
Mount Vernon cemetery costs	13	41
Property expenses	3,430	4,106
Travel and car expenses	188	194
<u>Support costs of charitable activities:</u>		
Staff costs	280	251
Care of sick and retired priests	115	146
Religious education, chaplaincies and pastoral activities	179	220
Contributions to national assessments	115	115
Miscellaneous	53	122
Administration expenses	760	759
Property expenses	317	174
Interest payable	30	8
<u>Costs of generating funds</u>		
Investment managers' fees	22	23
Fundraising and church stall costs	279	193
<u>Governance costs</u>	30	18
Total expenditure	7,028	7,633
Net incoming resources for the year	762	106
Realised gains on sale of investments and heritable property	242	909
Net surplus for the year	1,004	1,015